

 City of Ryde

Affordable Housing Policy

2016 - 2031



A plan to deliver key worker
housing to City of Ryde

Contents

1.0	Executive Summary.....	3
2.0	Purpose of the Policy.....	4
3.0	Guiding Principles.....	4
4.0	Glossary.....	4
5.0	Background Information.....	9
5.1	Council Resolutions.....	9
6.0	What the Community is Telling Us.....	9
6.1	The Ryde Housing Affordability Summit 2014.....	9
6.2	Arresting Vulnerability Report – Summary.....	10
7.0	Housing Need & Housing Stress.....	11
7.1	Housing Stress.....	11
7.2	Housing Stress among Renters.....	12
7.3	Housing Stress among Purchasers.....	12
7.4	Key Worker Affordability Case Studies.....	13
7.5	Demographics.....	14
7.6	Location and Nature of the Need.....	19
8.0	Housing Supply.....	19
8.1	Market.....	19
8.2	Need for Intervention.....	25
8.3	Outcomes of the Affordable Housing Rental SEPP 2009.....	26
9.0	The Role of Local Government.....	26
9.1	Advocacy.....	27
9.2	Facilitation.....	27
9.3	Provision.....	27
9.4	Mechanisms for the Delivery of Affordable Housing.....	27
9.5	Summary of Mechanisms to Deliver Affordable Housing.....	29
9.6	Strategies to Create Affordable Housing.....	29
10.0	Strategic Planning Context.....	31
10.1	Funding and Policy Environment.....	31
10.2	EP&A Act and SEPPs.....	32
10.3	Relevant Council Plans & Reports.....	33
11.0	Affordable Housing Target.....	34
11.1	Forecast Key Worker Housing Needs.....	34
11.2	Current Levels of Social and Affordable Housing.....	34
11.3	Housing Growth Projections.....	35
11.4	Affordable Housing Targets for Ryde LGA.....	35
11.5	State Government Contribution to Affordable Housing.....	35
11.6	Local Council Contribution to Affordable Housing.....	36
11.7	Summary of Affordable Housing Targets.....	36
12.0	Key Worker Housing.....	37
12.1	Need for Key Workers.....	37
12.2	Criteria for Key Workers Accessing Affordable Housing.....	37
12.3	Affordable Housing Rents.....	37
13.0	Management of Affordable Housing.....	38
14.0	Vision, Goals & Objectives.....	39
15.0	Key Performance Indicators.....	40
16.0	Programs and Projects.....	41
17.0	Implementation Plan.....	43
18.0	Monitoring the Policy.....	46
19.0	References.....	46
20.0	Contact Details.....	47

1.0 Executive Summary

There is a significant lack of affordable housing in Ryde and in Greater Sydney. This shortfall has reached crisis levels and is having a significant negative impact on communities and the local economy through the loss of key workers. It is estimated that by 2031 Ryde Local Government Area (**Ryde LGA**) will be in need of 10,700 affordable housing dwellings for key workers.

In order to find accommodation that is affordable, people are moving further and further away from employment centres. It is now commonplace for key workers (e.g. police, teachers, nurses etc.) in Ryde LGA to drive down from the Central Coast (100km) each day for work. This situation isn't sustainable in the longer term.

There has been strong interest and support from the local community to see Council demonstrate leadership on this important issue. On 18th November 2014 Council organised the inaugural *Ryde Housing Affordability Summit* with approximately 100 people in attendance. Results from the summit indicate that no one expects Council to solve the problem alone, rather they want Council to work in partnership with the NSW Government and not-for-profit organisations.

Affordable housing is complicated with many stakeholders involved. It is a problem that took decades to create and is not going to be solved overnight. The intention is for the Affordable Housing Policy to provide a positive framework whereby increased affordable housing can be gradually be introduced to the housing market over the coming years. The Policy contains the following elements:

Vision

"By 2031, the City of Ryde is a leading council in Sydney in the provision of affordable housing. An increasing number of key workers in our local economy can afford to live locally too."

Goals

1. 5.0% of all new dwellings in Ryde LGA will be affordable housing for key worker households on very low to moderate incomes.
2. A framework to deliver affordable housing outcomes that is clear and transparent.
3. City of Ryde works in partnership with the NSW Government, Community Housing Providers and other relevant stakeholders to achieve affordable housing outcomes.

Objectives by 2031

1. NSW State Government will deliver 400 new affordable housing dwellings through developments on government-owned land and the development approval process.
2. Council will have facilitated the delivery of an additional 200 affordable housing dwellings through the development process.
3. An internal review will be conducted of Council's planning and development assessment processes to ensure there are no unnecessary barriers to housing supply, housing diversity or affordable housing.
4. There will be amendments to Ryde LGA's planning controls to include affordable housing objectives and submitted to the NSW Department of Planning and Environment for approval.
5. The Affordable Housing Policy will be adopted, implemented, monitored, evaluated and amended (if necessary) by Council.
6. Council is in regular communication with government agencies, Community Housing Providers, community groups and other local councils to progress the issue of affordable housing.
7. A Memorandum of Understanding will be signed between Council and a registered Community Housing Provider to assist in managing, partnering and advocating for affordable housing in Ryde LGA.

To achieve these goals and objectives the Policy has nominated 31 projects grouped under 7 programs. These projects will be implemented and monitored throughout the life of the Policy.

Join us on the journey as we seek to create a more innovative, liveable and resilient community for the future.

2.0 Purpose of the Policy

The purpose of the City of Ryde DRAFT Affordable Housing Policy 2031 (**the Policy**) is to provide a comprehensive framework for the advocacy, facilitation, provision, and management of affordable housing in Ryde LGA.

One of the primary tasks of the Policy is to determine the current and future need of affordable housing. How much affordable housing do we need? Who is it for? Where should it be located? This is all determined by analysing the trends in the housing market, rates of housing stress, demographic profiling, incomes levels, local economic analysis, and forecast population growth. After considering the interplay between these myriad of factors, the need for affordable housing can then be articulated.

There are many different models for delivering affordable housing dwellings. And each model or mechanism has inherent strengths and weaknesses. Furthermore, certain models for delivering affordable housing may suit some housing markets (e.g. high value/high growth markets), and not others (e.g. low value/low growth). It is also critical to strike the right balance whereby appropriate levels of affordable housing are being created and protected, without placing an excessive impost on development.

The delivery and management of affordable housing requires the participation of many stakeholders. Who is going to build it? Who is going to live in it? Who is going to pay for it? Who is going to manage it? Some of the key stakeholders include (among others) State Government agencies, land owners and developers, community housing providers, various community groups and Council. The Policy is necessary to explain the roles and responsibilities of each stakeholder group.

Once the Policy is adopted it needs to be communicated, implemented and monitored. It is necessary to have the appropriate governance and reporting processes in place to make sure the plan is on track. It is also likely that a new Policy will require some amendments and adjustments as circumstances change. This can be undertaken during a periodic review of the policy.

3.0 Guiding Principles

There are seven guiding principles underlying the vision, goals, objectives and projects stated in this Policy. The Policy seeks to support a holistic framework for the creation and management of affordable housing. The guiding principles are as follows:

1. **INCREASE** the amount of affordable housing available in the City of Ryde to households with very low, low and moderate incomes;
2. **PROTECT** the existing stock of low cost rental accommodation in the City of Ryde;
3. **ENCOURAGE** a diverse range of housing in the City of Ryde;
4. **COLLABORATE** with other local councils and stakeholders in the region;
5. **ADVOCATE** the protection and facilitation of affordable housing to other levels of government and the community;
6. **SUPPORT** households in housing stress; and
7. **IMPLEMENT, EVALUATE and MONITOR** the Affordable Housing Policy.

4.0 Glossary

There are many misconceptions surrounding the topic of affordable housing. For example, many people confuse housing affordability with affordable housing. What is public housing? What is affordable housing? Who are key workers? These questions need to be clearly explained so the community and interested stakeholders understand. It is therefore necessary to define some of the most commonly used terms and frequently asked questions.

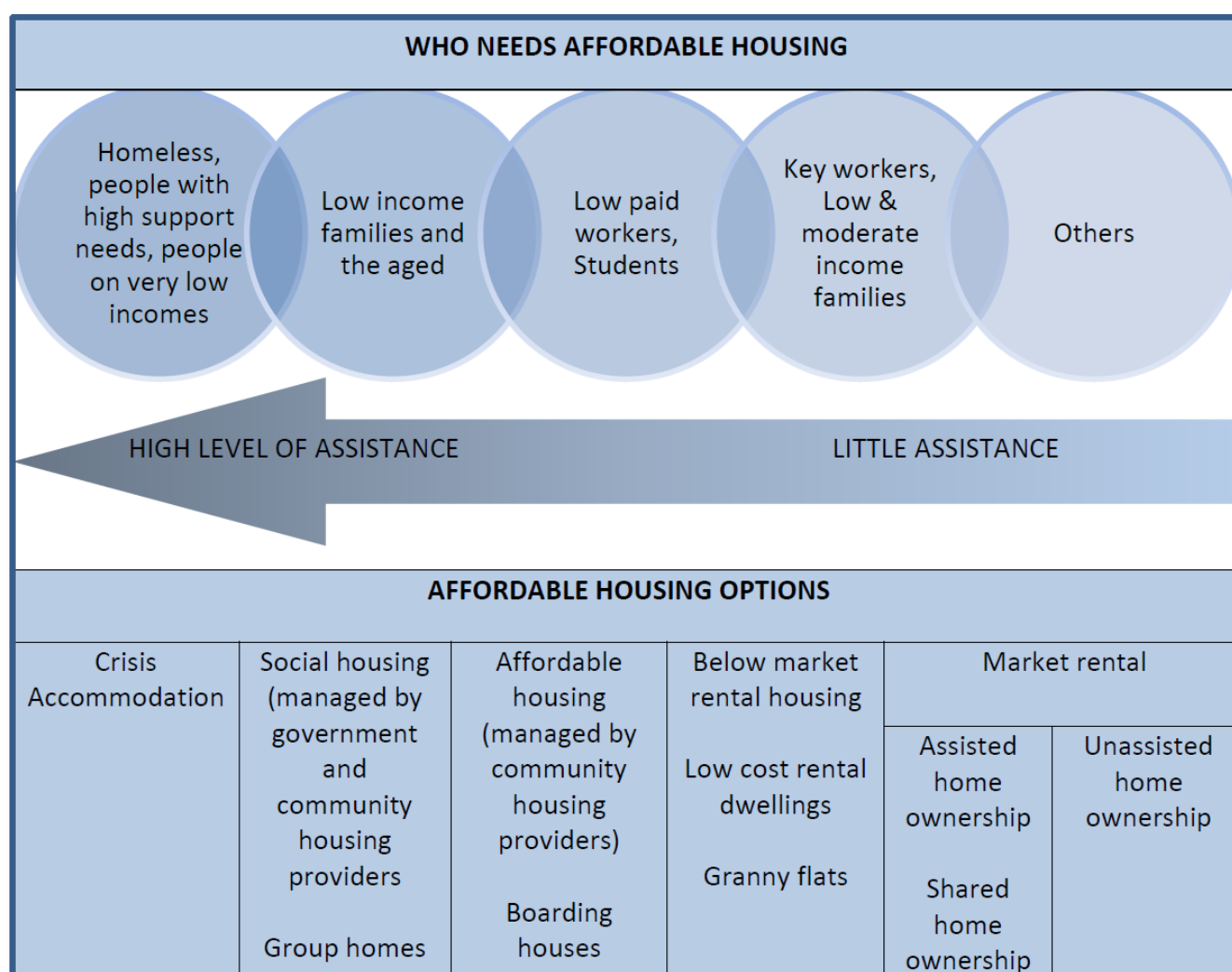
Q1. What are the different types of home ownership?

There are various types of housing for people in different situations. 'Crisis housing' is for emergency situations or homeless people. 'Boarding houses' are low cost forms of shared rental accommodation typically for individuals. 'General', 'social' or 'public housing' are all names given to government owned housing designated for households on very low incomes or income support. Affordable Housing is for very low to moderate income households.

The different types of housing ownership can include:

- a) Crisis Housing – for emergency situations or homeless people
- b) Boarding Houses – low cost forms of shared rental accommodation typically for individuals
- c) General/Social/Public Housing – are terms given to government-owned housing designated for households on very low incomes or income support
- d) Affordable Housing – for very low to moderate income households
- e) Supported Private Rental – renters receive some additional support from government or non-government organisations.
- f) Supported Home Ownership – government contributes to home ownership
- g) Private Rental – the private housing rental market
- h) (Private) Home Ownership – the normal private home ownership

The figure below illustrates the spectrum and relationships between the different types of housing across the income levels and associated levels of government support.



Source: Affordable Housing Taskforce: Interim Report March 2012

(Source: NSW Government Affordable Housing Taskforce: Interim Report March 2012)

Q2. What is affordable housing?

Affordable housing is housing that is appropriate for the needs of a range of very low, low and moderate income households and priced so that these households are also able to meet other basic living costs such as food, clothing, transport, medical care and education. As a rule of thumb, housing is usually considered affordable if it costs less than 30 percent of gross household income.

In this context, affordable housing refers to housing that has been developed with some assistance from the NSW and/or Commonwealth Governments, including through planning incentives. It may include a range of housing types and sizes, including single or multi-bedroom units or houses, as well as studio apartments. There are eligibility criteria to access affordable housing. Although affordable housing is sometimes available for purchase, it is most commonly available for rent.

Affordable housing is most often owned by the government or not-for-profit organisations but can also include private investors. It is typically managed by a registered Community Housing Provider (CHP).

Q3. What is the legal definition of affordable housing in NSW?

'Affordable housing' has a statutory definition under the *NSW Environmental Planning and Assessment Act 1979 (NSW) (EP&A Act)*, defined as "housing for very low, low or moderate income households". *SEPP 70* defines 'very low-income' households as those on less than 50% of median household income; 'low-income' households' as those on 50-80% of median household income, and 'moderate-income' households as those on 80-120% of median household income for Sydney Statistical District.

Q4. What is housing stress?

A household or an individual is said to be in "housing stress" when they are paying more than 30% of their gross household income on housing costs whether rental or mortgage payments. However, there is more concern for households in the bottom 40% of household incomes experiencing housing stress given their need to cover basic living costs (food, medical and transport) and their heightened risk of homelessness. Those paying more than 50% of gross income on housing are regarded as being in 'severe housing stress'.

Q5. Who are key workers?

Key workers are people within the local area who are paid 'very low', 'low' and 'moderate' income levels. When people use the term 'key workers' they are often referring to someone employed in essential frontline services such as (but not limited to) health care, education, child care, aged care, emergency services, community services, retail and hospitality. It is widely acknowledged that key workers are necessary for the normal functioning of a city and community.

There is no legal definition of the term "key workers" that has been adopted or recognized by NSW planning legislation. With respect to affordable housing and by implication key workers, NSW planning legislation is concerned with the levels of income (i.e. very low, low and moderate) rather than specific occupations (e.g. police officer) or industry sectors (e.g. education).

