

Responding to the Peoples Panel on Affordable Housing Recommendations

5 March 2024

Presenter: Rushda Halith, General Manager, Community and City Services

Purpose and background

1. On 5 September 2023, the Future Melbourne Committee (Committee) approved that management deliver a People's Panel on Affordable Housing by the end of 2023, responding to the remit: 'We have a severe shortage of affordable housing and need innovative solutions from all levels of government and society. How can we increase affordable housing in the City of Melbourne?'
2. The Affordable Housing People's Panel (the Panel) was made up of 40 participants and was delivered over three and a half days, starting with an introductory session on Thursday, 26 October, followed by three days of deliberation ending on Saturday, 18 November 2023. The process was co-designed and delivered by independent facilitators.
3. The Panel made 11 recommendations (Recommendations) in response to their remit.
4. The purpose of this report is to present the Recommendations to the Committee with a recommended response.

Key issues

5. The Panel process has been a positive experience and transformative for all those involved. It is a departure from typical engagement processes and has demonstrated the capability of a disparate group of people to establish and agree on solutions to a highly complex problem.
6. The Panel participants were selected through an independent recruiter. Starting with 8,500 invitations being issued, the Panel of 40 participants was selected, reflecting an almost exact representation of the City of Melbourne population demographic profile (refer Attachment 2).
7. The impact of this deliberative engagement process extends beyond the Recommendations. It has shown that deep engagement can lead to positive changes in the relationship between Council and community members. Through pre- and post-deliberation surveys, the Panel members reported increased trust in Council (45 per cent increase) and greater confidence that community input would influence Council's decisions (45 per cent increase). Following the process, 87 per cent of the panellists thought the process was collaborative, genuine and worthwhile (further detail is included in Attachment 2 and 5).
8. The Recommendations were each supported by a supermajority (at least 80 per cent) of panellists, and a handful were unanimously supported. Broadly, the Recommendations are strongly aligned with the Affordable Housing Strategy and provide a mandate to continue to deliver our work (refer Attachment 3).
9. The Recommendations are themed around regulating the private housing market to ensure private housing stock is used efficiently for affordable housing, simplifying and upscaling funding opportunities, expediting and simplifying planning processes, educating the community about affordable housing, and advocacy for policy and legislative changes. If adopted, the Recommendations will strengthen Council's existing actions, particularly in terms of advocacy for mandatory inclusionary zoning and increased funding for affordable housing.

10. Each of the Recommendations has been reviewed and assessed against current work programs and policy positions, and management has identified additional tasks required to implement the Recommendations. (refer Attachment 2 and Attachment 3).
11. To implement the Recommendations, three key outputs have been identified, as outlined below.
 - 11.1. A new Advocacy Plan focussing on the Recommendations that cannot be implemented by CoM, such as changes to state and federal funding models, and amended regulations.
 - 11.2. A Community Education Plan to inform and engage the community on the issues and solutions including alignment with the Advocacy Plan, and may include a call-to-action.
 - 11.3. A Process and Policy Development Plan to focus on internal changes such as planning processes and data analysis.
12. **Recommendation**
13. That the Future Melbourne Committee:
 - 13.1. Thanks participants for being part of the People's Panel on Affordable Housing (People's Panel) and for their work on developing the recommendations (the Recommendations).
 - 13.2. Supports the intent of the Recommendations, as outlined in Attachment 4.
 - 13.3. Requests management commence three key outputs:
 - 13.3.1. A new Advocacy Plan focussing on the Recommendations that cannot be implemented by CoM, such as changes to state and federal funding models, and amended regulations.
 - 13.3.2. A Community Education Plan to inform and engage the community on the issues and solutions including alignment with the Advocacy Plan, and may include a call-to-action.
 - 13.3.3. A CoM wide Process and Policy Development Plan to focus on internal changes such as planning processes and data analysis.
 - 13.4. Requests management include a preface in each plan that recognises and acknowledges the Peoples Panel and its work and insights through the process.
 - 13.5. Requests the Lord Mayor write to relevant Ministers and Members of Parliament to present the Recommendations of the People's Panel.
 - 13.6. Requests management provide an update to Committee on progress in July 2024.

Attachments:

1. Supporting Attachment (page x of n)
2. People's Panel on Affordable Housing Presentation (page x of n)
3. People's Panel Recommendations Report (page x of n)
4. Management Analysis of Recommendations table (page x of n)
5. People's Panel Process Report (page x of n)

Supporting Attachment

Legal

1. This report relates to the outcomes of a community engagement process and no legal issues have been identified.

Finance

2. Expenses related to the delivery of the People's Panel have been be accommodated in Council's budget 2023-24 and budget for implementation of the Recommendations will be accommodated in the 2024-25 budget.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

Health and Safety

4. In developing this proposal, no Occupational Health and Safety issues or opportunities have been identified.

Stakeholder consultation

5. This report documents the outcomes of community consultation.

Relation to Council policy

6. The recommendations in this report are pursuant to Council's Community Engagement Policy 2021.
7. The consultation is being undertaken to support the delivery of Council's affordable housing commitments, including pursuant to:
 - 7.1. Council Plan 2021–25, Major Initiative 44 to 'coordinate and facilitate more affordable housing for key workers and people on low incomes'
 - 7.2. Affordable Housing Strategy 2020–30.

Environmental sustainability

8. In developing this proposal, no environmental sustainability issues or opportunities have been identified.

An aerial photograph of Melbourne, Australia, showing the city skyline across the Yarra River. The foreground is dominated by lush green trees and a winding path along the riverbank. In the middle ground, the river flows through the city, with a bridge visible. The background features a dense cluster of skyscrapers and modern buildings under a clear blue sky. A semi-transparent dark grey banner is overlaid across the middle of the image, containing white text.

Special Future Melbourne Committee Meeting Response to the People's Panel Recommendations on Affordable Housing

Rushda Halith
General Manager, City

5 March 2024



Background

What is deliberative engagement?

- Deliberative engagement is not a typical community engagement process.
- Deliberative engagement is appropriate when there is a complex question, where the decision-maker is committed to upskilling the community and is willing to accept recommendations to the fullest extent possible.
- Deliberative engagement works on the premise that communities can make effective decisions which earn public trust if they are given enough information and time to consider the trade-offs.

Why did we do deliberative engagement?

- Melbourne is in a housing crisis and this is a priority issue for CoM and our community.
- Affordable Housing is a complex policy area that is difficult to navigate in typical engagement activities.
- Issues raised through community engagement on affordable housing in 2022 needed to be tested and investigated further.
- There is significant policy reform happening in housing, and there is potential government funding available for affordable housing in 2024. A clear mandate from our community will assist with advocacy efforts.

The IAP2 Spectrum (International Association for Public Participation)

	Inform	Consult	Involve	Collaborate	Empower
Goal	To provide our community with objective and clear information that lets them know when something is happening.	To seek and consider community feedback on alternatives, proposals and/or decisions we need to make.	Work directly with our community through the process to ensure that concerns and aspirations are understood, and incorporated where appropriate.	To partner closely with our community in identifying alternatives, developing solutions and co-designing a jointly agreed outcome.	To place final decision making in the hands of our community, build their capacity to identify solutions and lead or deliver change.
Our commitment to community	We will keep you informed.	We will listen to and acknowledge your concerns and aspirations and provide feedback on how your input influenced the decisions.	Work with you to ensure what we've heard is directly reflected in the alternatives developed and provide feedback on how your input influenced decisions.	We will work together in co-designing solutions, and as much as possible, incorporate your advice and proposals into the decisions.	We will work alongside you to realise your decisions and aspirations.
The role of community	Listen	Contribute	Participate	Partner	Partner or lead

Source: CoM Community Engagement Policy 2021

Project timeline

Date	Input
05 September 2023	FMC directed Management to deliver a People's Panel
26 Oct to 18 Nov 2023	Four deliberative engagement sessions
January 2024	Management assessed final panel recommendations
05 March 2024	Special FMC meeting for consideration of panel recommendations
6 March 2024	Next steps.



Process Overview





The remit:
We have a severe shortage of affordable housing and need
innovative solutions from all levels
of government and society.

***How can we increase affordable housing
in the City of Melbourne?***

Key inputs into the People's Panel process

- Introduction to the project
- Issues and Opportunities of affordable housing
- Benefits of affordable housing
- Learning about critical thinking
- Hearing from and questions for CoM
- Panel identified their information gaps and speakers they want to hear from
- Speed dialogue with 14 guest speakers (curated by CoM to bring diverse views)
- First draft of initial recommendations
- Feedback from CoM in response to draft recommendations
- Panel review and rewrite of recommendations
- Final vote on recommendations (supermajority of 80% required for support)
- Report presentation to Lord Mayor
- Final reflections and closing circle
- Pre- and post-deliberation surveys





40

Representative
People's Panel
participants selected



4

Deliberative
engagement
sessions



819

Collective participant
hours spent in
deliberation



11

Recommendations
with supermajority
of support



Insights and lessons learned

Pre- and post-deliberation surveys

Involvement in civic affairs

**PRE 16% TO
POST 70%**

16% of pre-deliberation survey respondents said they had been 'involved' or 'very involved' in government decisions that affected them in the past.

70% of post-deliberation survey respondents said they would be 'involved' or 'highly involved' in government decisions in the future.

Influence over decision making

**PRE 0% TO
POST 67%**

0% of pre-deliberation survey respondents said they had been 'confident' or 'very confident' that community input would influence government decisions.

67% of post-deliberation respondents were 'confident' or 'very confident' that the panel's recommendations would be implemented by CoM.

Implementation of recommendations

**PRE 22% TO
POST 67%**

22% of pre-deliberation survey respondents said they had they were 'confident' or 'very confident' that their recommendations would be implemented by CoM.

67% of post-deliberation respondents said they were 'confident' or 'very confident' that the recommendations would be implemented.

Pre- and post-deliberation surveys

Trust and accountability

**PRE 25% TO
POST 70%**

25% of pre-deliberation survey respondents said that City of Melbourne was 'very trustworthy and accountable' or 'trustworthy and accountable'.

70% of post-deliberation survey respondents said that City of Melbourne was 'trustworthy and accountable' or 'very trustworthy and accountable'.

Process authenticity and collaboration

**PRE 13% TO
POST 87%**

13% felt that CoM community engagement activities had been 'collaborative, genuine and worthwhile' or 'very collaborative, genuine and worthwhile' in the past.

87% of post-deliberation survey respondents felt that this process was 'collaborative, genuine and worthwhile' or 'very collaborative, genuine and worthwhile'.

Quality of information from CoM

87% OF PARTICIPANTS

87% of participants felt that information provided during the deliberative process was 'clear, useful and balanced' or 'very clear, useful and balanced'.

**This question was asked in the post-deliberation survey only.*

Key messages and insights from the Panel

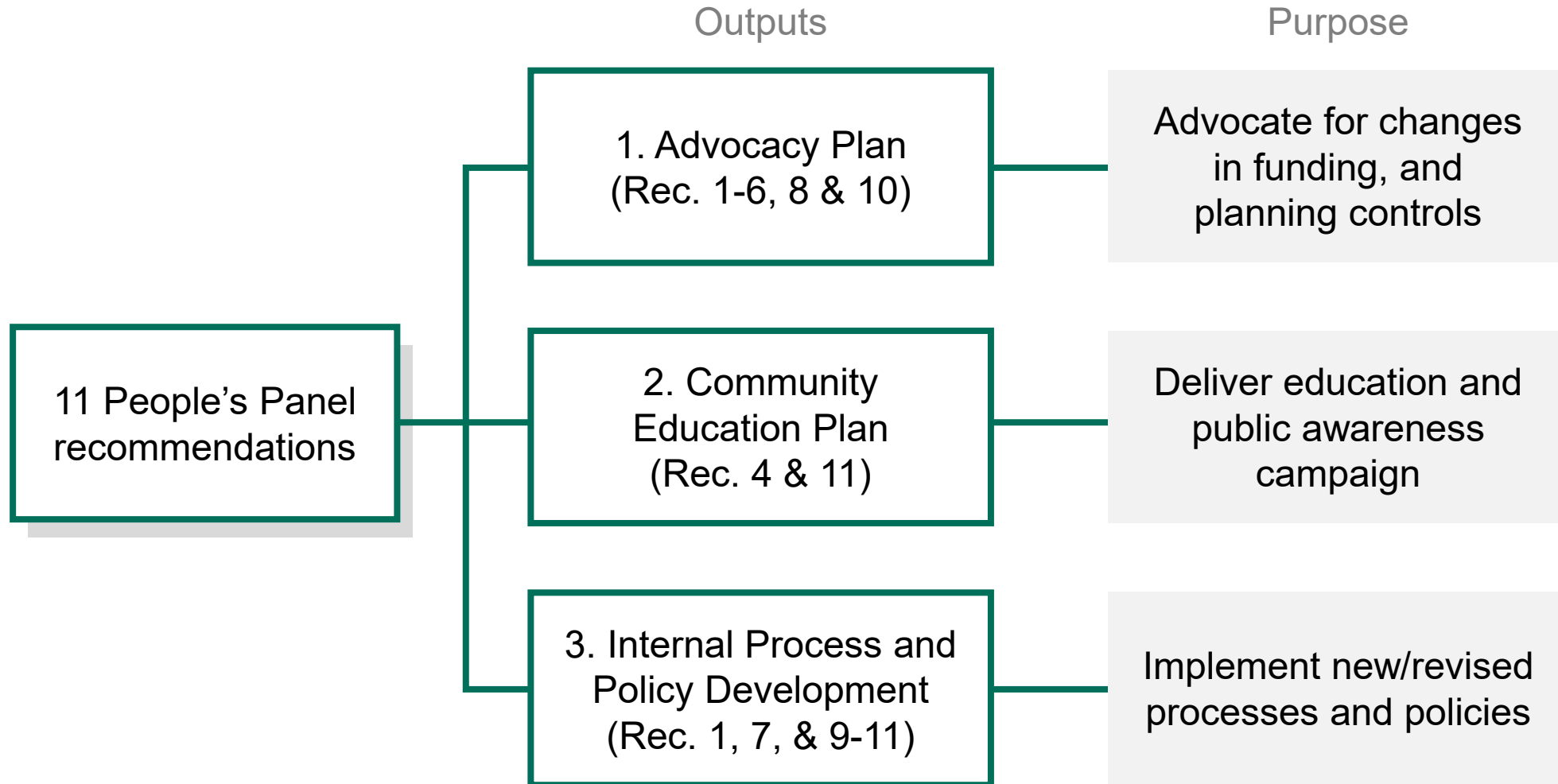
1. Strong alignment between existing policy and the recommendations put forward by the Panel – provides a greater mandate to take action.
2. Desire from panellists for meaningful action by all tiers of government and stakeholders. Multiple recommendations for increased funding for affordable housing.
3. Consensus on a complex and divisive issue is possible, and has community development benefits.