The term "**key worker**" will be used interchangeably to imply households on very low, low and moderate incomes living and/or working within Ryde LGA.

Q6. What is key worker housing?

There is no legal definition provided by the NSW Government for the term 'key worker housing' and likewise there is no State Environmental Planning Policy (SEPP) that specifically addresses key worker housing. The NSW Government and registered Community Housing Providers (CHPs) more commonly use the term 'affordable housing' rather than 'key worker housing'.

The main providers of explicit 'key worker housing' are Defence Housing Australia, teacher housing authorities and mining companies. And this housing is restricted to their employees only.

The Policy will use the terms 'key worker housing' and 'affordable housing' to mean essentially the same thing. Advice received by Council from CHPs is that the key worker criteria should be based on income rather than occupation. If the criteria is too prescriptive, (e.g. only policeman, teachers and nurses), it can become difficult to find tenants.

Q7. Who are 'very low', 'low' and 'moderate' income earners?

Affordable housing for key worker is related to households on 'very low', 'low' and 'moderate' incomes. Households on 'very low income' are those earning less than 50% of the Sydney median income (approximately \$80,000 p.a.), depending on where they live. They include workers in a range of lower paid occupations, particularly in areas such as retail or manufacturing, as well as people earning the minimum wage or who are on an aged or disability pension or other government benefit. Very low incomes are below \$779 per week or \$40,508 per year.

Households described as being on a 'low income' are those earning 50 – 80% of the Sydney median income. They include, for example, people working in such jobs as a child care worker, secretary or cleaner. Low incomes are between \$779 - \$1,250 per week OR \$40,508 – \$64,792 per year.

People described as being on a 'moderate income' are those earning between 80 – 120% of the Sydney median income. They may include people working in occupations such as teaching, policing or nursing, depending on what stage they are in of their career. Moderate incomes are between \$1,250 - \$1,870 OR \$64,792 - \$97,240 per year.


(Source: NSW Centre for Affordable Housing)

The following table provides relevant benchmarks that are used in this study when referring to 'affordable housing'. These are provided in 2014 dollars, and are consistent with relevant NSW legislation.

	Very-low income household	Low-income household	Moderate-income household
Income Benchmark	<50% of Gross Median Household Income for Greater Sydney	50-80% of Gross Median Household Income for Greater Sydney	80-120% of Gross Median Household Income for Greater Sydney
Income Range (per week)	<\$779 per week	\$779-\$1,246 per week	\$1,246-\$1,870 per week
Income Range (per year)	<\$40,508 per year	\$40,508 – \$64,792 per year	\$64,792 - \$97,240 per year
Affordable Rental Benchmarks	<\$234 per week	\$235-\$374 per week	\$375-\$561 per week
Affordable Purchase Benchmarks	<\$225,000	\$225,001-\$360,000	\$360,001-\$540,000

Source: Adapted from JSA's Background Report 2015, based on data from ABS (2011) Census indexed to March Quarter 2015 dollars

(1) All values reported are in March Quarter 2015 dollars

- 
- (2) Total weekly household income
 - (3) Calculated as 30% of total household income
 - (4) Calculated using ANZ Loan Repayment Calculator, using 11 June 2015 interest rate (5.38%) and assuming a 20% deposit for a 30 year ANZ Standard Variable Home Loan and 30% of total household income

Q8. How is affordable housing different to social housing?

The key difference between affordable housing and social housing is that affordable housing is open to a broader range of household incomes than social housing. This allows households can earn higher levels of income and still be eligible for affordable housing. Social housing is typically restricted to households only on 'very low' incomes and income support.

Households do not have to be eligible for social housing to apply for affordable housing, though people who are eligible for social housing may also be eligible for affordable housing properties (e.g. household on very low incomes).

Affordable housing is managed more like a private rental property, but there are eligibility criteria and the managers are mostly not-for-profit community housing providers. When there is a vacancy for an affordable housing property, this is usually advertised and people submit an application to the manager as they would if they were applying for a property in the private rental market.

Q9. Who needs affordable housing?

Many different people need affordable housing and for lots of different reasons. This may include people who work full or part-time in lower paid jobs, where their household income is not high enough to pay market rent in the area in which they live and/or work. This is sometimes the case even for people working full-time in an essential service such as a police officer, a nurse or a child care worker, particularly if they are just starting out in their career or supporting a family on only one income.

People may also need affordable housing because a change in their lives has impacted on their financial circumstances – for example, a household member has lost their job, a family has separated, a family moves to a single income household after a baby has been born, or when a spouse has died.

Affordable housing is sometimes only needed for a short or medium-term period, depending on the life changes a household is experiencing. Over time, the household's circumstances or income may change again and some households may re-enter the private rental market or purchase a home. For example, the primary income earner may progress in their career or a family on one income moves to two incomes.

Q10. Who are the Community Housing Providers in Ryde LGA?

Several community housing providers are active or interested in Ryde LGA. Of these, Link Housing currently has the largest 'footprint' with respect to amount of stock, planned expansion and historical connections with the area. Evolve Housing also has limited housing stock in Ryde.

CatholicCare Diocese of Broken Bay provides one specialist homelessness services service package in Ryde. Mission Australia provides two specialist homelessness services service packages in Ryde.

Registered housing providers interested in Ryde LGA include (but are not limited to):

- (a) Link Housing (Active)
- (b) Evolve Housing (Active)
- (c) Hume Community Housing
- (d) Blue CHP
- (e) Bridge Housing
- (f) Community Housing Limited
- (g) Mission Australia (Active)
- (h) CatholicCare Diocese of Broken Bay (Active)
- (i) FACS Housing Services – West Ryde Office (Active)

5.0 Background Information

5.1 Council Resolutions

On 26 August 2014 Council resolved:

- (a) That the General Manager organise an Affordable Housing Summit made up of interested Councillors, representatives from the Salvation Army, relevant State Ministers and Shadow Ministers, and key stakeholders to discuss an Affordable Housing Plan for the City of Ryde.
- (b) That the General Manager then schedule a workshop with all Councillors to report back the recommendations from the Summit.

On 12 May 2015 Council resolved:

- (a) That Council endorse the findings of the Affordable Housing Summit held on 6 November 2014;
- (b) That Council endorse the preparation of a Ryde Affordable Housing Policy to guide and facilitate the delivery of affordable housing in the City of Ryde.

6.0 What the Community is Telling Us

6.1 The Ryde Housing Affordability Summit 2014

Council resolved to hold a summit on housing affordability in Ryde LGA. The purpose was to consult with the community and provide recommendations for an affordable housing plan. The 'Ryde Housing Affordability Summit' was held on 18th November 2014 with three guest speakers, a panel discussion and a workshop exercise with all invited guests.


There was participation from a very wide cross section of the local community with approximately 100 people in attendance including: local residents, community groups, business owners, real estate agents, chambers of commerce, housing providers, councilors, council staff (from all over Sydney), State Government agencies, and invited guest speakers and panelists.

The guest speakers and topics included:

- a) *The Provision of Affordable Housing in Sydney and Ryde* – Dr. Tony Gilmour from Housing Action Network
- b) *Local Government's Role in the Provision of Affordable Housing* – Professor Peter Phibbs from Sydney University
- c) *Options Ryde Council in the Delivery of Affordable Housing* – Dr. Judith Stubbs from Judith Stubbs & Associates

This was then followed by a 'Q & A -style' session with an expert panel taking questions from the audience. In addition to the three guest speakers mentioned above, there were three additional affordable housing professionals including:

- d) Andrew MacAnulty, CEO of Link Housing (a registered community housing provider)
- e) Angela Hynes, Senior Strategic Planner at Waverley Council
- f) Lacy Barron, Manager of the Centre for Affordable Housing in the Department of Family and Community Services (a NSW Government agency)



There were many questions taken from the floor, but some of the common themes emerging were related to:

- The policy of the NSW Government towards affordable housing;
- The future of the Ivanhoe Estate and associated residents at Macquarie Park;
- The scale of problem in terms of young people trying to enter the property market; and
- Practical things a local council can do to address the issue of housing affordability.

A consultation exercise was facilitated by Council's Community Engagement Team. The 90 – 100 attendees were assigned to tables of 6 – 8 people to discuss questions on issues and solutions. A summary of the responses is outlined below:

Q1. What do you see are the issues facing Ryde in relation to affordable housing?

Top three answers:

1. Public perceptions of Affordable Housing and a lack of community understanding and education on the issue;
2. Insufficient housing stock and increasing land value; and
3. Lack of housing options to meet diverse needs (e.g. low incomes and student housing.)

Q2. Given the issues identified and the areas you believe should be focused on, list some practical solutions the City of Ryde could consider implementing.

Top two answers:

1. Ongoing workshops and community consultations to engage and educate community; and
2. Work with community housing providers, State Government and other local councils to deliver improvements, and uplift new developments for affordable housing.

6.2 Arresting Vulnerability Report – Summary

During March – June 2015 City of Ryde conducted **Arresting Vulnerability Research Project** to create an evidence base to highlight the impact of increasing rental and mortgage stress experienced by the community. The project also looked at the impact of rising prices of utilities, on household food security. A summary of the key findings is provided below:

- Almost every area within the City of Ryde is affected by rental stress to varying degrees with a number of areas further strained by additional mortgage stress.
- There is emerging evidence from Community Aid organisations that adult homelessness is on the rise.
- There is an increase in low – medium income families who are seeking food relief however the increasing demand for food relief is not being met by supply.
- The people most affected include low income families, ageing single women and long-term unemployed.

7.0 Housing Need & Housing Stress

People living in Sydney earning very low to moderate incomes are increasingly unable to access housing that is affordable. Demand for affordable housing far exceeds supply. This continues the upwards pressure on rents and house prices and leads to a decline in the number of available affordable properties, even in suburbs which are experiencing an overall increase in supply of rental properties.

People on low incomes living in rental housing are some of the most vulnerable people in the community and at highest risk if there is any tightening of supply or price increases in the private rental market. Households which are struggling to pay housing costs are faced with a range of issues that further erode their ability to meet costs. These include:

- Living with unmanageable levels of debt, further exacerbating housing vulnerability;
- Working long hours to pay for housing;
- Travelling long distances to work or services;
- Living in overcrowded or substandard housing;
- Going without essentials such as adequate food, heating, medication or education; and
- Missing out on other opportunities because housing costs are too high relative to income.

There are many different households in society that may need affordable housing during their lifetime. Example might include:

- Young people seeking to live near where they grew up;
- Recently separated or divorced person for whom conventional home ownership is no longer possible;
- Households dependent on one (or even two) low-waged ('key worker' jobs);
- Older person on a reduced retirement income;
- Families with a special need, such as a disability; and
- People at risk of homelessness.

A lack of affordably priced housing not only affects the quality of life of individual and families, it also hinders economic development. The loss particularly of young families and workers in lower paid essential service jobs, is contributing to labour shortages in some areas of metropolitan Sydney.

Due to significant increases in housing values Ryde LGA has become unaffordable to the majority of very low to moderate income earners to rent or purchase. There exists now a high level of unmet demand for key worker housing based high levels of housing stress. For example, there is evidence to suggest childcare providers in Ryde LGA are currently experiencing difficulty attracting and retaining staff.

7.1 Housing Stress

A commonly used measure of underlying need for affordably priced housing is the number of households in 'housing stress', particularly in lower half of incomes. A person or household is said to be in housing stress if they pay more than 30% of their gross income on housing costs, and 'severe housing stress' when such a household is paying more than 50% of its income on rental or mortgage repayments.

Other factors will clearly affect the financial and social wellbeing of a family, including the adequacy and appropriateness of their housing, and costs that are unequally borne by some households, for example, high health care or transport costs.

7.2 Housing Stress among Renters

Ryde LGA has a similar rate of housing stress to NSW and Greater Sydney. In 2011, **39% of renting households in Ryde LGA were in housing stress** compared with 40% for NSW and 39% for Greater Sydney.

In 2011, there were a total of **5,050 renting households in housing stress in Ryde LGA**. Housing stress is significantly higher among very low and low income households. The breakdown across the three key worker income categories is as follows:

- **68% of all very low income renting households are in housing stress** (total of 3,150 households);
- **56% of all low income renting households were in housing stress** (total of 1,400 households); and
- **16% of all moderate income renting households were in housing stress** (total of 500 households).

In terms of household type, rates of **rental stress were higher for family and other households at 44%** compared to smaller households (lone persons and couples without children) (35%).

Data from Housing NSW *Rent and Sales Report* for the March Quarter 2015 has been analysed to understand the income groups and household types for whom various housing products would be affordably priced according to accepted benchmarks. The biggest gaps in the market are for all very low income households (earning up to \$40,508 per annum), most low income households (earning up to \$64,792 per annum), and larger moderate income families with children (earning up to \$97,240 per annum and requiring more than two bedrooms).

7.2.1 Rental Affordability for Renters

Moreover, **low income renting households renting through the private market have virtually no option but to live in housing stress**, apart from those at the top of the band wishing to rent a one bedroom apartment.

Households in the top half of the moderate income band consisting of one person and couples without children households and smaller households with children should generally be able to privately rent in Ryde without falling into rental stress in one or two bedroom apartments, although their choices are more constrained with regard to two-bedroom apartments. The affordably priced rental situation for most low income families with children is problematic in Ryde LGA, in particular, those seeking to rent a three-bedroom dwelling.

7.3 Housing Stress among Purchasers

Analysis conducted in Background Report indicates that **no 'very low', 'low' or 'moderate' income household can affordably purchase housing in Ryde**. And (perhaps surprisingly), Ryde LGA has a slightly lower rate of housing stress (21%) when compared to NSW and Greater Sydney (22%).

In 2011, there were around **2,400 purchasing key worker households in housing stress in Ryde LGA**, made up of 725 very low income households (30% of those in housing stress), 750 low income households (31% of those in housing stress) and 925 moderate income households (39% of those in housing stress). The breakdown across the key worker income categories experiencing purchasing housing stress is as follows:

- **76% of very low income purchasing households were in housing stress** (total of 725 households);
- **66% of low income purchasing households were in housing stress** (total of 750 households); and
- **41% of moderate income purchasing households** (total of 925 households).

In terms of household type, purchase stress is lower for family and larger households (19%) compared to smaller households (e.g. lone persons and couples without children) (25%).

7.3.1 Purchase Affordability for Key Workers

The reality is **no key workers on very low, low or moderate incomes can affordable purchase housing of any type** (e.g. one bedroom unit) anywhere Ryde LGA (even the lower priced areas). This is outlined below:

- **0% of very low income households could afford to buy any sort of dwelling (e.g. one bedroom unit).**
- **0% of low income households could afford to buy any sort of dwelling (e.g. one bedroom unit).**
- **0% of moderate income households could afford to buy any sort of dwelling (e.g. one bedroom unit).**

7.4 Key Worker Affordability Case Studies

Some case studies are provided below of what the different key worker income bands represent in terms of practical real life examples of both occupations and affordable housing payments. The award rates for key workers have been taken from the Fair Work Ombudsman website. All weekly wages are before tax (i.e. gross).

The key worker industries chosen for the case studies include aged care, health, building and construction, education, retail and hospitality.

7.4.1 Case Study: Very Low Income Key Worker Households

- Very low key worker income households **earn less than \$780 per week.**
- Examples of very low income key worker households:
 - A lone person working full-time as a lower-level aged care worker (\$700-\$760 per week)
 - A lone person working full-time as a cleaner. (\$700-\$760 per week)
 - A couple with a young child, with one person caring for the child and the other working full-time as a nursing assistant. (\$720-\$760 per week)
 - A couple with both people working part-time, one in retail and the other as a waitperson (\$700-\$760 per week)
- These households would need to pay a **maximum of \$235 rent per week for it to be affordable** (i.e. less than 30% of weekly income).
- There would be virtually **nothing available for such a family to rent affordably in Ryde LGA**, perhaps a very small, older strata unit.
- They would be **unable to affordably purchase any home in City of Ryde.**

7.4.2 Case Study: Low Income Key Worker Households

- Low income key worker households **earn \$780-\$1,250 per week**
- Examples of low income key worker households:
 - A lone person working full-time as an ambulance officer (\$900 per week)
 - A lone person working as a teacher (\$900-\$1,200 per week)
 - A single parent working part-time as a high-level enrolled nurse (\$900 per week)
 - A couple with two young children, with one person caring for the children and the other employed as a full-time firefighter (approx. \$1,000 per week)

- A couple with one person employed full-time as an enrolled nurse and the other working part-time as a landscaper (\$1,000-\$1,200 per week)
- These households would need to pay **between \$235 and \$375 rent per week for their housing to be affordable** (i.e. less than 30% of weekly income).
- They would also be **unable to affordably purchase any home in City of Ryde**.

7.4.3 Case Study: Low Income Key Worker Households

- Moderate income key worker households **earn \$1250 – 1,800 per week**.
- Examples of moderate income key worker households:
 - A lone person working as a high level registered nurse (\$1,300-\$1,800 per week)
 - A couple with one person working full-time as an aged care worker and the other as a social and community services officer (approx. \$1,800 per week)
 - A couple with three children who are at school. One works full-time as a teacher and the other works part-time as a cleaner (\$1,800 per week)
- These households would need to pay **between \$375 and \$560 rent per week for their housing to be affordable** (i.e. less than 30% of weekly income).
- Only the **upper end of this income band could potentially purchase a one bedroom strata dwelling in City of Ryde**.

7.5 Demographics

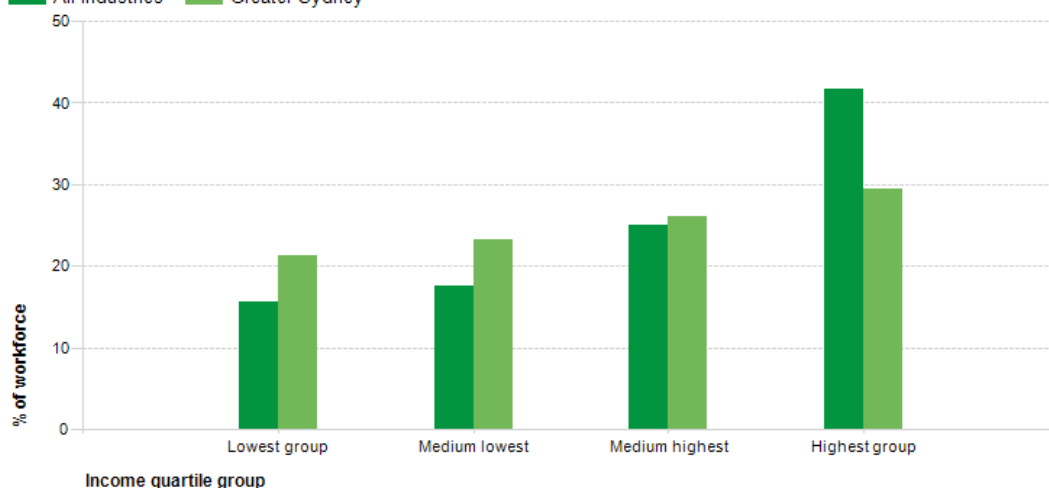
7.5.1 Workforce Incomes (Employees)

In 2011, there were a total of about 90,000 people *working* in Ryde LGA. Approximately 44,000 of those jobs were paying incomes that would be classified as 'key worker' income levels. There were approximately 12,000 jobs paying 'very low' incomes, 16,000 jobs paying 'low' incomes and 16,000 jobs paying 'moderate' incomes.

Workforce individual income quartiles, 2011

City of Ryde - All industries

■ All industries ■ Greater Sydney



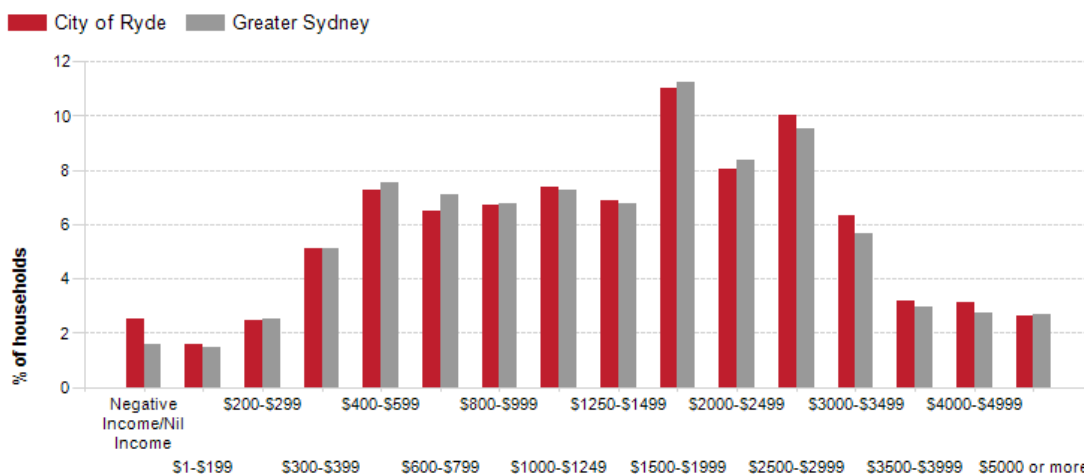
Source: Australian Bureau of Statistics, Census of Population and Housing, 2011
Compiled and presented in economy.id by .id, the population experts.

.id
the population experts

7.5.2 Household Incomes

Household income has been relatively stable over the past decade, and is comparable to Greater Sydney. Median household income was relatively constant in relation to median household income for Greater Sydney. In 2011, the distribution of household income in Ryde LGA closely resembled that for Greater Sydney, with some over representation in higher income groups.

Weekly household income, 2011



Weekly income

Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Enumerated data)
Compiled and presented in profile.id by .id, the population experts.

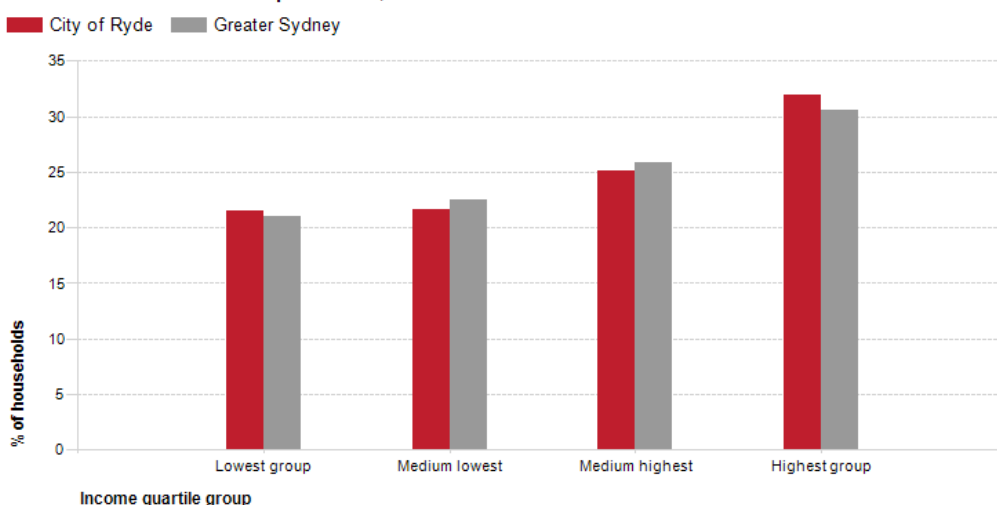


7.5.3 Household Income Quartiles

In 2011, there were approximately 15,000 key worker households *living* in Ryde LGA, that is, they were earning very low, low and median income levels. A very low income household earns below \$780 per week. A low income household earns \$780 - \$1,250 per week. And a moderate income household earns \$1,250 - \$1,870 per week.

The number of households in each key worker income brackets (i.e. very low, low and moderate) was evenly spread with approximately 5,000 households in each group.

Household income quartiles, 2011



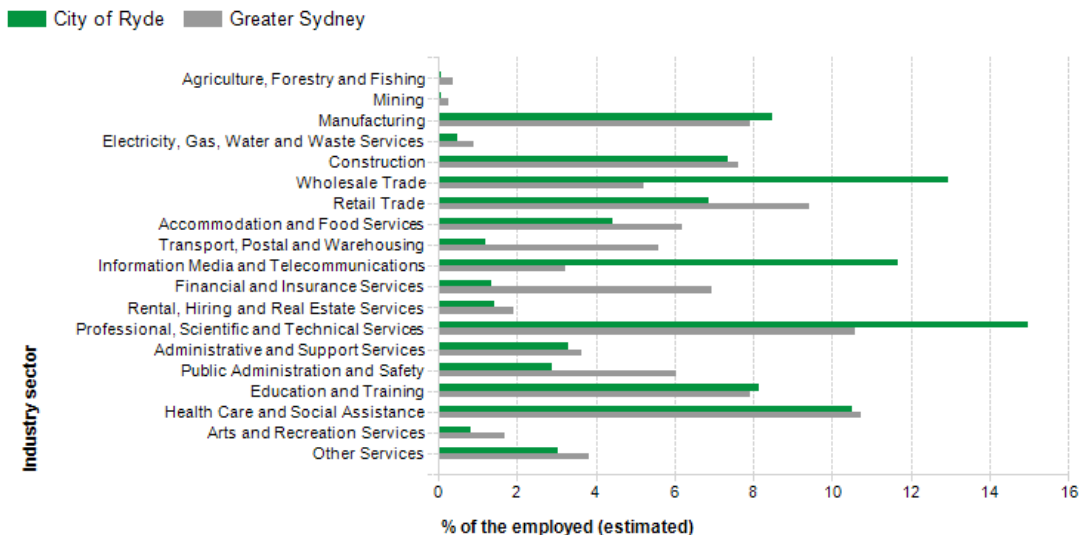
Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Enumerated data)
Compiled and presented in profile.id by .id, the population experts.



7.5.4 Employment by Industry

In 2013/14, Ryde LGA has a strong representation in the industry sectors of 'Professional, Scientific and Technical Services', 'Wholesale Trade' and 'Information, Media and Telecommunications'. Regarding essential workers there were 2,563 working in Public Administration and Safety, 9,377 working in Health Care and Social Assistance, and 7,257 people working in Education and Training.

Employment (total) by industry 2013/14



Source: National Institute of Economic and Industry Research (NIEIR) ©2015
Compiled and presented in economy.id by .id the population experts

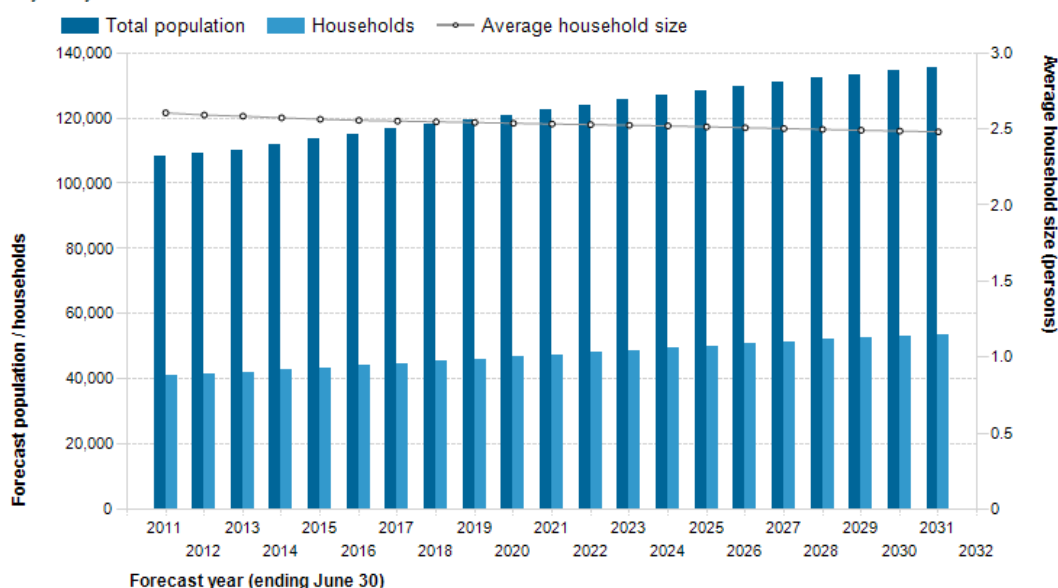
.id
the population experts

7.5.5 Forecast Population, Households and Average Household Size

In 2015, the population of Ryde LGA was estimated at 113,422. This is forecast to grow by 1,472 per year to reach 135,508 by 2031. In 2015 there were approximately 43,289 dwellings in Ryde LGA. This is forecast to grow by 688 dwellings per year to 53,611 in 2031. And as the total population and dwelling numbers increase, the average household size is gradually decreasing.

Forecast population, households and average household size

City of Ryde



Population and household forecasts, 2011 to 2031, prepared by .id the population experts, November 2011.

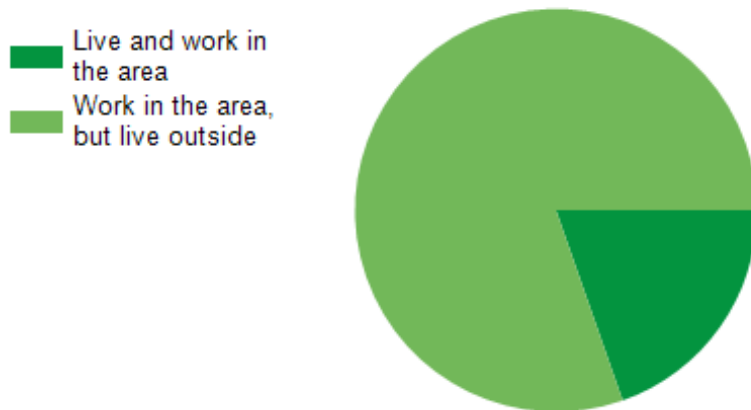
.id
the population experts

7.5.6 Commute to Work

As demonstrated by the graph below, the approximately 80% of the workers are coming from outside Ryde LGA every day for work.