Recommendations and analysis

Implementing the People's Panel recommendations



Outputs identified

Recommendation	Advocacy	Community Education	Internal Process and Policy Development
1. Penalties and disincentives for not participating in affordable housing supply			
2. Innovative alternative funding			
3. Simplifying the funding process			
4. Public awareness campaign and education program			
5. Consistent pipeline of funding between all levels of government for affordable housing			
6. Compulsory affordable housing for new developments			
7. Planning reform: new permit priorities			
8. Lobby Governments for sustained and consistent long-term funding across affordable housing models			
9. Creating sustainable communities			
10. Incentives for stakeholders to provide affordable housing			
11. Use a data-based approach to support and assess all recommendations			

Implementing the People's Panel recommendations

Output

Advocacy Plan

Relevant recommendations

1-6, 8 and 10

Project scope

Establish advocacy plan for the next 12 month including:

- Review existing campaigns and determine whether Council should subscribe to these.
- Identify critical stakeholders and tailor advocacy efforts.
- Consider most effective timing for advocacy.
- Determine whether Council can offer funding for non-government organisations to advocate for change.
- Determine how Council can work with others (other councils, M9, CCCLM, peak bodies) to advocate.
- Align with Council's broader advocacy planning.
- Consider current and future housing projects (e.g. retirement of public housing towers) and how to best advocate in relation to these.

Endorsement timing

July 2024 (with work to commence prior to this)



Implementing the People's Panel recommendations

Output

Community Education Plan

Relevant recommendations

4 and 11

Establish education plan for the next 12 months including:

- Assess existing levels of understanding of the issue within the community.
- Deliver of a program to educate the community about the importance of affordable housing.
- Build capacity within the organisation in understanding the issue and communicating with residents and businesses.
- Consider whether there is a call-to-action included, to empower communities to advocate for change.
- Consider existing community channels, partnerships and programs, and how to leverage these.
- Target critical stakeholders and tailor communication efforts to each of these.
- Determine how the People's Panel insights, participants and collateral could be used to support and implement how the education plan is delivered.

Project scope

Endorsement timing

July 2024 (with work to commence prior to this)



Implementing the People's Panel recommendations

Output

Internal Process and Policy Development

Relevant recommendations

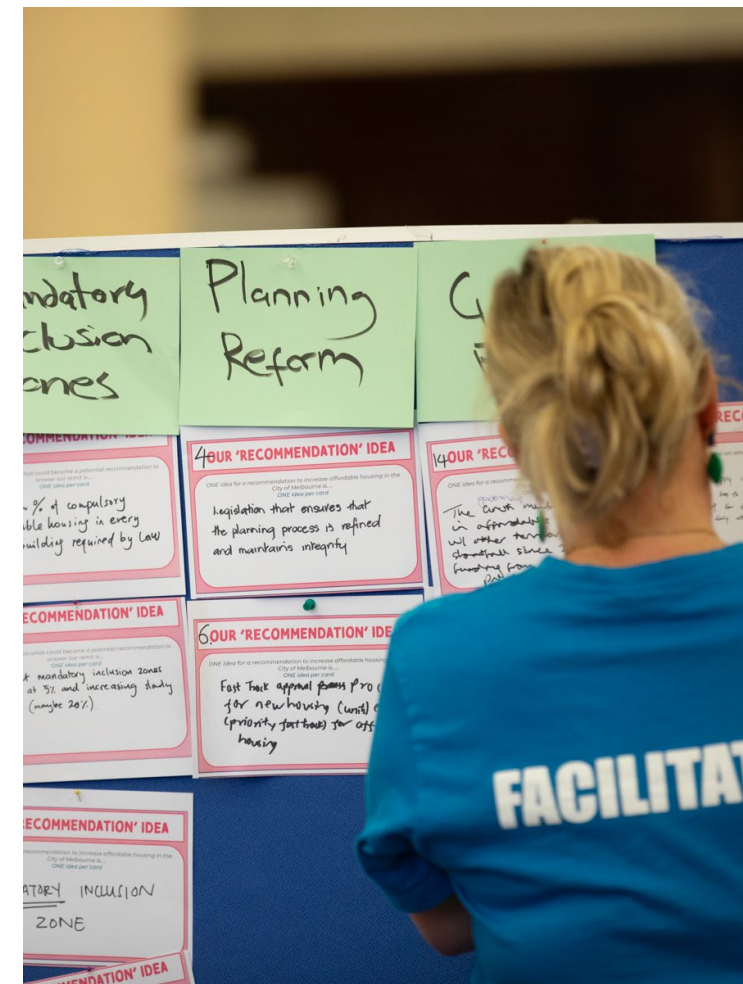
1, 7 and 9-11

Project scope

- Establish a project plan for the next 12 month including:
- Review and update rates rebate policy and build awareness of this among eligible organisations.
 - Establish priority development stream for planning permit applications with significant affordable housing contributions.
 - Analyse and publish more comprehensive data on affordable housing need and delivery.
 - Further exploration of incentives for affordable housing delivery and alignment of CoM processes with state and federal government processes.
 - Establish internal working group to enable delivery and implementation.

Endorsement timing

July 2024 (with work to commence prior to this)





Management Recommendation to Council

Our ask of Council at Special FMC

That Council:

- Thanks participants for their work on developing the recommendations and being part of the People's Panel on Affordable Housing.
- Supports the 11 recommendations presented by the Peoples Panel
- Authorises management to commence three key outputs:
 1. A new Advocacy Plan that would be focused on recommendations that cannot be implemented by CoM, such as changes to state and federal funding models, and amended regulations.
 2. A Community Education Plan to inform and engage our community on the issues and solutions including alignment with the Advocacy Plan, and may include a call-to-action.
 3. A CoM wide Process and Policy Development Plan to focus on internal changes such as planning processes and data analysis.
- Supports management to include a preface in each plan that recognises and acknowledges the Peoples Panel on Affordable Housing and their work and insights through the process.
- Council writes to relevant Ministers and Members of Parliament to share outcomes of the People's Panel on Affordable Housing
- Note that an update will be provided by management in July 2024.







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People's Panel on Affordable Housing

Panel Report

November 2023

REMIT

We have a severe shortage of affordable housing and need innovative solutions from all levels of government and society.



How can we increase affordable housing in the City of Melbourne?

INTRODUCTION

The City of Melbourne's People's Panel on Affordable Housing was held over four sessions from 26th October to 18th November 2023. The aim of the project was to recommend solutions to the shortage of affordable housing in the City of Melbourne area. Eleven recommendations were formulated over this period from a group of 40 participants. These participants reflected the demographic of the council area, from age, gender, background and socio-economic status.

Housing is a fundamental human right and critical to the health and wellbeing of individuals and society at large. Governments at all levels must implement the right to housing - however, the housing situation in the city is falling short of Melbourne's need, with housing affordability becoming a critical issue in discussions about the future of our society.

'Affordable housing' is a specific type of housing for very low- to moderate-income earners, where rents are no more than 30% of gross household income. This comprises both community and public housing and is also known as 'social housing'. Housing of this type is in need as market rents have exceeded the ability of key workers and lower-income earners to be able to live in the communities they serve. Unfortunately, decades of underinvestment have resulted in a shortfall of over 6,000 affordable housing dwellings relative to current need, with that shortfall projected to increase unless something is done. Addressing this need is essential to the City of Melbourne's aims to create a more cohesive, safe, and accessible society for residents.

The panel has carefully deliberated and have found the following basic guiding principles to be evident in forming our recommendations:

1. **All human beings deserve to be housed with dignity**
2. **Affordable housing is essential infrastructure and must be prioritised as such**
3. **Affordable housing provision must be sustainable in the longer term, socially, financially and environmentally**
4. **Policy must be evidence-based.**

Recommendation 1

Heading	Penalties and disincentives for not participating in the affordable housing supply
Description	The intent of the idea is to increase access to the supply of currently available housing in the City of Melbourne. This may have a flow-on effect on both affordable housing supply and overall housing affordability.
Reasoning - why is this important? What evidence can we provide?	<p>In order to tackle the issue of housing supply in CoM, these three key points may assist in addressing this issue:</p> <ul style="list-style-type: none">● Increase the tax rate for vacant properties from current levels of 1% total value of the property to 10% capped, progressively, depending on the length of time the property is vacant (e.g. more than 3 months = 5%, more than 6 months = 10 %). Although it may seem high, rich investors will be able to afford it.● Self-reporting of vacant properties is as good as not reporting. The data provided clearly suggest that it's not working.● Better data analytics using data from statutory bodies, service providers, e.g utilities, rates, OC fees, tax reporting data to identify vacant properties in the CoM.● Council needs to refresh the rate rebate to affordable housing providers.● Impose more restrictions and certain conditions on● foreign property investors in the residential housing market in the City of Melbourne council area, particularly if these properties remain vacant for a long period of time.● penalties for foreign and local investors / developers that construct new properties that do not have 10-20% affordable housing.● Impose rental market regulations such as rent control, progressive taxes on second and third rental properties, and landlords who artificially inflate rents (e.g. rental bidding).

Recommendation 2

Heading	Innovative alternative funding
Description - what is the intent of the idea?	<p>The council should seek non-traditional/non-historical ways of funding affordable housing. This is to include new ways to fund and partner with the private sector which may include developers or financial institutions (such as superannuation funds and hedge funds). Funding provided through private and public partnership should be considered and encouraged.</p> <p>As an example: https://www.socialventures.com.au/sva-quarterly/developing-affordable-housing-affordably/</p>
Reasoning - why is this important? What evidence can we provide?	<p>The funding in the current system is inadequate to meet the demand, so innovative ways of funding are required:</p> <ul style="list-style-type: none">• alternate funding sources (super funds, overseas partial investments, Federal Home Loan Banks (FHLBs)• More governments awareness and more support of Innovative funding• Fast-track the application for affordable housing in Melbourne to avoid the long waiting time in the system by implementing faster and alternative ways through government incentives. <p>(https://www.socialventures.com.au/sva-quarterly/developing-affordable-housing-affordably/)</p>

Recommendation 3

Heading	Simplifying the funding process
Description	The process to obtain funding for affordable housing is too complex, too slow and has too many barriers, such as a competitive market and infrequent investment opportunities. It would be prudent to simplify the process and remove barriers.
Reasoning - why is this important? What evidence can we provide?	<ul style="list-style-type: none">- Inconsistent policy and funding slows the process of construction- Government's processes and procedures consume significant resources, by restructuring internal processes and policies, capacity will be released- The current legislation that facilitates the building of affordable housing is too cumbersome and doesn't allow for innovative new processes.