Residential location of workers, 2011

City of Ryde - All occupations



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Usual residence data)

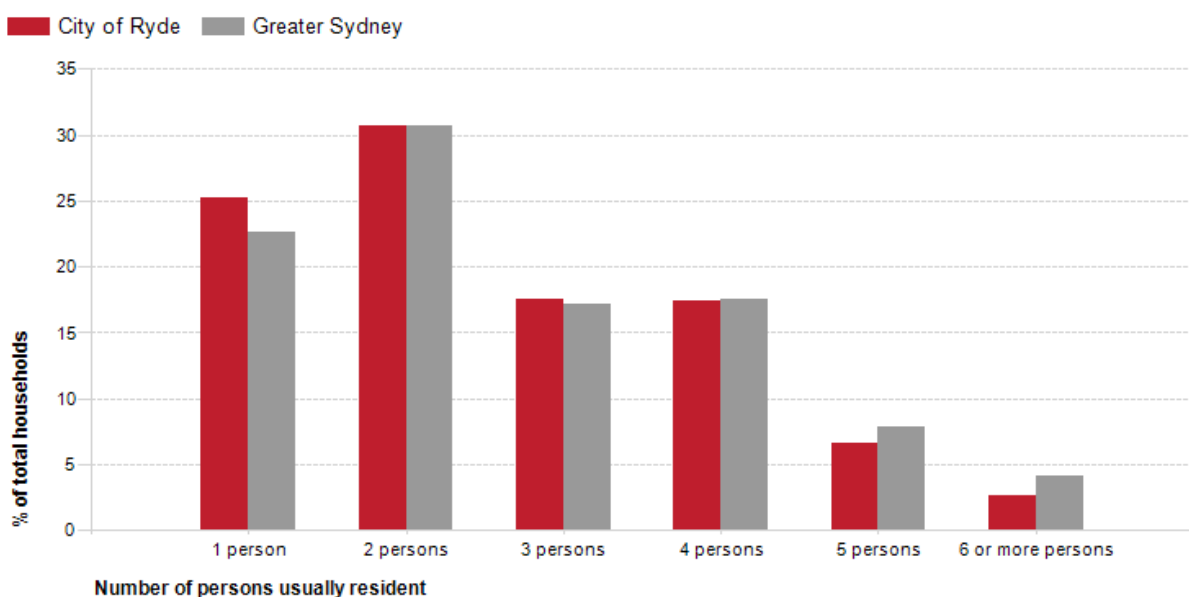
.id the population experts

Figure 8.0 – Residential location of workers, 2011: Ryde Local Government Area

7.5.7 Household Size

In 2011, 25% of households in the City of Ryde contained only one person, compared with 23% in Greater Sydney, with the most dominant household size being 2 persons per household. There are less larger-sized households in Ryde LGA than the Greater Sydney average.

Household size, 2011



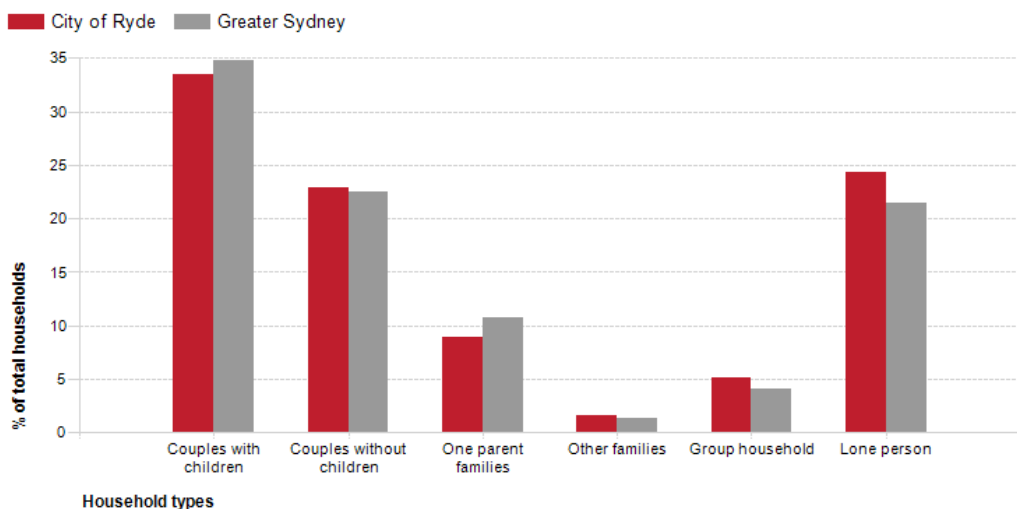
Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Enumerated data)
Compiled and presented in profile.id by .id, the population experts.

.id the population experts

7.5.8 Household Type

In the City of Ryde, 33% of households were made up of couples with children in 2011, compared with 35% in Greater Sydney. There are slightly less couples with children and slightly more lone person households than the Greater Sydney average.

Household type, 2011



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Enumerated data)
Compiled and presented in profile.id by .id, the population experts.

.id
the population experts

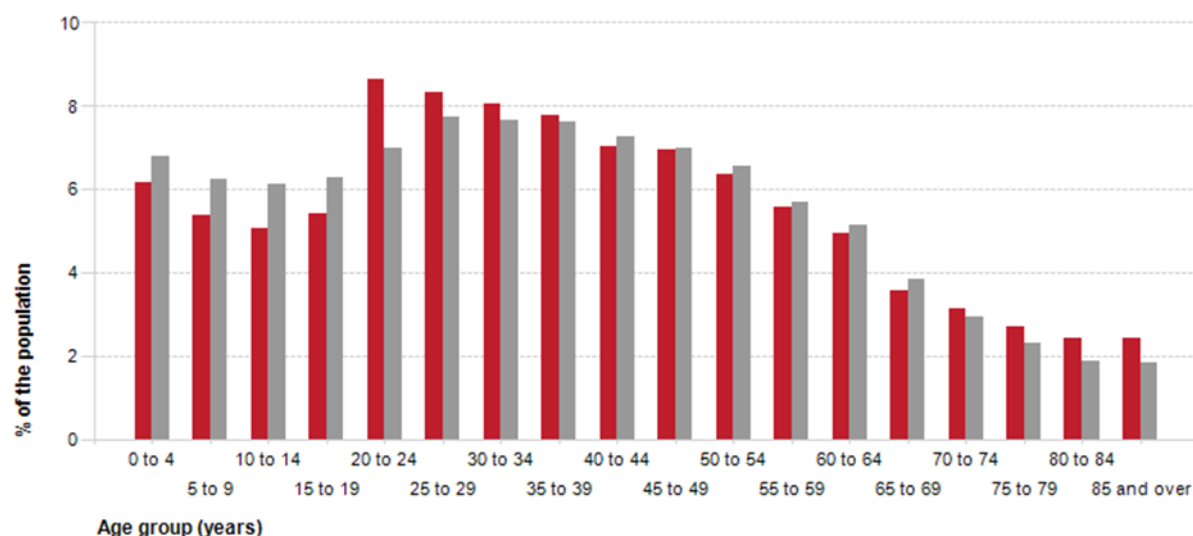
7.5.9 Age Profile

City of Ryde is somewhat unique in the sense that we have a higher proportion of people aged 20-29 years old and a higher proportion of people aged over 70. This is likely to be due to the location of Macquarie University within Ryde LGA as well as a large number (approximately 22) aged care and retirement villages.

Age structure - five year age groups, 2011

Total persons

City of Ryde Greater Sydney



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Usual residence data)
Compiled and presented in profile.id by .id, the population experts.

.id
the population experts

7.5.10 Homelessness

The ABS estimated there were 240 homeless people in Ryde-Hunters Hill in 2011. This count includes persons in improvised dwellings, tents or sleeping out, persons in supported accommodation for the homeless, persons staying temporarily with other households, persons in boarding houses, persons in other temporary lodgings, and persons living in severely crowded dwellings.

No rough sleepers were counted in Ryde LGA in 2011, and there were no homeless shelters or boarding houses counted, suggesting the people counted came from other categories. There is reported to be an increase in homelessness and risk of homelessness by service providers. However, this is difficult to detect from Census data.

7.6 Location and Nature of the Need

The need for more affordable housing is spread across Ryde LGA. Housing in West Ryde and Meadowbank is generally less expensive than other parts of Ryde LGA. Housing in Ryde, Putney and Gladesville is particularly expensive for both rental and purchasing.

Current need for affordable housing to rent:

- Very low income households = 4,525 dwellings (mixture of families and singles)
- Low income households = 2000 dwellings (mixture of families and singles)
- Moderate income households = 725 (mixture of families and singles)

Current need for affordable housing to purchase:

- Very low income households = 1050 dwellings (mixture of families and singles)
- Low income households = 1075 dwellings (mixture of families and singles)
- Moderate income households = 1,325 dwellings (mixture of families and singles)

8.0 Housing Supply

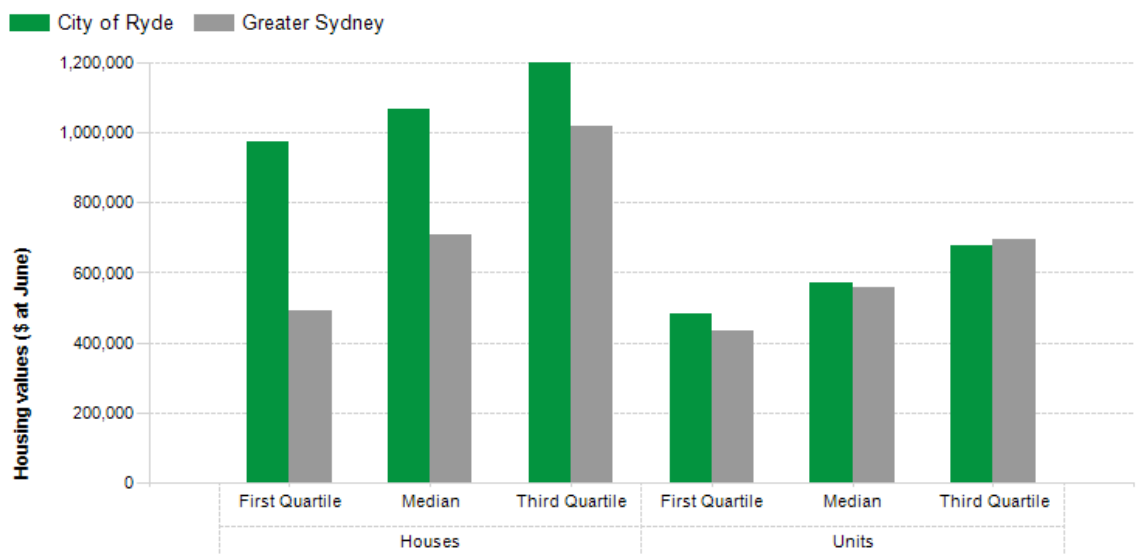
8.1 Market

8.1.1 Average Housing Prices 2010-2014

Over the period 2010-2014 a house in Ryde LGA in the lowest quartile price was approximately \$1,000,000 which is almost double the lowest quartile average for Greater Sydney. The price of a unit in the lowest quartile price range, typically a one bedroom unit, is approximately \$500,000. This is slightly higher than the Greater Sydney average.

For households on very low, low and moderate incomes, there were no options for purchasing housing that is affordable in Ryde LGA (i.e. spending more than 30% of their incomes on housing).

Housing values, 2014



Source: Hometrack 2010-2014, Housing Valuation System

.id
the population experts

8.1.2 Current House Prices 2015

Non strata purchase prices in Ryde LGA are greater than those for Greater Sydney while strata dwellings are similarly priced, with median price for all dwellings 34% greater, median price for strata dwellings 3% greater and **median price for non-strata (i.e. separate) housing 60% greater than Greater Sydney.**

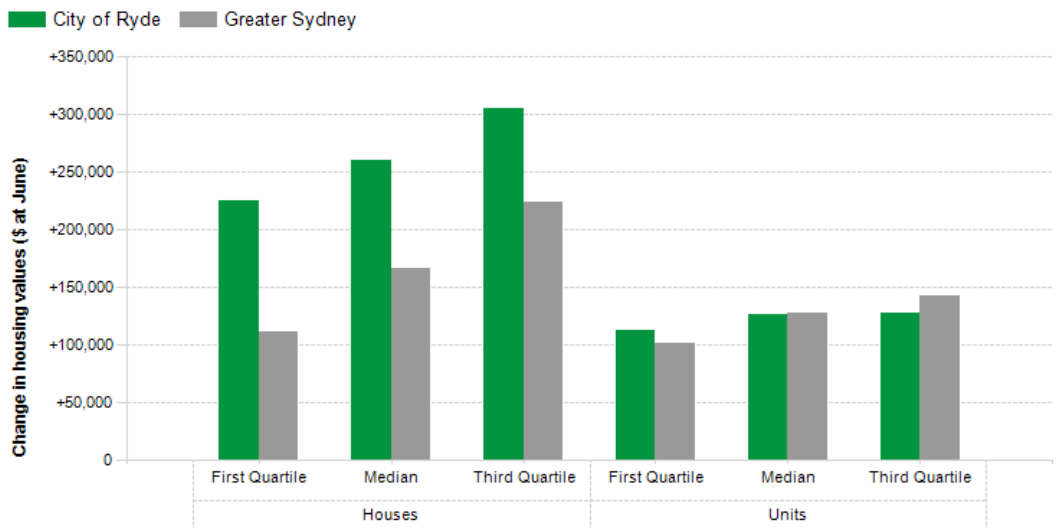
Dwelling Type	Area	1 st Quartile	2 nd Quartile	3 rd Quartile
All Dwellings	Ryde LGA	\$613,000	\$939,000	\$1,300,000
	Greater Sydney	\$520,000	\$700,000	\$1,000,000
Strata Dwellings	Ryde LGA	\$545,000	\$623,000	\$750,000
	Greater Sydney	\$480,000	\$621,000	\$780,000
Non-Strata	Ryde LGA	\$1,163,000	\$1,300,000	\$1,500,000
	Greater Sydney	\$550,000	\$801,000	\$1,200,000

8.1.3 Increases in Housing Values

Housing prices in Ryde LGA have experienced growth over the past five years. As demonstrated below, the cheapest house prices have increased by approximately \$220,000. This far exceeds the Greater Sydney average of just over \$100,000 for house prices in the lowest quartile.

Likewise, units have also experienced price increases over the past five years. Units in the lowest quartile (i.e. typically the cheapest one bedroom apartments) have increased by over 100,000. This is slightly higher than the Greater Sydney average.