Recommendation 4

Heading	Public awareness campaign and education program
Description - what is the intent of the idea?	<p>To build social acceptance of the concept of affordable housing and education programs to shift public perceptions and celebrate achievements in affordable housing.</p> <p>In appropriate environments such as schools and workplaces or in public forums. Different forms of communications eg. advertising on trams and public transport stops, articles and talk segments on TV, radio, digital media, print media like newspapers etc. The campaigns must be interactive, engaging and inviting to the community to participate in solving the problem to address points like:</p> <ul style="list-style-type: none">• What is affordable housing?• Who will need affordable housing? The groups who need it are broader than what the public currently are thinking. It is not limited to a certain group of people. This is to reduce the stigma, dispel myths and preconceptions around affordable housing.• What factors can lead to housing stress and how to manage them in advance?• What has been achieved to date to support the plan?• What options are available for people who are in need of affordable housing?
Reasoning - why is this important? What evidence can we provide?	<p>Wider acceptance and support from the public on affordable housing initiatives are important for these projects to succeed. For example, local residents may object to plans related to affordable housing and this may make developers hesitate to take on these projects.</p> <p>For people who live in affordable housing, it's important for them to feel they are accepted as part of the local community and know where to ask for help when needed.</p> <p>Adoption of the communications campaign endorses certain commercial values to corporations who would like to present themselves as socially responsible.</p>

Recommendation 5

Heading	Consistent pipeline of funding between all levels of government for affordable housing
Description - what is the intent of the idea?	Rather than rounds of funding which creates inconsistency in the ability to create affordable housing, an agreed pipeline creates a baseline to remediate the underfunding in affordable housing projects in Victoria.
Reasoning - why is this important? What evidence can we provide? (3 key points)	<p>Inconsistent funding leading to a delay in the affordable housing project construction. A consistent commitment in funding and investment would help deliver the housing project as soon as possible.</p> <p>Governments at all levels have underinvested in affordable housing over recent decades, as demonstrated by rising levels of homelessness and rental stress.</p> <p>There are good examples of affordable housing projects (e.g. Nightingale, Munro, etc) which have successfully worked when government funding was involved. The level of investment or the amount of investment should be scaled up to meet the size of the problem.</p>

Recommendation 6

Heading	Compulsory affordable housing for new developments
Description - what is the intent of the idea?	<p>Council to advocate to the State Government and other local councils (e.g M9) for a regulation requiring minimum 30-40% (to allow for negotiation) permanently affordable housing (i.e part of land title) in new developments.</p> <p>To be implemented progressively over 10-15 years, starting at 5%.</p>
Reasoning - why is this important? What evidence can we provide?	<p>Voluntary inclusion of affordable housing has not been widely adopted by developers.</p> <p>Integrating affordable housing into all projects builds community awareness and acceptance, reducing stigma.</p>

Recommendation 7

Heading	Planning reform: new permit priorities
Description - what is the intent of the idea?	<p>More new developments that prioritise higher percentages of affordable housing are needed.</p> <p>The panel recommends that new developments must contain 20% affordable housing units as a base.</p> <p>Developments that propose a higher percentage (e.g. 30%) will receive planning priority over those with a lower percentage.</p>
Reasoning - why is this important? What evidence can we provide?	<p>Developers currently report wait times of up to two years for planning approval. This increases costs, disincentivising affordable housing developments. This contributes to minimising potential new housing stock.</p> <p>The cost of holding land whilst waiting for approval eats into developers' budgets and profits. This may affect the viability of new projects.</p> <p>To incentivise and encourage developers to provide more affordable housing, the Melbourne City Council can offer them lower wait times (within a negotiated timeframe).</p> <p>Decreased delay times may lead to faster supply of new affordable dwellings.</p>

Recommendation 8

Heading	City of Melbourne to lobby State and Commonwealth Governments for sustained and consistent long-term funding across affordable housing models
Description - what is the intent of the idea?	For Melbourne City Council to successfully secure consistent and ongoing funding streams from State and Federal government sources in the near and long-term future (i.e. not impacted by the changes in the Government rather being part of the Nation's long term sustainable development goals). The aim of this is to ensure a stable, ongoing supply of affordable housing to address the pressing concern of affordable housing shortage.
Reasoning - why is this important? What evidence can we provide?	<ul style="list-style-type: none">• The chronic shortage of stock and the unacceptable length of waiting lists for public and community housing is a reason for minimal or sporadic funding from various sources.• Historically, funding from the government has been sporadic. We have also seen a rapid decline of this funding since the 1980's.• The Melbourne City Council is the entity that is best to advocate to these governments on behalf of citizens.• Increasing affordable housing is important, as the problem is growing exponentially. A commitment from all levels of government is required to guarantee citizens' basic human rights to adequate housing.• We are advocating for long-term funding sources to ensure this happens.

Recommendation 9

Heading-	Creating sustainable communities
Description - what is the intent of the idea?	<p>Developments of affordable housing should be community-centric. This would mean designing and building houses that serve to facilitate ease of access to a number of amenities such as schools, supermarkets, medical facilities, and communal spaces. For those whose jobs/lives revolve around such places (teachers, nurses, students, etc), the price of regular housing is too high for their current wages. It's also important to consider that many who would occupy these houses are vulnerable/ at-risk due to their finances/backgrounds. Providing them with the option to live in affordable houses close to support services that they may need would be a first step in creating a more sustainable, long term community. Because these key workers are essential to the community, they must be part of the community.</p> <ul style="list-style-type: none">- Proximity to schools, supermarkets, medical clinics, spaces for communal gathering, 24hr libraries, transport- Support services for health and wellbeing, finance, etc- Sustainable, high quality design of the built environment- The key workers should be prioritised to be allocated Affordable Housing near their workspaces.- Cheaper housing for uni students- more creative spaces / community- artist studios/community.
Reasoning - why is this important? What evidence can we provide? (3 key points)	<p>Support services help people stay out of poverty and improves the city's livability.</p> <p>Sustainable buildings cost less to maintain, leading to overall stronger supply over time.</p> <p>Liveable communities have flow-on effects reducing the overall costs of services such as healthcare and transport which governments can redirect towards future housing investments.*</p> <p>* to clarify, happy, healthy people will cost less in healthcare (e.g may not need government subsidised therapy long term) allowing costs to be redirected.</p>

Recommendation 10

Heading-

Incentives for stakeholders to provide affordable housing

Description - what is the intent of the idea?

Federal, state and local governments could develop and offer various policies aimed to incentivise the provision of affordable housing through subsidies and tax concessions.

For example:

1. Introducing a discount on Capital Gains Tax (CGT) for sellers and Stamp Duty exemptions for buyers only for transactions that put housing in the hands of community housing organisations or government public housing portfolios. Review other tax and duties to ascertain whether that revenue can be redirected to affordable housing.
2. Offering low-interest government loans to reduce the holding costs of land percentage of affordable housing included in the development (in the same way solar or energy efficiency upgrades were subsidised)
3. Offering government land at reduced or no cost for development of affordable housing
4. Direct cash subsidies to developers according to the current policy
5. Negotiating deals to rezone/repurpose land for use in development of affordable housing.

Reasoning - why is this important? What evidence can we provide? (3 key points)

Current costs of constructing and developing affordable housing are subject to inflation and shifts in the macro-economic environment. Introducing incentives would make the difference as to whether certain projects are viable or not and encourage developers to take up the task of providing affordable housing. Tax benefits can also be used to encourage the transfer of existing housing stock into the affordable housing sector.

This recommendation is based on the insight that in order to make a development attractive to developers, some financial incentives in the form of subsidised development costs and/or tax concessions would be required.

Recommendation 11

Heading	Use a data-based approach to support and assess all recommendations
Description - what is the intent of the idea?	<p>It is important that we use data and analytics from a variety of sources (CoM, State, Federal governments, service providers, current affordable housing projects) to support all actions recommended in this document.</p> <p>Data can help increase affordable housing by examples, such as:</p> <ol style="list-style-type: none">1. Using data in advocacy to create a compelling case for action for affordable housing.2. Better data on affordable housing, funding and service providers and stakeholders.3. Making Information available to all developers on potential sites.4. Data to ensure disincentives are effective. <p>And to measure the success of the initiatives, such as:</p> <ol style="list-style-type: none">5. Regularly review data to ensure targets are being met.6. Mandatory reporting from developers on whether they have achieved affordable housing targets. <p>It is also important to ensure transparency in the acquisition, use, and analysis of the data in order to prevent manipulation and misuse.</p>
Reasoning - why is this important? What evidence can we provide?	<ul style="list-style-type: none">- Empirical data increases community acceptance and is difficult to argue against- Developers need to report on progress to ensure integrity- Council can't implement policies without accurate information- Transparency allows for accountability and helps ensure data is not misused.

Attachment 4: Management Analysis of People's Panel Recommendations

No.	Recommendation by Panel	Management understanding of recommendation intent	Alignment with existing City of Melbourne work	Management analysis of recommendation	What actions Council could take in response to recommendation (to be considered further through implementation)	Analysis Summary	Recommended CoM position
1	Penalties and disincentives for not participating in affordable housing supply	<p>Increase access to the supply of existing housing in CoM.</p> <p>Regulate the private market to improve housing affordability.</p> <p>Generate revenue to be spent on Affordable Housing in CoM.</p>	<p>Affordable Housing Strategy: Action 2.3 Advocate to the Australian Government to deliver a long-term National Housing and Homelessness Strategy.</p> <p>Existing CoM rate rebate for affordable housing providers.</p> <p>Advocacy and ongoing refinement and implementation of the Victorian Government's Housing Statement.</p>	<p>This recommendation seeks to make more homes available for rent or purchase and contribute to general housing supply, as well as more efficient use of existing housing stock and disincentivise property owners holding onto vacant properties.</p> <p>Management offers ways to strengthen this recommendation and its level of impact on affordable housing supply, not just housing supply.</p> <p>Changes to tax settings could also make access to housing in the private market more equitable, as current tax advantages are inequitably distributed to favour established homeowners and investors.</p> <p>Increased housing supply alone does not improve housing affordability nor does it create more affordable housing. The specific measures listed are mostly focused on general housing supply, but Council can advocate for these and explore how local laws can be used.</p> <p>There are not-for-profit organisations exploring how to make vacant dwellings available as regulated affordable housing, and further work could be undertaken to explore opportunities to work with these organisations.</p> <p>The State Revenue Office has the vacant residential land tax already and there is an advocacy opportunity to strengthen how this tax is applied and utilised to increase the supply of affordable housing.</p> <p>We also understand that the recommendation intends for revenue raised from any of these measures to be allocated to provide new affordable housing stock. This could be included in advocacy requests.</p>	<p>More accurately measure the location of vacant buildings. Explore ways to identify vacant dwellings through engagement with the State Revenue Office, and water and electricity providers.</p> <p>Continue to explore ways of working with other organisations focused on making vacant homes available for rent.</p> <p>Explore increasing council rates for vacant properties.</p> <p>Explore a community led tip-off program (to State Revenue Office) to ensure adherence to vacant residential property tax.</p> <p>Advocate for an increase to the Victorian Government's vacant residential property tax and allocation of the funds raised to affordable housing delivery.</p> <p>Explore ways to promote existing incentives and tax concessions, including CoM's rate rebate for affordable housing.</p> <p>Continue to work with other councils to address this issue - e.g. through M9 group of councils, Council of Capital City Lord Mayors, Municipal Association of Victoria.</p>	<p>Some alignment with existing work.</p> <p>Recommendation focuses on making private housing more accessible (through targeting vacant dwellings), which is unlikely to increase affordable housing supply.</p> <p>Measures identified to be explored through local laws, Council's role and can form part of Advocacy Plan.</p>	<p>Support intent</p> <p>Implement through: - Advocacy Plan and - Internal Processes and Policy Development Plan</p>

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2	Innovative alternative funding	<p>Diversify funding sources for affordable housing projects.</p> <p>Partner with the private sector to fund and deliver affordable housing.</p>	<p>Continue exploring ways of working with and encouraging institutional investment in affordable housing</p> <p>Affordable Housing Strategy Action 4.2 - Investigate a special purpose entity to manage affordable housing contributions, in partnership with other councils and the Victorian Government.</p> <p>Affordable Housing Strategy Action 2.4 Advocate for a special agreement on affordable housing for Melbourne, such as a City Deal.</p>	<p>This recommendation would unlock additional funding sources for affordable housing. The main challenge in facilitating investment in social and affordable housing is that it usually relies on federal and state government subsidy.</p> <p>Some superannuation funds are investing in housing developments that include affordable housing. Management is engaging with superannuation funds to support/facilitate further institutional investment in affordable housing.</p> <p>Council is also exploring establishment of a Special Purpose Vehicle (SPV) that could hold assets and/or be eligible for receiving funding. This work aligns with this recommendation.</p> <p>Council needs to remain creative and open to new financial models and different approaches to funding affordable housing- this includes other countries where lessons could be applied in Melbourne.</p> <p>Refer also to response to Recommendation 5.</p>	<p>Continue engaging with superannuation funds to support/facilitate further institutional investment in affordable housing.</p> <p>Consider hosting an event to foster understanding and collaboration between sectors and funding bodies</p> <p>Research approaches to funding affordable housing in other countries.</p> <p>Explore partnering with alternative/non-traditional organisations to deliver housing on council-owned land.</p> <p>Explore opportunities to use new funding sources in new ways - e.g. applying for Housing Australia Future Fund funds for urban renewal precincts.</p>	<p>Some alignment with existing work.</p> <p>If successful, additional funding sources could increase supply of affordable housing. Approaches in other countries may provide lessons for CoM context.</p> <p>Challenge in implementation is the immediate financial models rely on state and federal funding and there new financial models will take time to work at scale.</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Advocacy Plan and - Internal Processes and Policy Development Plan
3	Simplifying the funding process	<p>Advocate for clearer and faster funding processes for affordable housing projects.</p> <p>Allow for innovative funding processes to be established.</p>	<p>Need to continue to build strong relationships with funders to align release of Council owned land with State and Federal Government funding rounds</p>	<p>This recommendation would reduce the time and resource burden on organisations that provide affordable housing, and enable projects to be delivered faster. While it may not result in a significant increase in the number of affordable housing dwellings that are delivered, it will enable scarce existing resources to be allocated more efficiently.</p> <p>The recommendation is strongly aligned with feedback from the sector and Management is making efforts to align Council land processes with other funding processes at a State Government level.</p> <p>Council cannot control the timing and scope of other organisations' processes but can work to align its own processes and requirements with theirs, and to attempt to reduce the burden on housing providers.</p> <p>Refer also to response to Recommendation 5.</p>	<p>Continue to explore ways to align opportunities on Council-owned land with State and Federal Government funding opportunities (e.g. aligning criteria and timing).</p> <p>Advocate for joint process with State and Federal Government to enable both council land and funding to be secured through a single process.</p> <p>Advocate for regular funding rounds/opportunities.</p> <p>Consider provision of grants/reimbursements for housing providers to reduce the burden of funding</p>	<p>Some alignment with existing work.</p> <p>Council can continue to work to align its own processes with those of state/federal government. This recommendation may not result in a significant increase in affordable housing but could reduce the resource burden on housing providers.</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Advocacy Plan and - Internal Processes and Policy Development Plan

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					applications. Explore ways to support organisations through Council's own processes, while maintaining our responsibility as decision maker.		
4	Public awareness campaign and education program	<p>Increase access to evidence-based information on affordable housing.</p> <p>Need to reduce community opposition to enable the delivery of affordable housing.</p> <p>Celebrate the success of organisations investing and working in the affordable housing sector.</p>	<p>Affordable Housing Strategy Action 4.4 - Partner with the development and community housing sectors, peak bodies, governments and the community to deliver more affordable housing.</p> <p>Community Engagement - MI 37 Neighbourhood model.</p> <p>Connect Respect training in businesses.</p> <p>Existing community engagement on affordable housing related projects.</p>	<p>This recommendation would seek to share the benefits arising from the experience of Peoples Panel that identified the important role that accessing information played in deeply understanding the issues and opportunities of delivering affordable housing</p> <p>The education program could be beneficial in multiple ways, including:</p> <ul style="list-style-type: none"> - ensuring those who are eligible for affordable housing are aware of their options and the supports available; - build understanding of affordable housing to enable meaningful engagement with planning permit applications that include affordable housing; - reducing the stigma faced by those living in affordable housing; and - increasing the level of support for the issue from corporations. <p>There are many ways this education campaign could be implemented, and Council could draw on existing channels and programs to do so.</p> <p>This recommendation could be strengthened with an accompanying 'ask' or 'call to action' to achieve change. The ask/call to action could be based on other recommendations made by the People's Panel - e.g. increased funding, consistent funding, or mandatory affordable housing contributions.</p>	<p>Develop Community Education Plan that outlines the most effective approach to raising awareness and building understanding of affordable housing.</p> <p>Consider the use of existing programs and services to increase understanding of affordable housing (e.g. through Neighbourhood Partners, or libraries etc)</p> <p>Use existing channels to post information about affordable housing, particularly in the lead up to any consultation on affordable housing.</p> <p>Promote and share the outcomes of the Affordable Housing People's Panel.</p> <p>Include information regarding affordable housing and eligibility to be made available through a refreshed Homes Melbourne web page.</p>	<p>Some alignment with existing work.</p> <p>This recommendation could serve multiple purposes and benefits. It would benefit from tailored messages to different stakeholders groups, depending upon their particular issues.</p> <p>This could align with and support the Advocacy Plan, and include a call-to-action. Large campaigns can be costly and budget would need to be considered through the Community Education Plan.</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Advocacy Plan and - Community Education Plan
5	Consistent pipeline of funding between all levels of government for affordable housing	<p>All levels of government are responsible for funding affordable housing as essential infrastructure.</p> <p>There are effective funding models, but more investment is</p>	<p>Major Initiative 3 - Economic Development Strategy</p> <p>Affordable Housing Strategy: Action 2.1 - Advocate to the Victorian Government to develop an ambitious</p>	<p>This recommendation addresses the critical challenge in delivering affordable housing: a lack of ongoing funding. It strongly aligns with existing advocacy requests and policy objectives, and is aligned with other People's Panel recommendations in relation to funding.</p> <p>It also strongly aligns with calls from the sector, researchers, and institutional investors to create consistent and certain ongoing funding opportunities.</p>	<p>Advocate to State and Federal Governments for increased, ongoing funding for affordable housing.</p> <p>Consider becoming signatory to existing advocacy campaigns that align with this recommendation.</p>	<p>Strong alignment with existing work and previous advocacy.</p> <p>Related to numerous other recommendations about funding.</p> <p>Addresses funding as</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Advocacy Plan

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		needed to achieve affordable housing at scale.	10-year 'Homes Victoria Strategy', to support Victoria's Big Housing Build. This strategy should include clear affordable housing targets and a tangible approach to achieving them. Action 2.3 - Advocate to the Australian Government to deliver a long-term National Housing and Homelessness Strategy.	There is an opportunity for Council to quantify the amount of investment required as well as the benefits that are delivered by affordable housing. Council can continue and expand its efforts to advocate on this matter. This would be explore through the development of a dedicated Advocacy Plan.	Link to advocacy for other funding recommendations. Explore how community awareness of funding constraints can be addressed through the Community Education Plan.	an important factor limiting supply. Opportunity to increase advocacy efforts through Advocacy Plan.	
6	Compulsory affordable housing for new developments	Introducing planning regulations to increase the supply of affordable housing in new developments. Affordable housing should be in all developments, in every neighbourhood.	This has been an advocacy request of Council for many years. Extensive research into statewide mandatory inclusionary zoning is being/has been undertaken as part of Affordable Housing Strategy Priority Affordable housing requirements embedded in Fishermans Bend and West Melbourne Structure Plan including uplift incentives also included in the Affordable Housing Strategy.	The recommendation is underway and closely aligned with existing advocacy and calls from the broader sector. The recommendation could be aligned with others focused on advocacy for funding, and incorporated into the Advocacy Plan. The Panel recommended minimum 30-40% of permanently affordable housing is provided in new developments. In relation to the quantum that has been recommended, further analysis is needed to understand whether this is appropriate and suitable. There are risks to Council in adopting a percentage that is not achievable by the development sector and may have unforeseen consequences on the housing market. An appropriate target could be established through further research, stakeholder consultation and analysis. In the past there has been opposition to mandatory requirements from some stakeholders, and the issues has been heavily politicised. Therefore, stakeholder engagement will need to be undertaken as part of the advocacy plan development. Recommendation 4 (Public awareness campaign) could potentially use calls for inclusionary zoning as the 'call to action' of the campaign.	Establish preferred percentage of affordable housing contribution t for all new development. Engaging with key stakeholders to better understand barriers and opportunities for mandatory planning controls and how they could be overcome. Consider how to engage community and stakeholders to determine level of support for this measure (e.g. through Community Education Plan). Consider joining other existing campaigns that focus on this issue, and advocating jointly with other organisations. Advocate to State Government for mandatory contributions for affordable housing.	Very strong alignment with existing work and advocacy efforts. Specific targets cannot be supported without further analysis and stakeholder engagement, but intent is supported and strongly aligned with established positions. Targets to be tested further and need to manage stakeholders and potential politicisation of the issue.	Support intent Implement through: - Advocacy Plan

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7	Planning reform: new permit priorities	<p>Establish a streamlined planning process for applications with a significant affordable housing.</p> <p>Planning approval times can sometimes create issues for the delivery of affordable housing.</p>	<p>Council Plan Indicator (CPI) - The number of affordable housing units approved through a planning permit</p> <p>CPI 9 - Planning applications decided within required timeframes</p> <p>Affordable Housing Strategy Action 3.3 - Partner with the Victorian Government to deliver a priority planning approval process for affordable housing developments.</p> <p>2.2 Advocate to the Victorian Government for a review of Clause 22.03 Floor area uplift and delivery of public benefits in the Melbourne Planning Scheme</p>	<p>This recommendation is consistent with recent calls for streamlined planning processes through the Victorian Government's Housing Statement for developments with community benefits such as affordable housing.</p> <p>Management delivers a high level of service for permit applicants and actively engages with stakeholders to understand how to improve its service.</p> <p>The State Government has prepared a streamlined pathway for applications that deliver 3% affordable housing (or 10% at a 30% discount, or cash equivalent). However, this is a new pathway and the outcomes are yet to be fully understood.</p> <p>In general, Council seeks to retain its status as responsible authority and receives feedback that it is already providing an equivalent service to that offered by the State Government. However, the State Government pathway exempts applications from third party appeal provisions. This is not something Council can implement without further consideration and significant strategic work.</p>	<p>Establish a minimum proportion of affordable housing units for applicants to qualify for the streamlined planning pathway.</p> <p>Design a streamlined planning pathway for CoM applications that contain an agreed proportion of affordable housing.</p> <p>Once established, promote this process to the development and housing sector.</p>	<p>Strong alignment with existing work.</p> <p>Council receives positive feedback from permit applicants that the service delivered is high quality and seeks to retain its status as Responsible Authority.</p> <p>This recommendation is mostly within Council's control and can be implemented through the Internal Processes and Policy Development Plan.</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Internal Processes and Policy Development Plan

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8	City of Melbourne to lobby State and Commonwealth Governments for sustained and consistent long-term funding across affordable housing models	<p>Advocate to other tiers of government for consistent and ongoing funding.</p> <p>Funding for affordable housing has decreased over time, and increased certainty is needed.</p>	<p>Affordable Housing Strategy:</p> <ul style="list-style-type: none"> - Action 2.1 - Advocate to the Victorian Government to develop an ambitious 10-year 'Homes Victoria Strategy', to support Victoria's Big Housing Build. This strategy should include clear affordable housing targets and a tangible approach to achieving them. - Action 2.3 - Advocate to the Australian Government to deliver a long-term National Housing and Homelessness Strategy.. - Action 5.1 - Advocate for Australian Government stimulus funding for affordable and transitional housing in response to COVID-19 	<p>Refer to response to Recommendation 5.</p> <p>This recommendation strongly aligns with existing advocacy efforts to state and federal governments and would be implemented via the Advocacy Plan.</p>	<p>Refer to response to Recommendation 5.</p> <p>This recommendation strongly aligns with existing advocacy efforts to state and federal governments and would be implemented via the Advocacy Plan.</p>	<p>Strong alignment with existing work and previous advocacy.</p> <p>Related to numerous other recommendations about funding. Addresses the significant factor limiting the supply of affordable housing: funding.</p> <p>Opportunity to increase advocacy efforts through Advocacy Plan.</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Advocacy Plan

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9	Creating sustainable communities	<p>Key workers and students should be supported to live within CoM.</p> <p>Affordable Housing should be high quality, well-located, and fit-for-purpose.</p> <p>Ensure residents are supported to be part of the broader community, and have access to the necessary services.</p>	<p>MI 20 - Municipal Planning Strategy</p> <p>Alignment with broad principles of planning scheme to locate affordable housing near existing services</p> <p>MI 17 - Partner with Victorian Government to deliver high quality, sustainable urban renewal and innovation districts</p> <p>Access and affordability: Reduce economic and social inequality by ensuring universal access to housing, core services and information</p>	<p>This recommendation strongly aligns with existing planning objectives at a state and local level to locate affordable housing in areas that are well-served by amenities, transport and community facilities. It is also aligned with existing work being undertaken in urban renewal precincts, and through planning for community services/infrastructure.</p> <p>Management undertakes planning for the delivery of community services to ensure they are responding to population growth and changing community needs. Council directly funds/delivers a number of these critical community services and therefore has control over their delivery and operation.</p> <p>Council has endorsed a draft Key Worker Housing Definition for use in voluntary housing agreements and in advocacy to the state government. This would address part of this recommendation.</p> <p>Most mixed-use and commercially zoned land in CoM has sufficient flexibility for the private market to deliver a range of businesses..</p> <p>University students are eligible for affordable housing if their income falls within the established ranges. Council could explore seeking voluntary contributions for affordable housing within student accommodation.</p>	<p>Continue to plan for community services and infrastructure delivered by Council to ensure the needs of the growing population are met.</p> <p>Continue to encourage the development of new affordable housing in locations with access to services.</p> <p>Continue to plan for the delivery of urban renewal areas, ensuring there are adequate services, facilities and amenities for new populations.</p> <p>Finalise Key Worker Housing Definition.</p> <p>Seek voluntary contributions for affordable housing for university students as part of student accommodation applications.</p>	<p>Strong alignment with existing work and Council's planning for service and infrastructure delivery.</p> <p>Recommendation relates to provision of community infrastructure.</p> <p>This is strongly aligned to general planning principles and supported by work across multiple areas of Management.</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Internal Processes and Policy Development Plan