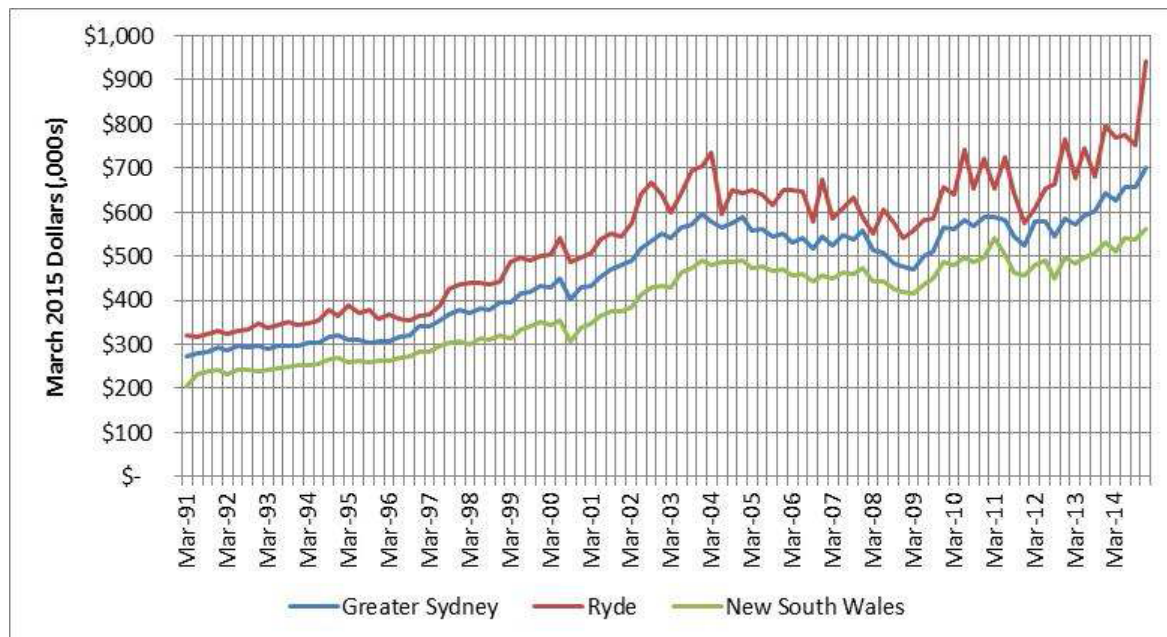
Change in housing values, 2010 to 2014



Source: Hometrack 2010-2014, Housing Valuation System

.id
the population experts

Median Purchase Price, All Dwellings, Selected Areas, March Quarter 1991 to December Quarter 2014, adjusted for Inflation (to March Quarter 2015 Dollars)



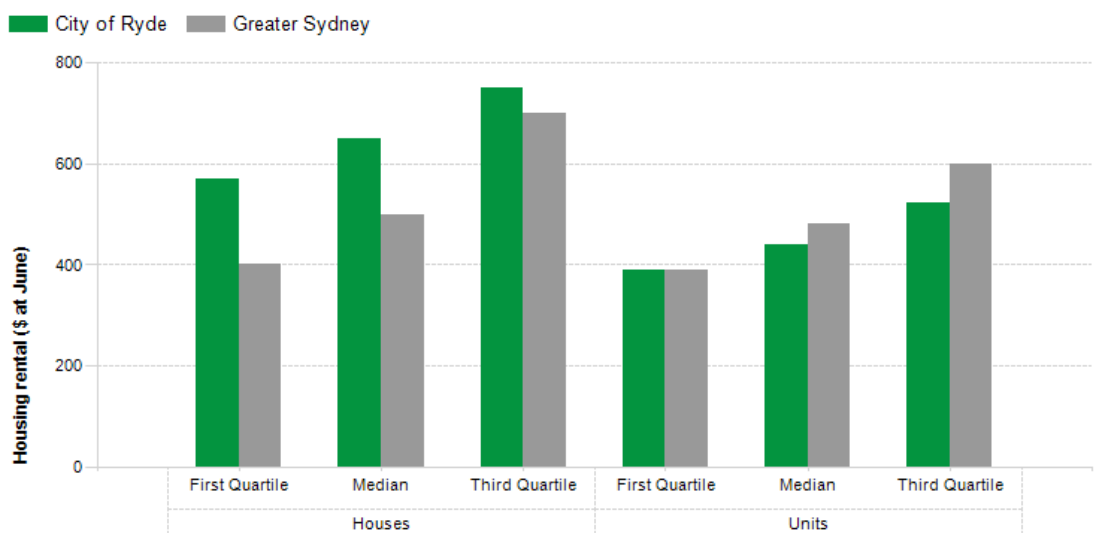
Source: JSA 2015, using data from Housing NSW Rent and Sales Report Issue 111 (Sales Price Trend) and ABS Consumer Price Index, All Groups, Australia

8.1.4 Rental Prices

In 2014, the lowest price for renting for a house in Ryde LGA was approximately \$580 per week. This was \$180 more than the Greater Sydney average for the lowest quartile housing rental. The lowest price for renting a unit (typically one bedroom) in Ryde LGA was just below \$400 per week. This was approximately equal to the lowest quartile rental of units in Greater Sydney.

For households on very low and low incomes, there were no options available for renting housing that is affordable in Ryde LGA (i.e. spending less than 30% of their income on housing). For households in the upper moderate incomes (i.e. 100 – 120% of median income) they should be able to find a one bedroom unit that was affordable, but limited options for two bedroom units.

Rental listings, 2014



Source: Hometrack 2012-2014, Automated Valuation System

.id
the population experts

8.1.5 Rental Price by Size of Dwelling

The table below shows more current rental prices for Ryde LGA compared to Sydney. The figures have been further broken down into the number of rooms in the dwelling.

Usually a family will prefer a three bedroom house rather than a one or two bedroom unit. The figures below make it even more apparent how housing affordability adversely affects young families with **rental for a three bedroom house in Ryde LGA costing at least \$575 per week.**

8.1.6 Table Comparing Ryde LGA and Greater Sydney Rental Prices

Dwelling Type	Areas	First Quartile	Second Quartile	Third Quartile
One bedroom flat / unit	Ryde LGA	\$360	\$470	\$515
	Greater Sydney	\$400	\$479	\$540
Two bedroom flat / unit	Ryde LGA	\$410	\$450	\$545
	Greater Sydney	\$415	\$520	\$640
Two bedroom separate house	Ryde LGA	\$480	\$500	\$550
	Greater Sydney	\$350	\$420	\$560
Three bedroom separate house	Ryde LGA	\$575	\$650	\$700
	Greater Sydney	\$400	\$450	\$580

Source: JSA 2015, based on data from Housing NSW Rent and Sales Report Issue 111 (March Quarter 2015)

8.1.7 Rental by Location

A snapshot of rental advertisements was carried out on 3 June 2015 providing further evidence that Ryde LGA is not affordable for the majority of families requiring a three-bedroom dwelling. Of the 350 properties available for rent:

- **None** were affordable to '**very low**' income households;
- **7%** (23 dwellings) were affordable to '**low**' income households of which most (19) of which were one bedroom apartments; and
- **56%** (197 dwellings) were affordable to '**moderate**' income households, including only 9 three-bedroom dwellings.

The lowest medians were in the suburbs of West Ryde and Meadowbank with North Ryde and Gladesville the most expensive areas.

8.1.8 Table Showing Rental Costs by Suburb within Ryde LGA

Suburb	No.	1 st Quartile	2 nd Quartile	3 rd Quartile
Chatswood	1	-	-	-
Denistone	5	-	-	-
East Ryde	2	-	-	-
Eastwood	45	\$430	\$500	\$680
Gladesville	64	\$430	\$565	\$650
Macquarie Park	19	\$440	\$530	\$565 (s)
Marsfield	26	\$480	\$540	\$727.50 (s)
Meadowbank	47	\$420	\$470	\$600
Melrose Park	3	-	-	-
North Ryde	11	\$550	\$670	\$800 (s)
Putney	5	-	-	-
Ryde	82	\$438.75	\$547.50	\$642.50
West Ryde	40	\$398.75	\$455	\$593.75
s = small sample size (10-30)				

Source: JSA 2015, based on data from www.realestate.com.au on 3 June 2015.

8.1.9 House Tenure

In 2011, over 95% of housing stock was privately owned. 4.7% of housing in Ryde LGA was social housing that is, either owned by the government or a not-for-profit Community Housing Provider. Ryde LGA is slightly below the Greater Sydney average of 5.0% social housing.

8.1.10 Social Housing

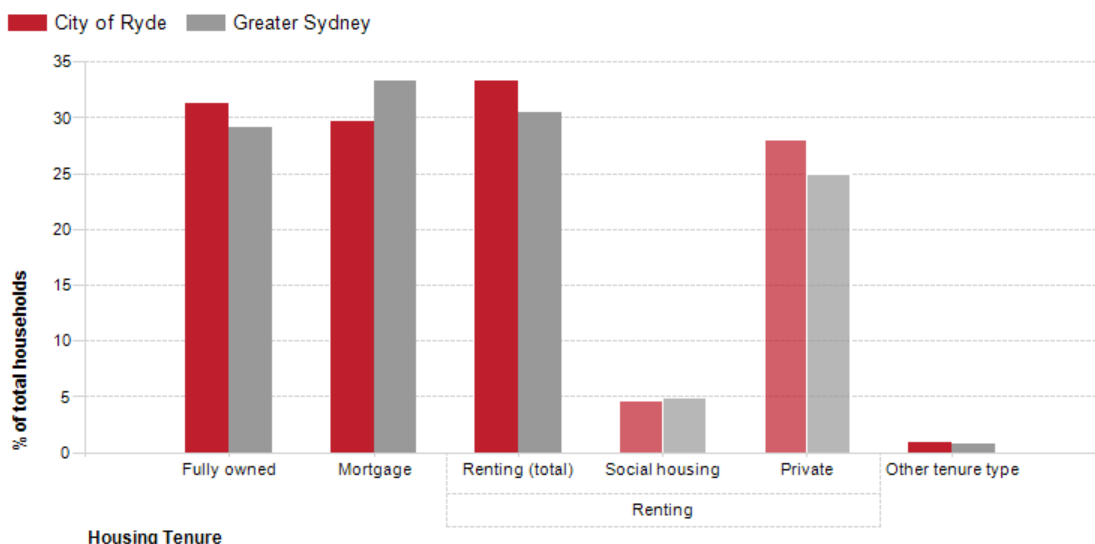
The supply of social housing in Ryde **increased** from 1,497 dwellings in 2001 to 1,836 (approx.) dwellings in 2011, representing a 23% increase. Over the same period the number of dwellings in Ryde increased by 6%, showing real proportional growth in social housing. This represents the first net increase in social housing stock for a number of decades.

8.1.11 Boarding Houses

No boarding houses were recorded in Ryde LGA in the 2011 census. However, as of 29 June 2015 there were seven registered boarding houses in Ryde LGA. A proprietor of one of these boarding houses was contacted and advised that his boarding house had five rooms and the rent at \$400 per week.

By comparison, a median one bedroom apartment rent for Ryde suburb was \$500 suggesting that boarding house rentals are likely to be around 80% of median one bedroom rentals, and typically \$360 per week for Ryde LGA.

Housing tenure, 2011



Source: Australian Bureau of Statistics, Census of Population and Housing, 2011 (Enumerated data)
Compiled and presented in profile.id by .id, the population experts.

.id
the population experts

8.2 Need for Intervention

There is a market failure in the provision of housing, whether for rental or purchase, that is affordable for households on very low, low or moderate incomes in Ryde LGA. Without intervention, there will be very little affordable housing for key worker households in the future.

8.2.1 Rental Affordability

Data from Housing NSW *Rent and Sales Report* for the March Quarter 2015 indicates that recent rentals are affordable to a very narrow range of households that would be considered as eligible for affordable housing. The market is thus not supplying affordable housing for most members of key target groups.

A first quartile rental property (the cheapest property) was not affordable to any very low income households. Low income renting households renting through the private market have virtually no option but to live in housing stress, apart from those at the top of the band wishing to rent a one bedroom apartment.

Smaller households in the top half of the moderate income band should generally be able to affordably rent in Ryde LGA a one bedroom apartment, although their choices are more constrained with regard to two-bedroom apartments.

As such, the rental situation is problematic for virtually all very low and low income households, and most moderate income families with children needing a larger strata dwelling or separate house.

8.2.2 Recent Snapshot

A recent snapshot of advertised rental properties found that none were affordable to very low income households, only 7% were affordable to low income households (with almost all of these one bedroom apartments), while 56% were affordable to moderate income. The cheapest areas to rent were the suburbs of West Ryde and Meadowbank, with North Ryde and Gladesville the most expensive areas.

8.2.3 Purchase Affordability

No very low, low or moderate income household can affordably purchase any first quartile dwelling in Ryde. The market is thus again not supplying affordable housing for key target groups.

8.2.4 Housing cost to income ratios

Housing (rental and mortgage) cost to income ratios in Ryde has largely tracked Greater Sydney over the decade to 2011. However, there is evidence of deteriorating local affordability since this time, with median sales prices in Greater Sydney increasing by around 21% in real terms since 2011, and median sales price in Ryde increased by 30% over the same period in real terms. Rents have increased by 8% in real terms (compared to cost of living). A regression analysis carried out by Judith Stubbs and Associates indicates provides supporting evidence of a housing boom since December 2012.

It is interesting in this regard that housing supply in City of Ryde has significantly lagged that of Greater Sydney over the past decade in all housing forms (low, medium and higher density development), with stock in Greater Sydney growing by 12% compared with 7% locally.

8.3 Outcomes of the Affordable Housing Rental SEPP 2009

The Affordable Housing SEPP has achieved mixed results in Ryde LGA. Similar to Greater Sydney, there has been a significant increase in the number of granny flats and dual occupancy developments in Ryde. This provides for greater housing choice.

Over the last five years there have been a total of six affordable housing dwellings approved under the SEPP. Three of the dwellings were delivered as a condition of consent. The other three were delivered separately as part of a Voluntary Planning Agreement process.

9.0 The Role of Local Government

9.0.1 Who is Responsible for Affordable Housing?

No one level of government is responsible for housing affordability. Rather, each layer of government has a different role to play.

The Commonwealth Government is responsible for taxes associated with property ownership. Tax policy influences where money is invested and directly impacts housing prices. For example, negative gearing has made investing in housing attractive given the possible deductions in taxable income.

The State Government has the primary role in the provision of social and affordable housing. Through the NSW Department of Planning and Environment (**DoPE**) the State Government also sets the legal framework through which planning legislation is enacted. This same government agency had the lead role in setting any housing targets, including affordable housing targets, for local council areas.

It is widely accepted that, although in Australia local councils do not have the primary role in the provision of affordable housing, they still have an important role to play. This evidenced by the fact that all State Government plans related to affordable housing are implemented at the local level.

9.0.2 The Role of Local Government

There many important services delivered by Council including land use planning controls. Councils can decide to play a more proactive role in the creation and retention of affordable housing through active intervention in the market through the development of appropriate planning mechanisms and strategies. Broadly speaking, the three roles of Local Government are advocacy, facilitation and provision.

9.1 Advocacy

Local Council can play an important role in monitoring affordable housing and rates of housing stress in their local government area. This information can be communicated back to the NSW Government via affordable housing forums in an attempt to progress affordable housing outcomes.