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10	Incentives for stakeholders to provide affordable housing	<p>Incentivising the delivery of affordable housing by reducing the delivery costs</p> <p>Council should explore opportunities to provide financial incentives itself, and advocate for other tiers of government to provide incentives, such as at the rezoning phase, in the use of its own land and providing rebates on rates. .</p>	<p>Affordable Housing Strategy: Action 1.2 - Lease a City of Melbourne-owned site to a community housing provider to deliver a long-term affordable rental housing project in the next five years, seeking funding through Victoria's Big Housing Build)</p> <p>Action 1.3 - Commit a City of Melbourne-owned site for a supported housing project to address homelessness in the next five years.</p>	<p>This recommendation is generally aligned with the intent of a range of existing federal, state and local government policies that seek to incentivise affordable housing. It is noted that, currently, such incentives do not effectively cover the subsidy required for affordable housing. Therefore, such incentives need to be offered in combination with funding, as has also been recommended by the panel.</p> <p>In response to the specific measures identified:</p> <ol style="list-style-type: none"> 1. There is currently a discount on Capital Gains Tax (CGT) for investment property owners where the dwelling has been used for affordable housing. 2. Opportunities to explore low-interest loans are available through Housing Australia and the Victorian Government's Big Housing Build, and the Advocacy Plan will call for expansion of these. 3. Providing government land at reduced or no cost is a very effective way of reducing the costs of delivery affordable housing. There are opportunities for Management to continue to advocate for state and federal governments to do this, and continue progressing affordable housing on council-owned land. 4. Council has a rate rebate policy for affordable housing that may not be widely known, and further work will explore promotion of this. 5. There is opportunity to secure affordable housing outcomes at the rezoning stage, when significant value is created. Council is currently preparing a planning scheme amendments to rezone land in the Macaulay Urban Renewal Precinct, with an objective for the delivery of affordable housing. The support of state government is required on the mandatory inclusion of affordable housing in these rezonings, and Council will continue to advocate for this. 	<p>Exploration of any additional incentives that Council could provide (streamlined planning processes, or additional rates discounts)</p> <p>Advocacy on incentives that cannot be provided by CoM such as CGT discounts, no- or low-interest loans and cash subsidies.</p> <p>Continue to explore the use of Council land for affordable housing.</p> <p>Promote projects on Council land to other stakeholders to encourage replication.</p> <p>Continue to advocate for the ground leases as an effective tool to make government land available for affordable housing.</p> <p>Explore further direct cash subsidies to developers of affordable housing will be available through the Housing Australia Future Fund, and the Advocacy Plan will call for expansion to this.</p> <p>Continue to advocate for mandatory inclusionary zoning for affordable housing.</p>	<p>Strong alignment with existing work and projects to make Council land available for affordable housing.</p> <p>Council can advocate for incentives to be provided by state and federal governments</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Advocacy Plan and - Internal Processes and Policy Development Plan

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11	Use a data-based approach to support and assess all recommendations	<p>Ensure that affordable housing data is publicly available, accessible and up-to-date</p> <p>Ensure transparency of the monitoring progress of Panel recommendations.</p>	<p>Affordable Housing Strategy Action 3.4 - Develop a centralised internal process for recording affordable housing outcomes.</p>	<p>This recommendation strongly aligns with existing and planned work and will enable accurate monitoring and evaluation of affordable housing supply over time.</p> <p>In line with Action 3.4 of the Affordable Housing Strategy, Council is developing an affordable housing dashboard to track the approval and completion of affordable housing units.</p> <p>This recommendation also provides an opportunity to monitor the progress of the implementation of the recommendations.</p>	<p>Develop internal database for tracking affordable housing approvals and completions</p> <p>Regularly review demand for affordable housing and establish forecasts that are publicly available</p> <p>Link housing data with engagement and advocacy activities</p> <p>Explore purchase of existing tools that can establish an interactive, publicly available housing dashboard</p> <p>Ensure estimates of affordable housing need are regularly updated</p> <p>Set up a regular monitoring tool to measure implementation of recommendations.</p>	<p>Strong alignment with existing work.</p> <p>Can be implemented by Council, with inputs from other organisations (e.g. Homes Victoria).</p> <p>Work is underway to develop both internal and external data "dashboards" that will align with this recommendation.</p>	<p>Support intent</p> <p>Implement through:</p> <ul style="list-style-type: none"> - Processes and Policy Development and - Community Education Plan



CITY OF MELBOURNE – PEOPLE’S PANEL ON AFFORDABLE HOUSING

Process Report

October - November 2023



LIMITATIONS OF USE

This report has been prepared by MosaicLab on behalf of and for the exclusive use of the City of Melbourne.

The sole purpose of this report is to provide a report of the methodology and process undertaken for the City of Melbourne's People's Panel on Affordable Housing.

This report has been prepared in accordance with the scope of services set out by the project and the City of Melbourne can choose to share and distribute this report as they see fit. MosaicLab accepts no liability or responsibility whatsoever for or in respect of any use of or reliance upon this report by any third party.



MosaicLab is a team of engagement practitioners and facilitators based in Victoria. We work with government agencies, community groups, industry and commercial organisations and support them to have meaningful conversations that lead to action. Our processes bring diverse people together to solve complex problems and make a positive difference to decision-making.



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TABLE OF CONTENTS

REMIT	1
FAST FACTS	2
RESULTS SUMMARY	3
PURPOSE OF THIS REPORT	4
WHAT IS A COMMUNITY PANEL?	5
PROJECT BACKGROUND	8
CITY OF MELBOURNE – PEOPLE’S PANEL ON AFFORDABLE HOUSING	11
Panel overview	11
Roles	12
Recruitment	13
Process roadmap	15
Detailed panel process timeline	16
Information inputs	18
Speakers	19
PANEL REPORT	20
Recommendations	20
PANEL FEEDBACK	22
Involvement in civic affairs	22
Influence and implementation	23
Accountability and trust	24
Collaboration & overall process authenticity	25
Clear, useful and balanced information	26
Qualitative feedback	27
NEXT STEPS	29
APPENDIX 1 - Expert speaker bios	30
APPENDIX 2 - People’s panel report	34



REMIT

We have a severe shortage of affordable housing and need innovative solutions from all levels of government and society.

**HOW CAN WE INCREASE AFFORDABLE HOUSING
IN THE CITY OF MELBOURNE?**

FAST FACTS

About City of Melbourne's People's Panel on Affordable Housing

THE PROCESS



39

deliberative participants



819

collective participant hours spent in deliberation



4

sessions

♦ three full days in-person

♦ one evening session



21

deliberative session hours



63

collective facilitator hours spent in deliberation



'expert' speaker interactions

10

(external to City of Melbourne)

3

(City of Melbourne representatives)

THE OUTPUTS



11

recommendations with supermajority (80% or more) support

RESULTS SUMMARY

Participant survey

PARTICIPANT EXPERIENCE AND CHANGE



INVOLVEMENT IN CIVIC AFFAIRS

348%
GROWTH

in the number of participants who said they would be 'involved' or 'highly' involved in civic affairs.

54

PERCENTAGE
POINTS
INCREASE

PRE 16% to POST 70%

16% of pre-deliberation survey respondents said they had been 'involved' or 'very involved' in government decisions that affected them in the past. At the end of the process, 70% of post-deliberation survey respondents said they thought they would be 'involved' or 'highly involved' in the future.



CONFIDENCE IN INFLUENCE OVER DECISION MAKING

GROWTH

A growth percentage in the number of participants who said they felt 'confident' or 'very confident' that they would have influence over the decision is incalculable, given the initial pre-deliberation value of zero. Nonetheless, the significant percentage points increase demonstrates a remarkable transformation in participant confidence regarding their influence over decision making.

67

PERCENTAGE
POINTS
INCREASE

PRE 0% to POST 67%

0% of pre-deliberation survey respondents said they had been 'confident' or 'very confident' that community input would influence government decisions in the past. At the end of the process, 67% of post-deliberation respondents said they were 'confident' or 'very confident' that the panel's recommendations on this issue would be implemented by City of Melbourne.



CONFIDENCE IN IMPLEMENTATION OF RECOMMENDATIONS

205%
GROWTH

in the number of participants who were confident or very confident that City of Melbourne would implement the panel's recommendations.

45

PERCENTAGE
POINTS
INCREASE

PRE 22% to POST 67%

20% of pre-deliberation survey respondents said they had they were 'confident' or 'very confident' that the panel's recommendations on the current issue would be implemented by City of Melbourne. At the end of the process, 43% of post-deliberation respondents said they were 'confident' or 'very confident' that the panel's recommendations would be implemented.



TRUST AND ACCOUNTABILITY

180%
GROWTH

in the number of participants who said they believe the City of Melbourne is 'fairly' or 'very' trustworthy and accountable.

45

PERCENTAGE
POINTS
INCREASE

PRE 25% to POST 70%

25% of pre-deliberation survey respondents said that City of Melbourne was 'very trustworthy and accountable' or 'trustworthy and accountable'. At the end of the process, 70% of post-deliberation survey respondents said that City of Melbourne was 'trustworthy and accountable' or 'very trustworthy and accountable'.



PROCESS AUTHENTICITY AND COLLABORATION

550%
GROWTH

in the number of participants who said they believed the process was 'collaborative, genuine and worthwhile' or 'very collaborative, genuine and worthwhile' (compared to past community engagement activities).

74

PERCENTAGE
POINTS
INCREASE

PRE 13% to POST 87%

13% felt that City of Melbourne's community engagement activities had been 'collaborative, genuine and worthwhile' or 'very collaborative, genuine and worthwhile' in the past. At the end of the process, 87% of post-deliberation survey respondents felt that this process was 'collaborative, genuine and worthwhile' or 'very collaborative, genuine and worthwhile'.



QUALITY OF INFORMATION

87%

of participants

felt that information provided during the deliberative process was 'clear, useful and balanced' or 'very clear, useful and balanced'.

(this question was asked in the post-deliberation survey only)

PURPOSE OF THIS REPORT

The report summarises the design and implementation of the City of Melbourne's People's Panel on Affordable Housing and has been prepared by MosaicLab as independent facilitators.

Deliberation is built around integrity, principles and transparency. The purpose of this report is to provide a transparent record of the design and implementation of the deliberative process.

The report also includes results of pre- and post-deliberation surveys undertaken to measure and compare the views and feedback of panel members. These results have been presented in full.



WHAT IS A COMMUNITY PANEL?

A community panel is a name for a deliberative forum. These processes work on the premise that people can deliver smart, long-term decisions which earn public trust if they are given enough information and time to weigh up the pros and cons and consider the trade-offs associated with an issue.

Deliberation is built around ten core principles which are listed below.

INFLUENTIAL

Deliberation requires decision makers to give weight to and implement the outcomes to the greatest extent possible. This forms a foundation for building trust with your community.

Deliberation isn't about asking people their opinion and then disregarding their views, which significantly reduces trust and results in poorly supported outcomes.



DELIBERATIVE

Deliberation goes beyond conversation and dialogue. It requires those deliberating to weigh up options and come to judgement on a problem.

Deliberation isn't about people giving you a wish list or a list of ideas. It results in clear direction for organisation decision makers.



REPRESENTATIVE

Deliberation requires that the deliberating group is representative of the whole community. The group is usually selected using an independently conducted, random, stratified process.

Deliberation isn't about allowing anyone to turn up and people to 'self-select', like the participants at a public meeting. It allows you as decision makers to have a high level of comfort, because you know what everyday people who are broadly representative of your customers or community think is reasonable (once they are informed). This is more valuable than knowing only what interest groups and highly articulate and invested people are lobbying for.



INFORMATIVE

Deliberation requires that people have detailed, in-depth, and balanced information before they come to judgement. This includes hearing different perspectives, including the views of experts and interest groups.

Deliberation isn't about asking people for uninformed views. It allows you as organisation decision makers to know that the recommendations being provided to you are based on evidence and have considered all sides of the issue.



TIME

Deliberation requires that the deliberating group is given sufficient time to become informed about the issues, weigh up options and come to judgement. Long form processes are usually 4-6 full days. An online (equivalent) process or a short process can be held over 2-3 days, if you are scaling down.

Deliberation isn't about holding a short workshop or evening meeting.



BLANK PAGE REPORT

Deliberation requires that participants respond to the remit by writing their own report. Starting with a blank page, they refine and agree on their final recommendations, then present their report directly to decision makers for consideration.

Deliberation isn't about providing options or a draft report. The organisation doesn't gather feedback on their own ideas. Instead, the organisation hears directly from their customers or community without any interpretation from consultants or staff.



TRANSPARENT

Deliberation is a public process that seeks to build trust in democratic decision making and as such all aspects should be made public, unless there are extenuating circumstances. Members of the public should be able to observe the deliberating group in action and the report of the group should be made public immediately after it is handed to the key decision maker. All information considered by the group should be considered public and be on the project website. Communication activities such as sharing videos of the process and interviews with participants can also help to increase transparency.

Deliberation isn't about working behind closed doors. It allows the public to see that it has been a fair process.



CLEAR REMIT

Deliberation is about the deliberating group responding to a remit - or primary question - that goes to the core of the issue, shares the dilemma, and promotes open discussion. The remit question is clear and written in plain English.

Deliberation isn't about responding to easy issues. It allows the organisation to receive solutions to complex problems.



INDEPENDENT FACILITATION

Deliberation is designed and facilitated by independent, professional facilitators with experience in deliberation. Facilitation enables individuals to work through a designed set of activities (conversations) to collectively and productively produce an outcome (recommendations). Facilitators ensure that all group members are given equal opportunity to participate.

Deliberation isn't about the group being led to a pre-determined result.



INCLUSIVE

Deliberation requires that barriers to participation are removed so that anyone feels they could participate in a deliberation. Some barriers are easily managed, for example, paying people an honorarium to cover the costs of their participation (travel, childcare etc). Also, support can be provided to people living with disabilities and meetings can be held in accessible venues. Other barriers, such as people not having the time or considering that this is, (ie. 'not for them') are harder to remove.

Deliberation isn't about excluding people and it ensures that the organisation hears from a true cross-section of its community.



Expert facilitation is a vital element to foster vibrant deliberative dialogue and a supportive, open environment. The table below summarises some of the key roles of facilitators in a deliberative process.



Design a process that is participatory and engaging, enables the group to meet their remit, and builds in key elements. These elements include relationship building, critical thinking, information sharing and group agreement.



Encourage participants to express themselves freely.



Protect process integrity, transparency and independence.



Encourage active participation from all group members.



Keep the group moving through the process at an adequate pace in order to deliver a report during the time allocated.



Ensure no one individual dominates.

PROJECT BACKGROUND

Everyone deserves a roof over their head, regardless of their financial circumstance. Yet many in the City of Melbourne community are finding it increasingly difficult to afford a safe and stable place to call home.

From families to older people, childcare workers to cleaners, artists to healthcare workers – the common ground for many of these people is that they are part of very low-, low- or moderate-income households – and they are priced out of finding a suitable home close to family, friends or their place of work.

This is not a new problem, and it's happening across Australia. Decades of under-investment combined with significant population growth, rising housing costs, and the COVID-19 pandemic means there is a severe shortage of affordable homes for people on very low, low and moderate incomes.

The City of Melbourne want to change this as they see affordable housing as essential infrastructure that helps Melbourne continue to be a liveable, inclusive and prosperous city.

Acknowledging this shortfall, the City of Melbourne is committed to addressing the issue. With an estimated shortfall of 6,000 affordable homes in 2019 projected to increase to 23,200 by 2036, immediate action is necessary.

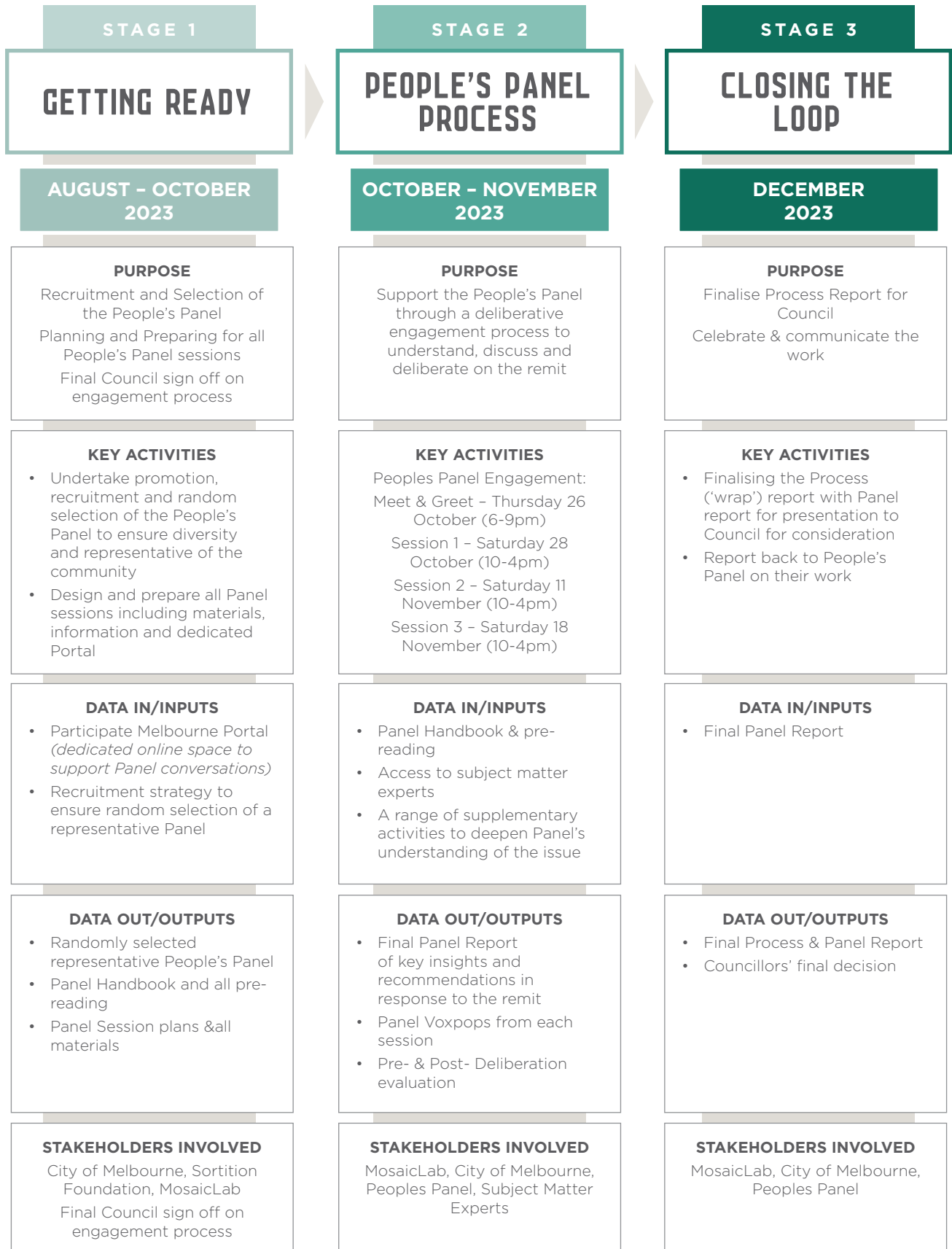
The community also agrees, showing broad support for affordable housing projects within the city. However, this support diminishes when communities consider affordable housing options in their own neighborhoods.

The City of Melbourne established a People's Panel comprising 39 individuals who collectively represent the residential community, based on ABS census data. Through a deliberative process, the Panel was tasked with the remit:

We have a severe shortage of affordable housing and need innovative solutions from all levels of government and society

HOW CAN WE INCREASE AFFORDABLE HOUSING IN THE CITY OF MELBOURNE?

ROADMAP





CITY OF MELBOURNE

- PEOPLE'S PANEL ON AFFORDABLE HOUSING

PANEL OVERVIEW

The City of Melbourne People's Panel on Affordable Housing comprised 39 randomly selected participants from City of Melbourne municipality. Please refer to the Recruitment Process and panel demographic image on pages 13 and 14 for further information.

THE PROCESS INVOLVED:



a **clear question (remit)** to focus the deliberations access to a broad range of information from a variety of sources relevant to the remit,



support from **facilitators experienced** in delivering deliberative processes,



conversations and Q&A with City of Melbourne and panel identified **key speakers** (see information inputs section),



an **online portal** that provided a central place for participants to access relevant information inputs as well as a discussion forum,



21 hours per person of discussion and deliberations across **four panel sessions** (one evening sessions and three full days),



group agreement, where a **supermajority** (80% or more of the panel said they could live with it or better) was needed for a recommendation to be included in the final report.

The panel agreed on **11 final recommendations** that will be used to implement and advocate for the City of Melbourne's affordable housing strategy. The group wrote their own report, which contained:

- ♦ a brief introduction
- ♦ 11 recommendations that captured the title, description and rationale.

All panel members had the opportunity to write and/or review and refine each recommendation. 38 panel members agreed by supermajority (80% of the panellists or more) that they would accept all 11 of the recommendations.

At the conclusion of their final session on Saturday 18 November 2023, the panel handed over their report to the City of Melbourne Lord Mayor Sally Capp.

The City of Melbourne has committed to use the recommendations to the maximum extent possible and will clearly articulate where the panel's decisions have influenced the development of their affordable housing strategy. Where a decision or recommendation of the panel is not incorporated, the City of Melbourne will clearly explain why.

ROLES

Multiple groups were involved in the project. Their roles are outlined in the table below.

GROUP		ROLE
Panel members	<i>Randomly selected community members</i>	To work together to respond to a remit and provide recommendations to City of Melbourne.
City of Melbourne	<i>Host</i>	To support the process, provide expertise and knowledge as requested by the panel, observe the process, answer specific questions directed to them, and respond to the panel's final report.
MosaicLab facilitators	<i>Independent facilitators</i>	<p>To provide a supportive, inclusive and productive space that enabled panel members to deliberate, respond to their remit and make recommendations within the time available.</p> <p>To provide support as needed, to ensure panel members could participate in sessions.</p>
Sortition Foundation	<i>Independent recruiters</i>	To manage the recruitment process (including random selection and stratification) and to ensure it was fair and unbiased.
Expert speakers	<i>Content experts</i>	To provide expert knowledge into the process and answer questions from the panel members.
Observers	<i>Stakeholders and representatives of the host organisation</i>	To observe the panel deliberations, increase transparency of the process and follow the observer 'code of conduct'.

RECRUITMENT

Sortition Foundation managed panel recruitment via a random, stratified selection process. This ensured the selection of panellists was conducted independently of the City of Melbourne and the facilitation team.

An expressions of interest (EOI) period was conducted in September 2023 – October 2023.

Sortition Foundation sent 8,500 invitations to randomly selected addresses across the City of Melbourne municipality. Everyone aged 16 years or over living or working at an address that received an invitation was invited to register interest. The cohorts excluded from the selection process were:

- ♦ Former or current elected representatives from any level of government.
- ♦ Paid employees of any political party.
- ♦ Current City of Melbourne council employees or former employees of the City of Melbourne during 2018-2023.

The people who registered their interest were placed in a 'pool' which was randomly stratified by Sortition Foundation to select the final panel. Stratified selection against stratification goals ensured that the final panel selected was descriptively representative of the demographics of the overall service area population (i.e., forming a 'mini-public' of citizens). Stratification goals were based on demographic statistics for people aged 16 years and over in the municipality, using the Australian Bureau of Statistics (ABS) Census data.

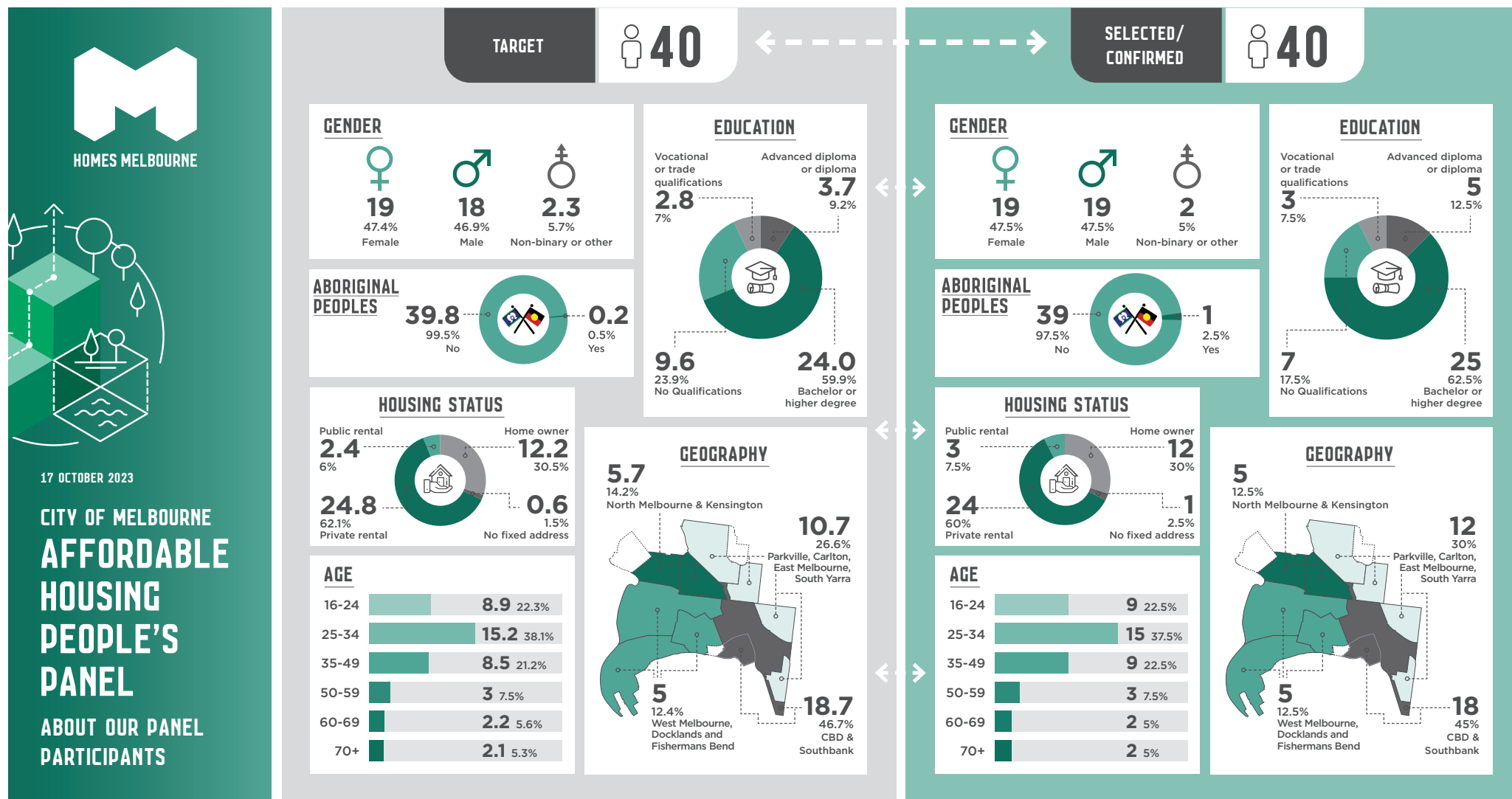
The stratification goals for this process were based on:

- ♦ location (address)
- ♦ home-owner / renters
- ♦ age range
- ♦ gender
- ♦ education
- ♦ A & TSI

Sortition Foundation used a digital stratification tool for the random stratification step, which limited human intervention in the selection process, adding further independence to the process.