Local Councils can also seek to advocate and protect the existing affordable housing and lower-cost housing available within their area. This can be done by requesting developers to prepare a Social Impact Statement if the development risks the demolition of existing stock. Developers can be required to mitigate the loss of affordable housing with a contribution in the form of 'bricks and mortar' or a financial contribution. Examples of 'advocacy' actions include:

- Define 'affordable housing' and set affordable housing benchmarks;
- Monitor rates of housing stress and assess where gaps exist in the housing market;
- Advocate the NSW Government for progress on affordable housing initiatives;
- Conduct staff training to improve capacity for affordable housing issues; and
- Council to hold and participate in forums to discuss affordable housing.

9.2 Facilitation

Local councils prepare and implementing land use planning controls to positively influence development outcomes. Councils can assist the delivery of new affordable housing through by incorporating affordable housing objectives in their Local Environmental Plans (**LEP**) and Development Control Plans (**DCP**).

For suitable developments Councils can offer a mixture of incentives and requirements for the inclusion of affordable housing in the total development. Financial contributions may also be collected towards an affordable housing delivery fund. Examples of 'facilitation' actions include:

- Include affordable housing aims, objectives and provisions in planning controls;
- Include incentive-based variations to controls encourage affordable housing;
- Include mandatory provisions or 'value share' mechanisms to share the benefit of uplift for affordable housing; and
- Develop an affordable housing calculator to assist in 'value sharing' negotiations.

9.3 Provision

Local councils can also directly engage in the delivery of affordable housing. This can be done through a variety of mechanisms such as developments on council-owned land, leasing council land to CHP's for affordable housing developments, or using financial contributions through the development process (e.g. voluntary planning agreements) to purchasing units to be used as affordable housing.

Examples of 'provision' actions include:

- Council signing an MoU with a registered Community Housing Provider;
- Council to undertake an affordable housing 'Demonstration Project' with a specified percentage of affordable housing incorporated into the development; and
- Using funds collected through the mandatory contributions process to delivery additional affordable housing.

9.4 Mechanisms for the Delivery of Affordable Housing

There are a range of options and planning mechanisms available to Council to assist the delivery of affordable housing. However, consideration must be given to the local housing market, development cycles and demographics when selecting the appropriate mechanism for affordable housing delivery.

Part of the process planning incentives are voluntary provisions that aim to make development projects more profitable in exchange for the provision of affordable housing. Potential incentives include reducing the time or cost of development assessment, or the provision of bonuses that increase the overall yield of a development.

9.4.1 Value Sharing Agreements for Key Worker Housing

Value Sharing Agreements (VSAs) can be applied at the large scale, such as a major redevelopment projects or in a master planned community. VSAs are negotiated between council and the developer based on the uplift the development has been granted through an increase in floor storey ratio (FSR) and height. Under this model the developer can make either a monetary or 'bricks and mortar' contribution towards affordable housing.

Because the agreements are voluntary, there is more scope for the developer and local authority to agree on a mechanism that suits both parties. These agreements also have the advantage of being negotiated for one particular site, which means that mechanisms can be tailored to suit the individual circumstances of the development, rather than applying a more general rule that may not fit specific proposals.

The rationale behind a VSA is that the financial benefits of a decision to rezone land should be *shared* with the community and the developer/land owner. City of Ryde already has a similar process in place with six (6) affordable housing dwellings approved through Voluntary Planning Agreements (VPAs).

Some of the characteristics of the existing VPA system in terms affordable housing outcomes is that they are by very nature 'voluntary'. This makes it a challenge for Council to plan for affordable housing outcomes. Secondly, there are competing desired objectives for the limited VPA money (e.g. green space public domain improvements, affordable housing, or community space). In this sense it is a 'zero sum' game whereby worthy projects are pitted against each other.

The strength of this model is that it allows for flexibility and Council already has a similar process in place. To improve this process Council could seek to develop an affordable housing calculator as an objective affordable housing evaluation tool to assist in negotiations with developers.

9.4.2 Precinct-Based Density Bonus Model

A precinct-based density bonus is a type of mandatory inclusion. There are many variations of a density bonus model but in simple terms it involves offering increased height in return for the inclusion of a percentage of affordable housing within the development. It incentivises the provision of affordable housing so there is no loss to the developer whilst still having controls in place for height.

One such way it can work is to offer (for example) a 30% density bonus in height in return for a profit-share of 50% of the additional floor space. This 50% is allocated to key worker housing.


Preliminary testing in Ryde LGA indicates these incentives would likely be taken up by the developer. The outcome would be that approximately 15% of the total development would be key worker housing (depending on size).

The advantage of a precinct-based density bonus is that there is some level of control over where the affordable housing is located. For example, there is greater control to ensure the affordable housing is located in areas close to public transport.

For this model to be adopted it would require further planning studies and detailed planning controls prepared for each precinct. A potential weakness of this model is the density bonus may be in conflict with other planning objectives (e.g. floor storey height and amenity of the area).

9.4.3 Mandatory Inclusion for Key Worker Housing

Mandatory provisions require developers to provide affordable housing as part of a development. They tend to relate to a fixed percentage or number of dwellings, depending on the type or size of the development. In the United States this is often called 'inclusionary zoning' because it requires a percentage of affordable



housing to be *included* in the development. This can also be in the form of cash contributions, rather than the provision of land or dwellings.

As a practical example, a developer may seek to rezone a parcel of land to R4 (residential) or B4 (mixed use) permitting high density residential development. As a mandatory condition of this zoning a percentage (e.g. 4%) of units must be designated affordable housing.

A variation of this same model is a 'blanket' mandatory inclusion on all residential/business zones whereby a certain percentage (e.g. 2%) of units in large residential developments (e.g. more than 20 units) be designated affordable housing. Incentives may also be offered (e.g. 10-15% FSR bonus) to off-set any losses to the developer.

When mandatory inclusions are combined with incentives it is the most effective means of delivering affordable housing over the long term. It guarantees that some affordable housing will be delivered and it aims to offset any negative costs to the developers by providing an incentive in the form of increased height and yield. The model provides certainty for developers and transparency of the community.

To enact the mandatory inclusions model a further planning/feasibility study will need to be conducted to determine the appropriate inclusion percentages and amendments made to the Ryde Local Environmental Plan (**Ryde LEP**). The NSW Department of Planning and Environment (**DoPE**) would then need to approve any amendments to the Ryde LEP.

9.5 Summary of Mechanisms to Deliver Affordable Housing

Each mechanism has its strengths and weaknesses to ensure that the right type of affordable housing is delivered in the right location in a way that does not conflict with other planning objectives (e.g. amenity and height). These must all be carefully considered by Council before a particular mechanism is introduced.

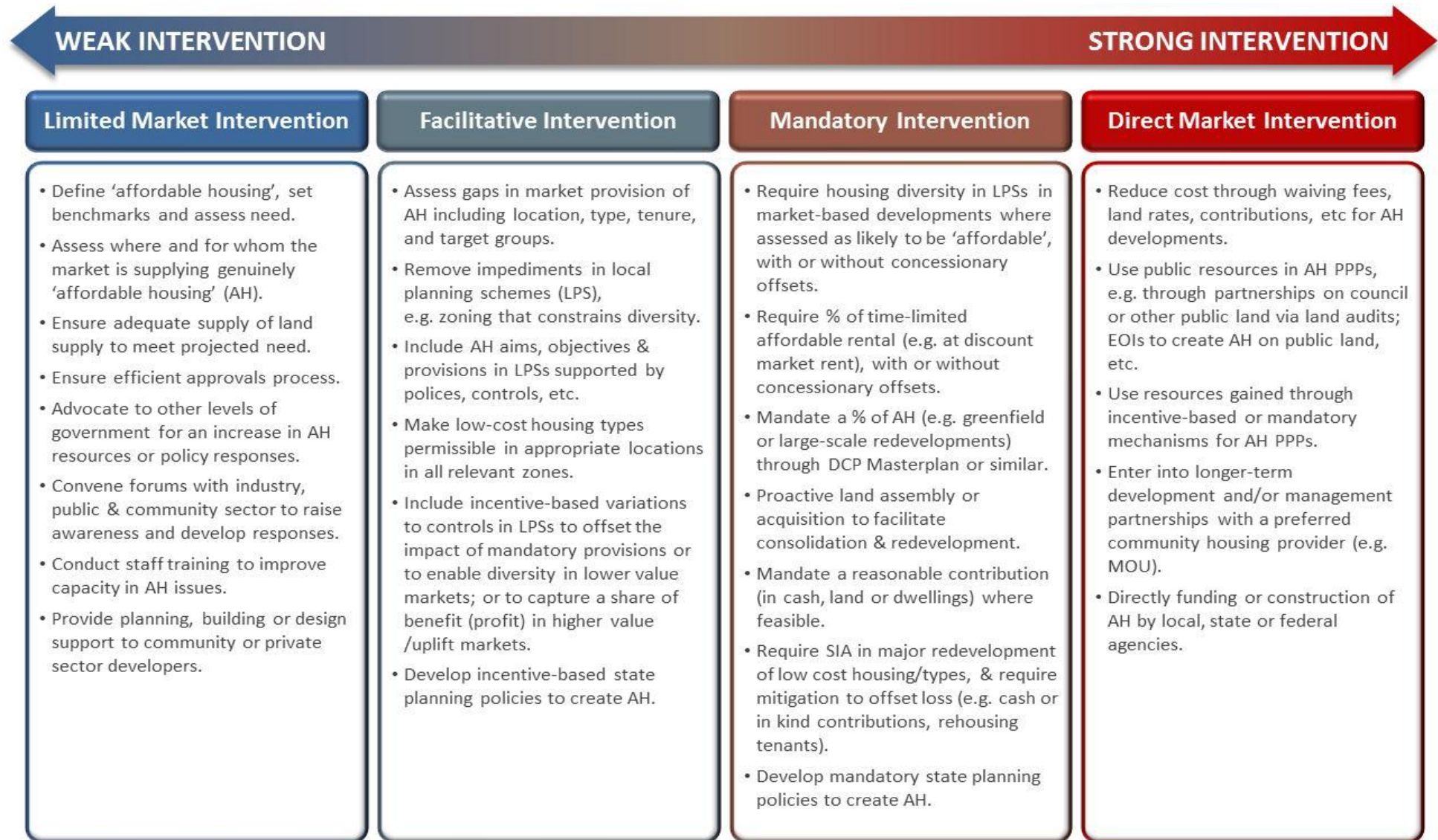
Measures to protect existing low-cost or affordable housing must be used very carefully to ensure that the conditions do not impose too great a barrier on new development. This would have an adverse effect on overall housing supply and prevent the renovation of existing stock.

Planning incentives need to offer a financial benefit to the developer for providing the affordable housing. Allowing for increases in the number or size of dwellings that can be provided on a particular site (e.g. height, plot ratio, density) can improve profitability particularly for high value/high growth markets. However, they must also be carefully applied to ensure any changes do not have a negative impact on the amenity of the location for other residents.

Generally speaking, mandatory inclusions are best introduced when land is rezoned and significant value uplift is occurring. This ensures that any cost associated with providing affordable housing is offset by the larger value gain achieved through rezoning of the land. If mandatory provisions are applied as a blanket rezoning, any additional development cost associated with providing affordable housing must either be absorbed by the developer (potentially making the development unprofitable) or passed on to other end buyers (thus decreasing affordability).

9.6 Strategies to Create Affordable Housing

The options in the figure below range from 'light' planning intervention in the market to strong intervention and direct provision of affordable housing.



Source: Stubbs (2003); JSA (2011)

Figure: Mechanisms and Strategies to Create Affordable Housing along a Continuum of Planning Intervention

10.0 Strategic Planning Context

It is necessary to understand where affordable housing fits into the State and Local strategic, funding and legal framework. These will be briefly summarised below.

10.1 Funding and Policy Environment

NSW Government State Plan, NSW 2021

The NSW State Plan, *NSW 2021*, has as one of its targets to improve housing affordability and availability. Priority actions under that target are based on increasing the supply of available land for housing to help reduce the costs of home ownership and include:

- Accelerated land release;
- Dwelling targets for local Councils; and
- Provision of supporting infrastructure.

Under the State Plan, dwelling targets will be set out in sub-regional strategies and Ryde is part of the North Sub-Region. At the date of writing this Policy no details on the sub-regional strategy was available.

NSW Government's Sydney Growth Plan: 'A Plan for Growing Sydney'

The *Sydney Growth Plan* also sets out some strategies and targets for delivery of affordable housing. These include under Goal 2 to "deliver more opportunities for affordable housing".


- Action 2.3.1 states that each Council will be required to prepare a local housing strategy that considers (amongst other things) local affordable housing needs and strategies to provide affordable housing.
- Action 2.3.2 notes that barriers to subdivision of existing lots of a suitable size will be removed.
- Action 2.3.3 states that more opportunities for affordable housing will be delivered through a comprehensive approach involving all stakeholders, provision of affordable housing on government led urban renewal projects and government owned sites, and requiring local Councils to include affordable housing in their local housing strategies, to respond to local demand.

The NSW Government is also seeking to incorporate social and affordable housing developments on public land and delivered in partnership with community housing providers. The Sydney Growth Plan also identifies two priority precincts in Ryde LGA, one at North Ryde Station and one at Herring Road, Macquarie Park.

There is also increased funding for affordable housing. The Premiers Innovation Fund has promised funding of \$1 billion for social and affordable housing. Family and Community Services currently offer grants of \$10,000 per room to encourage the construction of new boarding houses or the addition of new rooms to existing premises under the Boarding House Financial Assistance Program.

Previous initiatives focused more generally on growing affordable housing through increased community housing sector capacity to deliver and manage such housing. These include increased funding for Community Housing Providers (CHPs), transfer of social housing stock to CHPs, including some with title, and regulatory support to increase their professionalism and capacity.

There has also been an increased emphasis on partnerships that can make the most efficient use of Federal and State Government funding and resources, including between State and local government, the private sector and CHPs. The rationale for such partnerships is to increase affordable housing constructed through leveraging State and Federal funding including through access to Council or other publicly-owned land,



access to resources created through the planning system, or through the accumulated funds or the borrowing capacity against equity of larger CHPs.

10.2 EP&A Act and SEPPs

There are significant constraints to action by local government, principally arising from its subordinate relationship to state government in Australia, its lack of planning autonomy, the prescriptive nature of the land use zoning system, and its constrained economic position and constraints to raising capital.

Nonetheless, local government has a vital role in affordable housing and an impact on affordability particularly through land use planning controls. It has the option of taking a more proactive role in the creation and retention of affordable housing through active intervention in the market through the development of appropriate planning mechanisms and strategies.

The Environmental Planning and Assessment Act 1979 (NSW) (**EP&A Act**) has express provisions related to the creation and protection of affordable and low cost housing, and others which may be used to support such housing through the planning and approvals process. Local government (in NSW) accordingly has roles and responsibilities relating to affordable housing under planning legislation including State Environmental Planning Policies (**SEPPs**).

Relevant Sections of the EP&A Act 1979 (NSW)

- **Section 5(a)(viii)** provides an objective of the “maintenance and provision of affordable housing”.
- **Section 79C(1)(b)** states it is a requirement of the consent authority to take into account “social and economic impacts” of a development application. This has been applied to development applications that result in the loss of affordable or low cost housing, such as low cost flats and boarding houses.
- **Section 94F & 94G** were introduced to provide consent authorities with express power to impose such conditions “if a State Environmental Planning Policy (SEPP) identifies that there is a need for affordable housing within an area” and certain other conditions are met. This allows for the inclusion of mandatory contributions of affordable housing if the SEPP has identified the area as being in need of affordable housing (of which Ryde LGA is identified).
- **Section 93F** allows for voluntary planning agreements in relation to proposed amendment to a planning instrument or development application. Under such an agreement, the developer is required to dedicate land, make a financial contribution or provide a material public benefit (or combination thereof) towards a public purpose. Affordable housing is listed as one of the public purposes.
- Furthermore, **Section 94f(5)** makes it clear that “nothing in this section prevents the imposition on a development consent of other conditions relating to the provision, maintenance and retention of affordable housing.” (E.g. through targets and diversity planning in Masterplans or DCPs and requiring Social Impact Statements).

Relevant SEPPs for Affordable Housing

- **SEPP 70 Affordable Housing (*Revised Schemes*)** amends local and regional planning instruments to enable the levying of development contributions to provide for affordable housing. SEPP 70 provides guidance regarding assessing housing need, setting contribution levels, apportionment, administration and accountability, and specifies relevant income and rental criteria. (SEPP 70 has been applied to such Sydney housing schemes as Ultimo-Pyrmont, Willoughby, and Green Square and in three local councils including Sydney, Willoughby and Leichhardt).

- **SEPP (Affordable Rental Housing) 2009 (AHSEPP)** was introduced in 2009 to provide a consistent planning regime increase the supply and diversity of affordable rental housing to different groups. The intention was that through liberalizing zoning it would provide increased affordable housing close to places of work. The AHSEPP covers housing types including villas, townhouses and apartments that contain an affordable rental housing component, along with secondary dwellings (granny flats), new generation boarding houses, group homes, social housing and supportive accommodation. The aims of this policy are as follows:
 - (a) “To provide a consistent planning regime for the provision of affordable rental housing”,
 - (b) “To facilitate the effective delivery of new affordable rental housing by providing incentives by way of expanded zoning permissibility, floor space ratio bonuses and non-discretionary development standards,”
 - (c) “To facilitate the retention and mitigate the loss of existing affordable rental housing”,
 - (d) “To employ a balanced approach between obligations for retaining and mitigating the loss of existing affordable rental housing, and incentives for the development of new affordable rental housing”,
 - (e) “To facilitate an expanded role for not-for-profit-providers of affordable rental housing”,
 - (f) “To support local business centres by providing affordable rental housing for workers close to places of work”,
 - (g) “To facilitate the development of housing for the homeless and other disadvantaged people who may require support services, including group homes and supportive accommodation”.

10.3 Relevant Council Plans & Reports

In addition to State Government policy there are various plans prepared by Council that related to affordable housing. Of the various plans, the two most significant are the City of Ryde Community Strategic Plan and the Ryde Local Environmental Plan (**RLEP**).

A brief summary of the local council planning context is provided below:

- **City of Ryde Community Strategic Plan 2031** is the overall strategic plan of council. One of the key outcome areas is “A City of Liveable Neighborhoods” that recognises the need for affordable housing in Ryde LGA.
- **Ryde Local Environmental Plan 2014 (RLEP)** is and the Ryde Development Control Plan (DCP) regulate development in Ryde LGA. The current RLEP does not contain specific affordable housing objectives and incentives.
- **Ryde Voluntary Planning Agreement Policy (VPA)** guides the nature of voluntary planning agreements associated with development in Ryde LGA. Councils existing VPA Policy allows for the provision of affordable housing as a potential material public benefit in any planning agreement.
- **Ryde Economic Development Plan 2015 – 2019 (REDP)** provides a supportive framework for local economic development in Ryde LGA. It is concerned with business and employment growth but acknowledges the need to tackle housing affordability to ensure a diverse workforce.
- **Arresting Vulnerability Report** identifies people on lower incomes in Ryde LGA are at particular risk of homelessness and vulnerability. The report supports the goal of increased affordable housing provision.

11.0 Affordable Housing Target

Setting a target for the delivery of affordable housing is a challenge given the multiplicity of factors to consider. However, agreeing on a target is a useful exercise in terms of working towards a goal and monitoring the success or otherwise of the Policy.

The target suggested below is that 5.0% of all new housing created over the next 15 years be designated affordable housing for key worker households. This is explained further below.

11.1 Forecast Key Worker Housing Needs

As part of the Background Report, analysis was conducted on the current and forecast need for affordable housing. The figures below provide an indication on the number of key worker households (i.e. households on very low to moderate incomes) in need of affordable housing:

- In 2011 there were **7,450** key worker households in Ryde LGA in need of affordable priced housing;
- By 2021 there are forecast to be **8,925** key worker households in Ryde LGA in need of affordable priced housing;
- By 2026 there are forecast to be **9,750** key worker households in Ryde LGA in need of affordable priced housing; and
- By 2031 there are forecast to be **10,700** key worker households in Ryde LGA in need of affordable priced housing.

Most of the key worker housing needs will be for households that are renting (70% renters). The need will be apportioned across the key worker income bands as follows:

- 50% very low income
- 30% low income
- 20% moderate income households,

It should be noted the figures above denote the underlying *need* for affordable housing based on the incidence of housing stress among key worker households rather than the target. Unfortunately, these figures are far beyond the scope of what Council can realistically deliver in terms of new affordable housing dwellings within the next 15 years.

11.2 Current Levels of Social and Affordable Housing

Current Levels of Social Housing in Ryde LGA:

- In 2011 there was 4.7% social housing in Ryde LGA OR 1,870 actual dwellings. (Source: ABS Census: Enumerated Data)

Current Levels of Affordable Housing in Ryde LGA:

- In 2014 there were 7 affordable housing dwellings completed in Ryde LGA (Source: FACS NSW).

New Affordable Housing Approvals:

- During the five year period 2011 – 2015 there were an additional 6 affordable housing dwellings approved (but not yet built) added to Ryde LGA. On average this represents 1.2 actual affordable housing dwellings per year.

Rate of Affordable Housing Approvals:

- The total new dwellings over the period 2011 – 2015 were approximately 3,340 Dwellings (i.e. 668 per year).
- Therefore, the rate of affordable housing approvals as a proportion of total new dwellings is as follows:

$$= 6 \text{ AH Dwellings} / 3,340 \text{ Total Dwellings} \times 100$$

$$= \mathbf{0.18\% \text{ of total new housing is affordable housing}}$$
- The rate of affordable housing approvals per year over the period 2011 – 2015 is as follows:

$$= 6 \text{ AH Dwellings} / 5 \text{ years}$$

$$= \mathbf{\text{A rate of } 1.2 \text{ affordable housing dwellings per year}}$$

11.3 Housing Growth Projections

Dwellings Added to Ryde LGA:

- From 2015 – 2031 there are estimated to be 10,000 – 12,000 dwellings added to Ryde LGA. This represents approximately **670 new dwellings added to Ryde LGA each year**.
- In 2015 there were 43,289 dwellings in Ryde LGA. In 2031 there is forecast to be approximately 53,611 households.
- In 2015 the total population was estimated at 113,422, and is forecast to grow to 135,508 by 2031.

11.4 Affordable Housing Targets for Ryde LGA

Affordable Housing Target by 2031:

- From 2016 – 2031, **5% of all new dwellings in Ryde LGA will be designated affordable housing** for key worker households.
- In actual terms this represents a total of approximately **600 additional affordable housing dwellings** by 2031 for key worker households.
- To achieve this target there will need to be a combined total of **40 additional affordable housing dwellings added each year** by both the NSW Government and City of Ryde Council.

11.5 State Government Contribution to Affordable Housing

It is widely acknowledged that the NSW Government has the primary responsibility for delivering affordable housing for key workers. Therefore, it is proposed that the delivery of key worker housing be at a ratio of 2:1, NSW Government to City of Ryde Council.

Suggested Target for the NSW Government:

- From 2016 – 2031, **400 additional affordable housing dwellings** for key worker households in Ryde LGA delivered by the NSW Government.

Required Rate of Delivery:

- This requires a delivery rate of approximately **27 additional affordable housing dwellings per year** over the period to achieve this target.

11.6 Local Council Contribution to Affordable Housing

Feasibility testing by Council staff indicated that if the affordable housing mechanisms suggested in this policy are implemented, Council can potentially deliver 200 affordable housing units by 2031.

Suggested Target for City of Ryde Council:

- From 2016 – 2031, **200 additional affordable housing dwellings** for key worker households in Ryde LGA delivered by City of Ryde Council.

Required Rate of Delivery:

- This requires a delivery rate of approximately **13 additional affordable housing dwellings per year** over the period to achieve this target.

11.7 Summary of Affordable Housing Targets

Target Affordable Key Worker Housing by 2031:

- From 2016 – 2031, **5% of all new dwellings in Ryde LGA will be affordable housing** for key worker households.
- In actual terms this represents a total of approximately **600 additional affordable housing dwellings by 2031** for key worker households.

Of the additional 600 affordable Housing Dwellings:

- **400 affordable housing dwellings** for key worker households delivered by the NSW Government.
- **200 affordable housing dwellings** for key worker households delivered by City of Ryde Council.

Affordable Housing Dwellings per Year

- 27 affordable housing dwellings delivered by NSW Government per year
- 13 affordable housing dwellings delivered by City of Ryde Council per year

12.0 Key Worker Housing

12.1 Need for Key Workers

Ryde is well-located with regard to services and key employment centres in Greater Sydney. However, it is an increasingly unaffordable area for very low, low and moderate income households. There is a high level of unmet demand for key worker housing as outlined below:

- In 2011 there were **7,450** key worker households in Ryde LGA in need of affordable priced housing;
- By 2021 there are forecast to be **8,925** key worker households in Ryde LGA in need of affordable priced housing;
- By 2026 there are forecast to be **9,750** key worker households in Ryde LGA in need of affordable priced housing; and
- By 2031 there are forecast to be **10,700** key worker households in Ryde LGA in need of affordable priced housing.

The breakdown of the need across the three income brackets is around 50% very low income, 30% low income and 20% moderate income households. Approximately 70% renters will be renters and 30% will be

buyers. As outlined previously, 'key worker households' are across all of these income bands (i.e. very low, low and moderate income levels).

12.2 Criteria for Key Workers Accessing Affordable Housing

The criteria for who is eligible for affordable housing is something that will need to be prepared as part of a MOU between Council and the chosen Community Housing Provider. It usually depends on the level of household income which is set by the NSW and Commonwealth Governments.

The common factors considered as a part of selection criteria include:

- Permanently employed.
- Australian citizen or permanent resident.
- Whether the household would be able to secure suitable or adequate housing in the private rental market.
- Whether the household owns any assets (e.g. a property) which they could be reasonably expected to use to solve their housing need.
- Whether the job is located within the LGA in essential roles such as nurses, cleaners, bus drivers, childcare workers, early childhood, primary or secondary, or police and emergency services etc.
- Already living in the City.
- Earning very low, low or moderate incomes.

The specific detail of the selection criteria for accessing affordable housing would be discussed as part of entering into a MOU between Council and a registered Community Housing Provider.

12.3 Affordable Housing Rents

Affordable housing rents vary, and are set either as a discount to the market rent or as a percentage of a household's income.

Where rent is set as a discount of the market rent, the discount is usually between 20 and 25 per cent compared to the market rent for a similar property in the area.

Where rent is set as a proportion of a household's income, households may be charged between 25 and 30 per cent of their before tax income for rent, although providers may charge slightly more in some circumstances.

The method used to set rent is to ensure that affordable housing properties are available to a range of income groups, balanced with a need to ensure rents cover the cost of managing the properties. Further information on affordable rental figures are provided below.

13.0 Management of Affordable Housing

It is the role of Council to facilitate the delivery of key worker housing, not to manage its tenants. Managing the day-to-day functioning of affordable housing is a role for a registered Community Housing Providers.

Therefore, once the new key worker housing stock has been created and allocated/dedicated to Council, it should then be transferred to the Community Housing Provider to manage and maintain the asset.

A proportion of the rental payments would go to the Community Housing Provider for their tenant administration services, to maintain the asset and potentially to acquire new affordable housing stock. The specifics of this arrangement would be outlined in a MOU between Council and the Community Housing Provider.

At present the Community Housing Provider with the largest presence in the Ryde LGA is Link Housing. However it is anticipated that Council would call for expressions of interest through standard council procurement process regarding selecting the appropriate Community Housing Provider.

A range of service providers were interviewed to provide a more detailed understanding of the need for affordable housing, the local service context, and to explore the potential for partnerships in affordable housing delivery and management. Several community housing providers have demonstrated an interest in becoming more active in Ryde LGA.

Very Low Incomes

Very low income key workers households include lower level aged care workers, cleaners, nurses' assistants, and workers in retail or hospitality and the like. They would need to pay no more than \$235 rent per week for their housing to be affordable, and pay no more than \$225,000 to affordably purchase a home.

Low Incomes

Low income key workers households include teachers, emergency service personnel, high-level registered nurse, landscape gardeners and the like. They would need to pay between \$235 and \$375 rent per week for their housing to be affordable, and pay no more than \$360,000 to affordably purchase a home.

Moderate Incomes

Moderate income key workers households include high-level registered nurses, higher level teachers, or two income families where one person working full-time as an aged care worker and the other as a social and community services and the like. These households would need to pay between \$375 and \$560 rent per week for their housing to be affordable, and pay no more than \$540,000 to affordably purchase a home.

Affordability Benchmarks for Key Worker Incomes

	Very low income household	Low income household	Moderate income household
Income Benchmark	<50% of Gross Median H/H Income for Greater Sydney	50-80% of Gross Median H/H Income for Greater Sydney	80%-120% of Gross Median H/H Income for Greater Sydney
Income Range	<\$779 per week	\$779-\$1,246 per week	\$1,246-\$1,870 per week

Affordable Rental Benchmarks	<\$234 per week	\$235-\$374 per week	\$375-\$561 per week
Affordable Purchase Benchmarks	<\$225,000	\$225,001-\$360,000	\$360,001-\$540,000

Source: JSA 2015, based on data from ABS (2011) Census indexed to March Quarter 2015 dollars

14.0 Vision, Goals & Objectives

Vision

By 2031, the City of Ryde is a leading council in Sydney in the provision of affordable housing. An increasing number of key workers in our local economy can afford to live locally too.

Goals

1 5.0% of all new dwellings in Ryde LGA will be affordable housing for key worker households on very low to moderate incomes.

2. A framework to deliver affordable housing outcomes that is clear and transparent.

3. City of Ryde works in partnership with the NSW Government, Community Housing Providers and other relevant stakeholders to achieve affordable housing outcomes.