40 people were initially recruited by Sortition Foundation to the Affordable Housing People's Panel. It is normal to over-recruit for a deliberation panel, as it is usual for numbers to reduce during the process for a range of reasons. Only one of the 40 people selected was unable to commit to the process since registering their interest, thus the active panel members were reduced to 39 during the process. No-one left the panel process due to misgivings about the process.



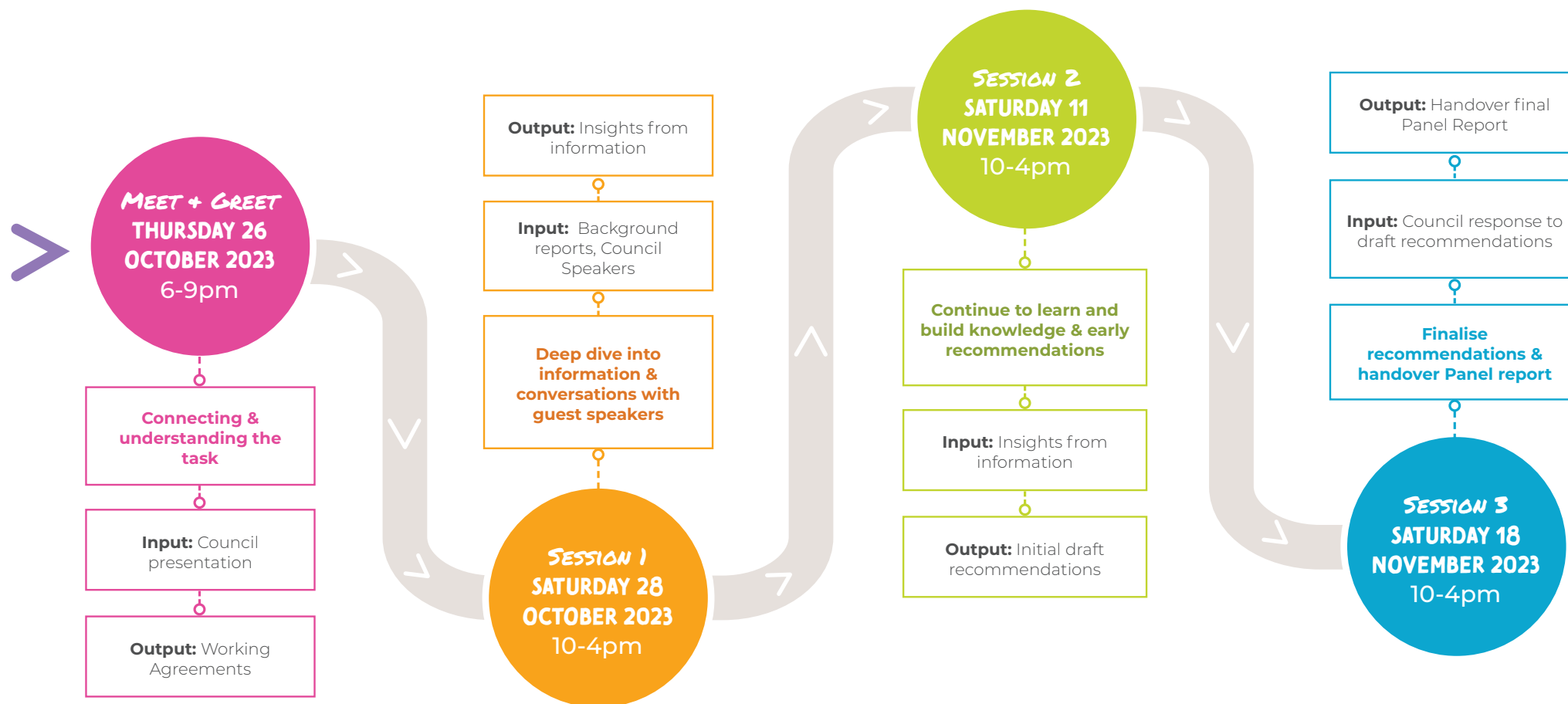


Please note this infographic was produced prior to the People's Panel commencement. It does not reflect the panel member who withdrew after the meet & greet session.

PROCESS ROADMAP

The roadmap below provides an overview of the People's Panel on Affordable Housing process.

PANEL JOURNEY



DETAILED PANEL PROCESS TIMELINE



MEET AND GREET

**Thursday 26 October 2023 | 6pm – 9pm | 38 participants | In-person
Queen Victoria Women's Centre, 210 Lonsdale St**

City of Melbourne & MosaicLab

- ♦ Formal welcome and introduction from Sally Capp, Lord Mayor, City of Melbourne.
- ♦ Learning about how the panel will operate (including making decisions).
- ♦ Introduction to the context of this project and challenges for the panel to consider when looking at affordable housing – Jo Cannington - Director Homes Melbourne, City of Melbourne.
- ♦ Overview of information inputs (inc. background report, panel handbook and online portal).
- ♦ Understanding how to access the panel's online portal.
- ♦ Opportunity to become acquainted with fellow panel members.
- ♦ Opportunity to ask questions of City of Melbourne.
- ♦ Setting agreements about how the panel work together.

Task between sessions:

Panel members were asked to register on the online portal, say hello and introduce themselves. The group read background information, completed a self-reflection activity focused on the understanding of power and privilege, completed a photo consent form and pre-deliberation survey.



PANEL DAY 1

**Saturday 28 October | 10am – 4pm | 39 participants | In-person
Queen Victoria Women's Centre, 210 Lonsdale St**

City of Melbourne & MosaicLab

- ♦ Learning about critical thinking.
- ♦ Hearing from and questions for City of Melbourne.
- ♦ Delving into the background information.
- ♦ Speed dialogue with eight guest speakers (curated by City of Melbourne to bring a diverse set of views).
- ♦ Panel identified their information gaps and speakers they want to hear from.

Task between sessions:

Panel members were invited to review answers to questions from the Meet & Greet session and Panel Day 1.



OPTIONAL WALKING TOUR

Saturday 11 November | 9am – 9.45am | 13 participants | In-person
The Munro Housing Development

City of Melbourne

- Optional walking tour of the Munro housing development.
- Gain insights into the quality and design of affordable housing options.



PANEL DAY 2

Saturday 11 November | 10am - 4pm | 39 participants | In-person
Drill Hall, 26 Therry Street, Melbourne

City of Melbourne & MosaicLab

- Continuing to create connections and understanding of the task through discussions on the affordable housing walking tour observations and Day 1 insights.
- Speed dialogue with six panel nominated speakers
- Brainstorm of initial ideas to address remit.
- Theming and grouping of ideas
- First draft of initial recommendations

Task between sessions:

Panel members were asked to complete a 'levels of comfort' survey on draft recommendations. Results were shared with the panel prior to Day 4.



PANEL DAY 3

Saturday 18 November | 10am - 4pm | 38 participants | In-person
Queen Victoria Women's Centre, 210 Lonsdale St

City of Melbourne & MosaicLab

- Presentation by City of Melbourne in response to draft recommendations
- Questions and answers with City of Melbourne.
- Panel review and rewrite of initial recommendations based on 'levels of comfort' survey responses.
- The panel made their final decision on their recommendations.
- The panel finished their report and presented it to City of Melbourne's Lord Mayor Sally Capp.
- Final reflections and closing circle
- Panel members were invited to complete the post deliberation survey.

INFORMATION INPUTS

The panel considered a wide variety of information inputs from a variety of different sources.

KEY INPUT	DESCRIPTION
Background Report	Prepared by City of Melbourne to outline core information in relation to the challenges being discussed and the panel's remit. The document aimed to overview key contextual information and challenges, dilemmas and opportunities for affordable housing in the City of Melbourne.
Q&As with City of Melbourne representatives	City of Melbourne representatives spoke to the panel about their remit, the process and the core issues being considered. The panel could also request that a City of Melbourne staff member answer questions during panel sessions if needed.
Presentations	Presentations were made to the panel by Jo Cannington - Director Homes Melbourne, City of Melbourne, at the Meet & Greet and Day 2.
Panel Handbook	A handbook was prepared by City of Melbourne with information about the panel task and logistics.
City of Melbourne Online Portal	Panel members were able to access an online portal hosted by City of Melbourne engagement platform in between sessions to stay in touch with one another, access information, and ask questions.
Walking Tour (optional)	Participants had the option to attend a walking tour of the Munro's affordable housing development prior to Day 2 of the process.
Subject Matter Experts via Speed Dialogue process	13 speakers were invited to share their expertise and knowledge in Affordable Housing. Panel members participated in two Speed Dialogues on Day 1 and Day 2. Please refer to the following page for speaker list and Appendix 1 for their bios

SPEAKERS

Across the four sessions there were two opportunities for speakers to discuss their knowledge and experience to help inform the panel members on the topic of affordable housing.

DAY 1 – EXPERT SPEAKERS

SPEAKER NAME	ORGANISATION AND ROLE
Jennifer Kulas	Development Manager - Housing Choices Australia & independent consultant in affordable housing
Dan McLennan	Co-CEO - Local
Christine Thirkell	Lived experience - Council to Homeless Persons
Stephanie Ng	Policy Officer - Community Housing Industry Association (Vic)
Rachel Hornsby	Director - Hornsby & Co.
Jim Spillane	Housing Advisor - City of Melbourne
Sophie Jordan	Principal Policy Advisor - Affordable Housing Delivery - City of Melbourne
Scott Leckie <i>(Invited but unable to attend on the day)</i>	Director and Founder - Displacement Solutions

DAY 2 – PANEL NOMINATED SPEAKERS

PANEL ASKED FOR	SPEAKER WAS
A housing developer	Dean Rzechta - Managing Director 94 Feet
State Government / Interplay between various government levels	Jo Cannington – Director Homes Melbourne, City of Melbourne
Affordable Housing development	Nemesia Kennett - Executive Head of Development Nightingale Housing
Financial Models	Steph Harper - Director, Living Sectors CBRE
Finance/Funding Bodies	Caryn Kakas - Head of Housing Strategy ANZ Bank
Designer/Architect	Ingrid Langtry - Head of Place & Experience Assemble Communities

PANEL REPORT



Responding to the remit, the panel delivered the following:

- ♦ 11 recommendations.
- ♦ Each recommendation received 80% or above approval from the panel.

City of Melbourne has promised to use the Affordable Housing People's Panel's recommendations to the greatest extent possible in their affordable housing strategy. (according to the collaborate level of engagement in the International Association of Public Participation engagement spectrum).

RECOMMENDATIONS

The following 11 recommendations were written and decided by the City of Melbourne People's Panel on Affordable Housing:

1. Penalties and disincentives for not participating in the affordable housing supply
2. Innovative alternative funding
3. Simplifying the funding process
4. Public awareness campaign and education program.
5. Consistent pipeline of funding between all levels of government for affordable housing
6. Compulsory affordable housing for new developments
7. Planning reform: new permit priorities
8. City of Melbourne to lobby State and Commonwealth Governments for sustained and consistent long-term funding across affordable housing models
9. Creating sustainable communities
10. Incentives for stakeholders to provide affordable housing
11. Use a data-based approach to support and assess all recommendations

The panel's final report appears in Appendix B below



PANEL FEEDBACK

Panel members were invited to complete a deliberation survey at two points in the process:

- ♦ After the meet and greet session (32 of the participants responded to the pre-deliberation survey).
- ♦ After panel completion (30 of the participants responded to the post-deliberation survey).

Feedback received has been summarised in the sections below.