Objectives by 2031

1. Council to advocate the NSW State Government to deliver 400 new affordable housing dwellings through developments on government-owned land and the development approval process.

2 Council will have facilitated the delivery of an additional 200 affordable housing dwellings through the development process.

3 An internal review will be conducted of Council's planning and development assessment processes to ensure there are no unnecessary barriers to housing supply, housing diversity or affordable housing.

4. There will be amendments to Ryde LGA's planning controls to include affordable housing objectives and submitted to the NSW Department of Planning and Environment for approval.

5 The Affordable Housing Policy will be adopted, implemented, monitored, evaluated and amended (if necessary) by Council.

6 Council is in regular communication with government agencies, Community Housing Providers, community groups and other local councils to progress the issue of affordable housing.

7 A Memorandum of Understanding will be signed between Council and a registered Community Housing Provider to assist in managing, partnering and advocating for affordable housing in Ryde LGA.

15.0 Key Performance Indicators

OBJECTIVES by 2031	Key Performance Indicator (KPI)
1. Council to advocate the NSW State Government to deliver 400 new affordable housing dwellings through developments on government-owned land and the development approval process.	1. 400 new affordable housing dwellings with information provided by NSW Centre for Affordable Housing and local Community Housing Providers.
2. Council will have facilitated the delivery of an additional 200 affordable housing dwellings through the development process.	2. 200 affordable housing dwellings accrued through the planning process and purchased or created through direct market intervention.
3. An internal review will be conducted of Council's planning and development assessment processes to ensure there are no unnecessary barriers to housing supply, housing diversity or affordable housing.	3. An internal review will be conducted of Council's planning and development assessment processes to ensure there are no unnecessary barriers to housing supply, housing diversity or affordable housing.
4. There will be amendments to Ryde LGA's planning controls to include affordable housing objectives and submitted to the NSW Department of Planning and Environment for approval.	4. Affordable housing amendments made to planning controls and submitted to NSW DoPe.
5. The Affordable Housing Policy will be adopted, implemented, monitored, evaluated and amended (if necessary) by Council.	5. An assessment of the Affordable Housing Policy is conducted annually.
6. Council is in regular communication with government agencies, Community Housing Providers, community groups and other local councils to progress the issue of affordable housing.	6. Conduct an annual event or meeting to discuss affordable housing with relevant stakeholder groups.
7. A Memorandum of Understanding will be signed between Council and a registered Community Housing Provider to assist in managing, partnering and advocating for affordable housing in Ryde LGA.	7. Sign a MoU with a registered Community Housing Provider.

16.0 Programs and Projects

The goals and objectives of the Policy will be delivered via the 31 projects listed below. For purposes of clarity these 31 projects have been grouped under 7 programs. The implementation of these projects will be implemented, monitored and amended throughout the life of the Policy.

State Government Affordable Housing Stock Program:

1. Advocate for the inclusion of affordable housing in urban renewal sites on government-owned land.
2. Advocate the NSW Government for progress on affordable housing initiatives and targets.

Council-Facilitated Affordable Housing Stock Program:

3. Develop an affordable housing calculator to assist in 'value sharing' negotiations with developers.
4. Council staff to receive training and professional development to improve capacity to address affordable housing issues.
5. Council to undertake a 'Demonstration Project' with a designated percentage (e.g. 5 - 10%) affordable housing.
6. Apply for any relevant government grants for affordable housing.
7. Create and manage an Affordable Housing Fund that collects mandatory and voluntary financial contributions used for the creation/purchasing of affordable housing stock.

Planning Controls Review Program:


8. Conduct a review of planning controls to assess if there are any 'barriers' to the creation of affordable housing.
9. Undertake a local housing study as part of the LEP planning process.
10. Continue to assess the appropriate mix of housing choice available in Ryde LGA.
11. Monitor housing needs associated with changing household sizes (e.g. increases in lone person households).

Affordable Housing Planning Incentives Program:

12. Include affordable housing aims, objectives and provisions in land use planning controls.
13. Make use of an affordable housing calculator to provide transparency in negotiations as part of the development process.
14. Explore mandatory inclusions (e.g. 4%) as part of the planning proposal/rezoning process.
15. Explore mandatory inclusions (e.g. 2%) on all residential developments of over a certain number (e.g. 20 units).
16. Determine the feasibility of a precinct-based Density Bonus Scheme whereby uplift (e.g. 30%) is granted under the condition a percentage (e.g. 40%) of that uplift is designated affordable housing.
17. Explore requiring a Social Impact Statement on developments that have a negative impact on affordable housing or lower cost accommodation.
18. Explore use of incentive-based variations to controls to offset the impact of mandatory provisions or to 'value share' the benefit in uplift.
19. Identify a reasonable contribution in cash to the equivalent value of providing affordable housing.

Affordable Housing Policy Review Program:

20. Clearly define 'affordable housing' in planning controls.
21. Establish an Affordable Housing Working Group to champion the Affordable Housing Policy and adopt an 'all-of-Council' approach.

- 
- 22. Maintain statistical data on the incidence of local housing stress.
 - 23. Undertake regular reviews of the Affordable Housing Policy and determine whether amendments are necessary.
 - 24. Monitor the needs of businesses and organisations in attracting staff on very low to moderate incomes.

Affordable Housing Communication Program:

- 25. Hold forums with government agencies, community housing providers, other local councils and community groups to discuss affordable housing.
- 26. Conduct granny flat workshops and information nights for the local community.
- 27. Include affordable housing updates in regular council and community communication.
- 28. Support the work of not-for-profit and government agencies that support vulnerable people groups.

Affordable Housing Partnership Program:

- 29. Sign a MoU with a registered Community Housing Provider to manage affordable housing stock accrued through the development process.
- 30. Establish an eligibility criterion for key workers to access affordable housing.
- 31. Explore the allocation of affordable housing stock to address specific housing need requirements, e.g. persons escaping situations of domestic violence.

17.0 Implementation Plan

GOALS	OBJECTIVE	KPI	PROGRAM	PROJECT	PARTNERSHIP ORGANISATION
1. 5.0% of all new dwellings in Ryde LGA will be affordable housing for key worker households on very low to moderate incomes.	1. Council to advocate the NSW State Government to deliver 400 new affordable housing dwellings through developments on government-owned land and the development approval process.	1. 400 new affordable housing dwellings with information provided by NSW Centre for Affordable Housing and local Community Housing Providers.	State Government Affordable Housing Stock Program	1. Advocate for the inclusion of affordable housing in urban renewal sites on government-owned land.	NSW Government, NSW DoPE & NSW Centre for Affordable Housing
				2. Advocate the NSW Government for progress on affordable housing initiatives and targets.	NSW Government, NSW DoPE & NSW Centre for Affordable Housing
	2. Council will have facilitated the delivery of an additional 200 affordable housing dwellings through the development process.	2. 200 affordable housing dwellings accrued through the planning process and purchased or created through direct market intervention.	Council-Facilitated Affordable Housing Stock Program	3. Develop an affordable housing calculator to assist in 'value sharing' negotiations with developers.	
				4. Council staff to receive training and professional development to improve capacity to address affordable housing issues.	NSW Centre for Affordable Housing
				5. Council to undertake a 'Demonstration Project' with a designated percentage (e.g. 5 - 10%) affordable housing.	
				6. Apply for any relevant government grants for affordable housing.	
				7. Create and manage an Affordable Housing Fund that collects mandatory and voluntary financial contributions used for the creation/purchasing of affordable housing stock.	Registered Community Housing Provider
	3. An internal review will be conducted of Council's planning and development assessment processes to ensure there are no unnecessary barriers to housing supply, housing diversity or affordable housing.	3. An internal review will be conducted of Council's planning and development assessment processes to ensure there are no unnecessary barriers to housing supply, housing diversity or affordable housing.	Planning Controls Review Program	8. Conduct a review of planning controls to assess if there are any 'barriers' to the creation of affordable housing.	
				9. Undertake a local housing study as part of the LEP planning process.	
				10. Continue to assess the appropriate mix of housing choice available in Ryde LGA.	
				11. Monitor housing needs associated with changing household sizes (e.g. increases in lone person households).	NSW DoPE

GOALS	OBJECTIVE	KPI	PROGRAM	PROJECT	PARTNERSHIP ORGANISATION
2. A framework to deliver affordable housing outcomes that is clear and transparent.	4. There will be amendments to Ryde LGA's planning controls to include affordable housing objectives and submitted to the NSW Department of Planning and Environment for approval.	4. Affordable housing amendments made to planning controls and submitted to NSW DoPe.	Affordable Housing Planning Incentives Program	12. Include affordable housing aims, objectives and provisions in land use planning controls.	NSW DoPE & NSW Centre for Affordable Housing
				13. Make use of an affordable housing calculator to provide transparency in negotiations as part of the development process.	NSW DoPE & NSW Centre for Affordable Housing
				14. Explore mandatory inclusions (e.g. 4%) as part of the planning proposal/rezoning process.	NSW DoPE & NSW Centre for Affordable Housing
				15. Explore mandatory inclusions (e.g. 2%) on all residential developments of over a certain number (e.g. 20 units).	NSW DoPE & NSW Centre for Affordable Housing
				16. Determine the feasibility of a precinct-based Density Bonus Scheme whereby uplift (e.g. 30%) is granted under the condition a percentage (e.g. 40%) of that uplift is designated affordable housing.	NSW DoPE & NSW Centre for Affordable Housing
				17. Explore requiring a Social Impact Statement on developments that have a negative impact on affordable housing or lower cost accommodation.	NSW DoPE & NSW Centre for Affordable Housing
				18. Explore use of incentive-based variations to controls to offset the impact of mandatory provisions or to 'value share' the benefit in uplift.	
				19. Identify a reasonable contribution in cash to the equivalent value of providing affordable housing.	
	5. The Affordable Housing Policy will be adopted, implemented, monitored, evaluated and amended (if necessary) by Council.	5. An assessment of the Affordable Housing Policy is conducted annually.	Affordable Housing Policy Review Program	20. Clearly define 'affordable housing' in planning controls.	NSW Centre for Affordable Housing
				21. Establish an Affordable Housing Working Group to champion the Affordable Housing Policy and adopt an 'all-of-Council' approach.	
				22. Maintain statistical data on the incidence of local housing stress.	NSW Centre for Affordable Housing, Community Housing Providers & Council
				23. Undertake regular reviews of the Affordable Housing Policy and determine whether amendments are necessary.	NSW Centre for Affordable Housing, ABS & Community Housing Providers
				24. Monitor the needs of businesses and organisations in attracting staff on very low to moderate incomes.	NSW Centre for Affordable Housing, Community Housing Providers & Council

GOALS	OBJECTIVE	KPI	PROGRAM	PROJECT	PARTNERSHIP ORGANISATION
3. City of Ryde works in partnership with the NSW Government, Community Housing Providers and other relevant stakeholders to achieve affordable housing outcomes.	6. Council is in regular communication with government agencies, Community Housing Providers, community groups and other local councils to progress the issue of affordable housing.	6. Conduct an annual event or meeting to discuss affordable housing with relevant stakeholder groups.	Affordable Housing Communication Program	25. Hold forums with government agencies, community housing providers, other local councils and community groups to discuss affordable housing.	NSW Centre for Affordable Housing, Community Housing Providers, local councils and community groups
				26. Conduct granny flat workshops and information nights for the local community.	
				27. Include affordable housing updates in regular council and community communication.	
				28. Support the work of not-for-profit and government agencies that support vulnerable people groups.	Not-for-Profit organisation and Community Groups
	7. A Memorandum of Understanding will be signed between Council and a registered Community Housing Provider to assist in managing, partnering and advocating for affordable housing in Ryde LGA.	7. Sign a MoU with a registered Community Housing Provider.	Affordable Housing Partnership Program	29. Sign a MoU with a registered Community Housing Provider to manage affordable housing stock accrued through the development process.	Community Housing Provider
				30. Establish an eligibility criterion for key workers to access affordable housing.	
				31. Explore the allocation of affordable housing stock to address specific housing need requirements, e.g. persons escaping situations of domestic violence.	NSW Centre for Affordable Housing & Community Housing Provider

18.0 Monitoring the Policy

Council will report regularly on the results of the Affordable Housing Policy through a variety of reporting and communication channels including:


- Council Annual Report (external)
- Quarterly Reporting (internal)
- Council meetings (as required)
- Regular meetings with delivery partners
- Council newsletters
- Council website

There may also be temporary working groups pulled together to oversee an aspect of the policy as needed. This might include the initial launch of the policy, a major affordable housing development project, or a review of the policy. Relevant stakeholders will be invited to participate in these working groups as an expression of interest.

It is critical to the successful implementation of the policy that delivery partners, the NSW Government and the community are kept engaged and informed in the process.

19.0 References

- Kemp B., Paleologos Z., King S. and Bellamy J., 2014, *Rental Affordability Snapshot: April 2014 Greater Sydney and the Illawarra*, Anglicare Diocese of Sydney: Social Policy & Research Unit, Sydney.
- Australian Government, 2009, *Australia's Future Tax System: Report to the Treasurer (Part One Overview)*, Australian Treasury Department, Printed by CanPrint Communications, Canberra.
- Centre for Affordable Housing website – www.housing.nsw.gov.au
- City of Ryde, 2015, *Arresting Vulnerability Report*, Sydney.
- Committee for Sydney, 2015, *A City for All: Five Game-Changers for Affordable Housing in Sydney*, Sydney.
- Gurran N., 2008, *Affordable Housing National Leading Practice Guide and Tool Kit*, National Commitment 2 Working Group, Sydney University.
- Johnson C., 2014, *Capital Uplift and Affordable Housing*, Centre for Affordable Housing, Sydney.
- Kelly J., 2011, *Getting the Housing we Want*, Grattan Institute, Melbourne.
- Kelly J., 2013, *Renovating Housing Policy*, Grattan Institute, Melbourne.
- NSW Government, State Environmental Planning Policy (Affordable Rental Housing) 2009.
- NSW Government, State Environmental Planning Policy No. 70 Affordable Housing (Revised Schemes).
- NSW Government, 2012, *Affordable Housing Taskforce Interim Report: March 2012*, Sydney.
- RealEstate.com, www.realestate.com.au, rental listings as at 3 June 2015.
- Shelter NSW, 2012, *Housing Terms Factsheet*, Prepared for National Shelter by Shelter NSW in June 2012.
- Shelter WA, 2012, *Local Government Guide to Development an Affordable Housing Strategy August 2012*, Western Australia.

- 
- Stubbs J., 2015, *City of Ryde Affordable Housing Policy: Stage One Background Report*, Judith Stubbs & Associates, Sydney.
 - Western Australia Government, 2013, *Planning Provisions for Affordable Housing: Discussion Paper October 2013*, Department of Planning WA.

20.0 Contact Details

City of Ryde
1 Devlin St, Ryde NSW 2111
Locked Bag 2069, North Ryde NSW 1670
Ph: 9952 8222
W: www.ryde.nsw.gov.au