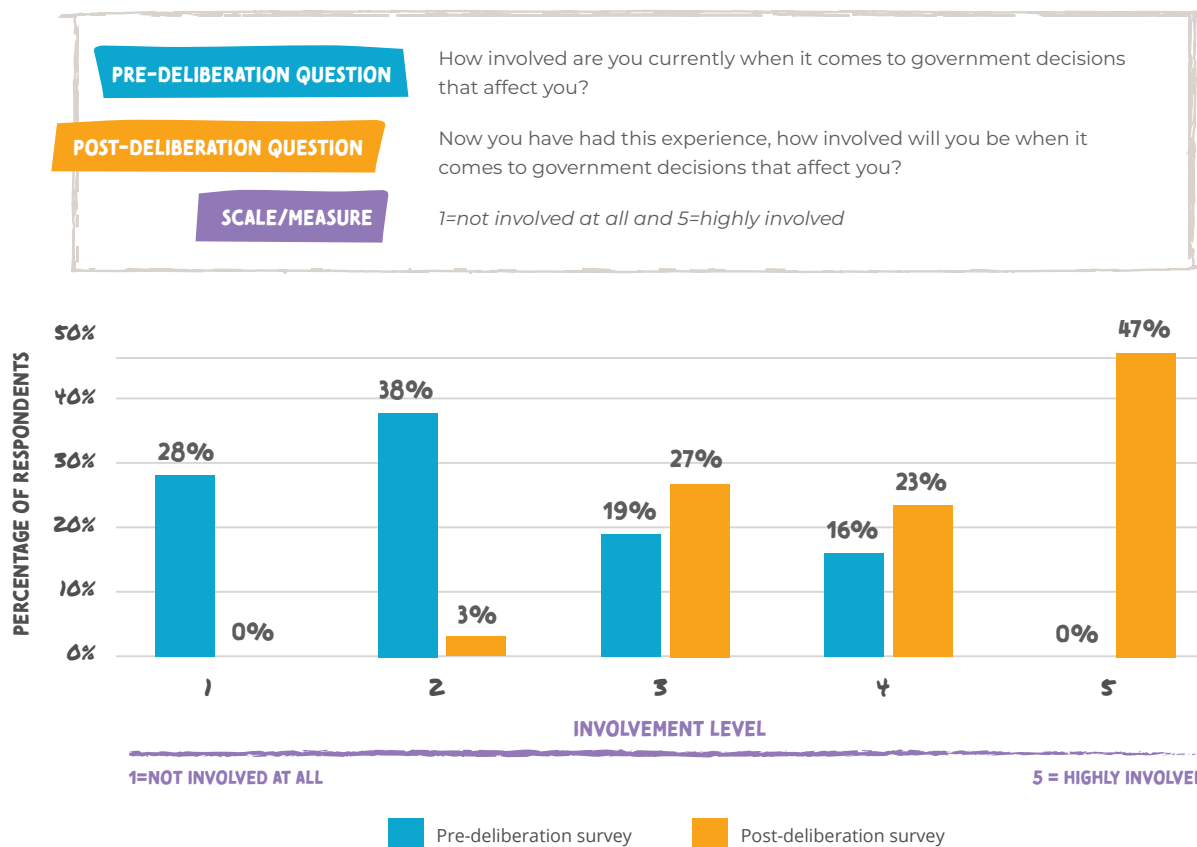
INVOLVEMENT IN CIVIC AFFAIRS

348%
GROWTH

(a 54-percentage point increase) in the number of participants who said they would be 'involved' or 'highly involved' in civic affairs in future when compared with past levels of involvement.

Survey respondents said they thought they would be much more likely to participate in civic activities in future (i.e. get involved in government decisions that affect them) after being involved in the deliberative process.

At the beginning of the process, 66% of the group either were not involved in civic activities in the past or had had very little involvement and only 16% said they had been 'involved' or 'highly involved' in the past. By the end of the process, 70% said they thought they would be involved or highly involved in government decisions that affected them in future.



INFLUENCE AND IMPLEMENTATION



(a 67-percentage point increase) in the number of participants who were 'confident' or 'very confident' that they would have influence over the decision when compared to past confidence in community influence over government decisions.

**205%
GROWTH**

(a 45-percentage point increase) in the number of participants who were 'confident' or 'very confident' that City of Melbourne would implement the panel's recommendations.

Participants were asked two questions in the pre-deliberation survey. First, they shared how confident they had felt in the past about the community's ability to influence government decisions in general. They were also asked to indicate how confident they felt that City of Melbourne would implement their recommendations on the issue they were about to deliberate on. Results of both of these questions were then compared to the results of one post-deliberation question.

Pre-deliberation question A:

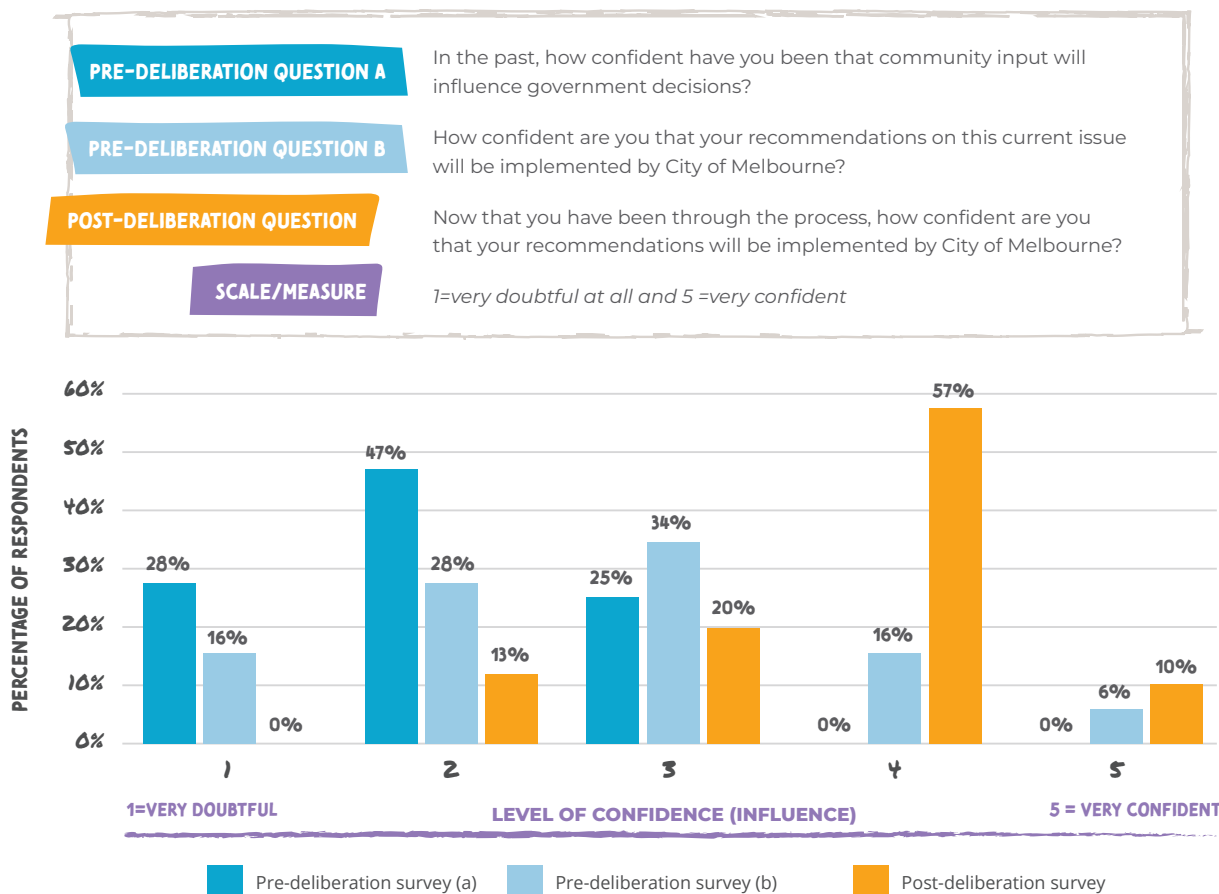
Panel members were asked how confident they had been in the past that community input would influence governments decisions. At the start of the process, 75% said they were very doubtful and doubtful that community input would influence governments decisions in the past. 0% said they were confident or very confident.

Pre-deliberation question B:

The panel members were then asked to rate their level of confidence in City of Melbourne implementing the work of the panel. 22% responded that they were confident or very confident, and 44% were doubtful or very doubtful.

Post-deliberation question:

Following the panel process, 67% of panellists were very confident or confident that the work of the panel would be implemented and only 13% were very doubtful or very doubtful.



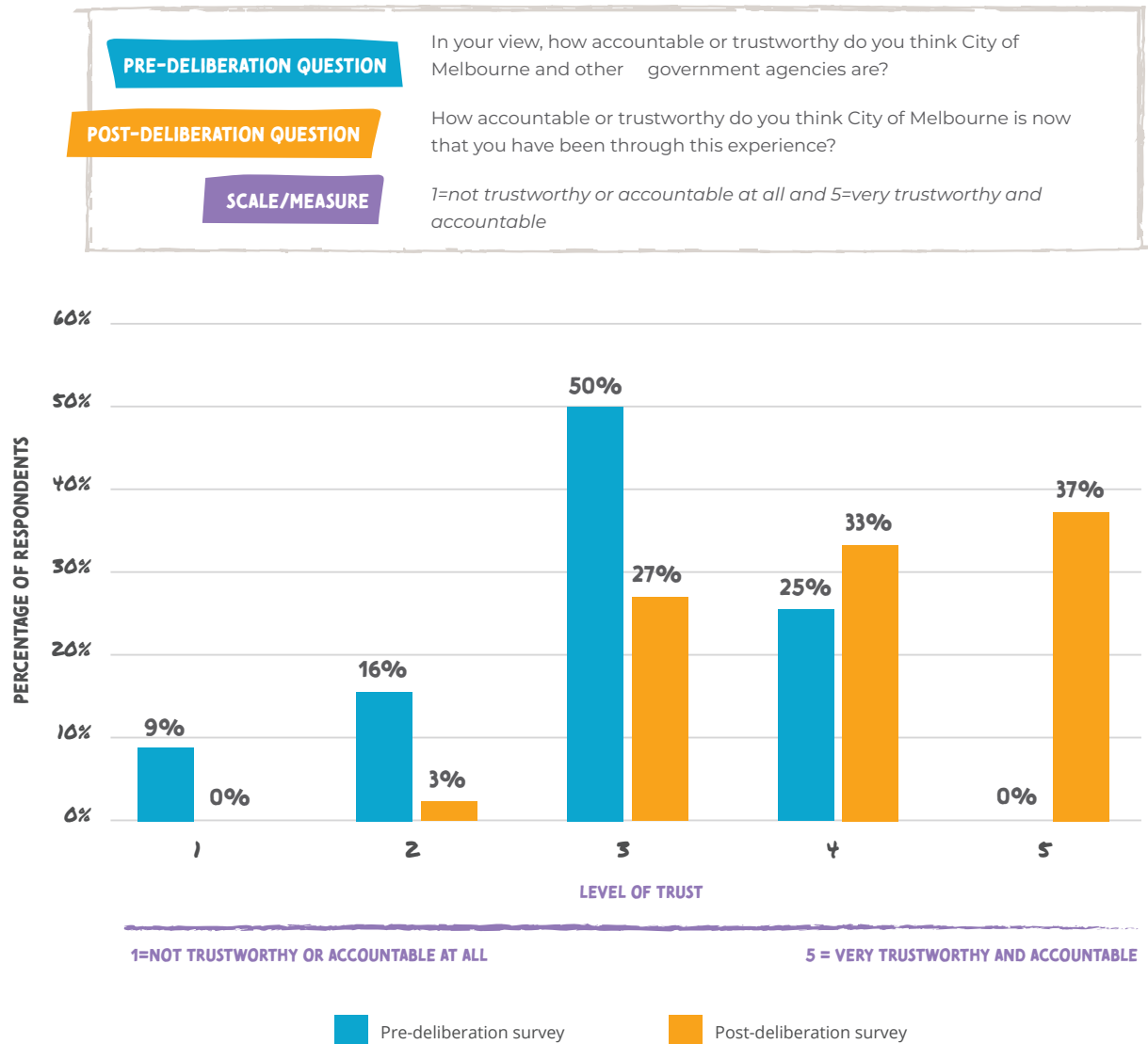
ACCOUNTABILITY AND TRUST

**180%
GROWTH**

(a 45-percentage point increase) in the number of participants who said they thought City of Melbourne was trustworthy and accountable or very trustworthy and accountable.

Panel members reported an increase in trust in City of Melbourne following the deliberative process.

70% of panel members felt that City of Melbourne was 'trustworthy and accountable' or 'very trustworthy and accountable' by the completion of the process, compared with 25% at the commencement of deliberations.



COLLABORATION & OVERALL PROCESS AUTHENTICITY

**550%
GROWTH**

(a 73-percentage point increase) in the number of participants who said they felt the process was collaborative, genuine and worthwhile or very collaborative, genuine and worthwhile (when compared to views of the City of Melbourne's past engagement activities)

Before deliberations commenced, panel members were asked to indicate how collaborative, genuine and worthwhile they thought City of Melbourne had been in the past with their community engagement activities. 13% of participants felt that City of Melbourne had been 'collaborative, genuine and worthwhile' or 'very collaborative, genuine and worthwhile' in the past. By the final session, **87% of panellists felt that this deliberative process had been 'collaborative, genuine and worthwhile' or 'very collaborative, genuine and worthwhile'.**



CLEAR, USEFUL AND BALANCED INFORMATION

87%

OF PANELLISTS felt that the information was 'very clear, useful and balanced' or 'clear, useful and balanced'.

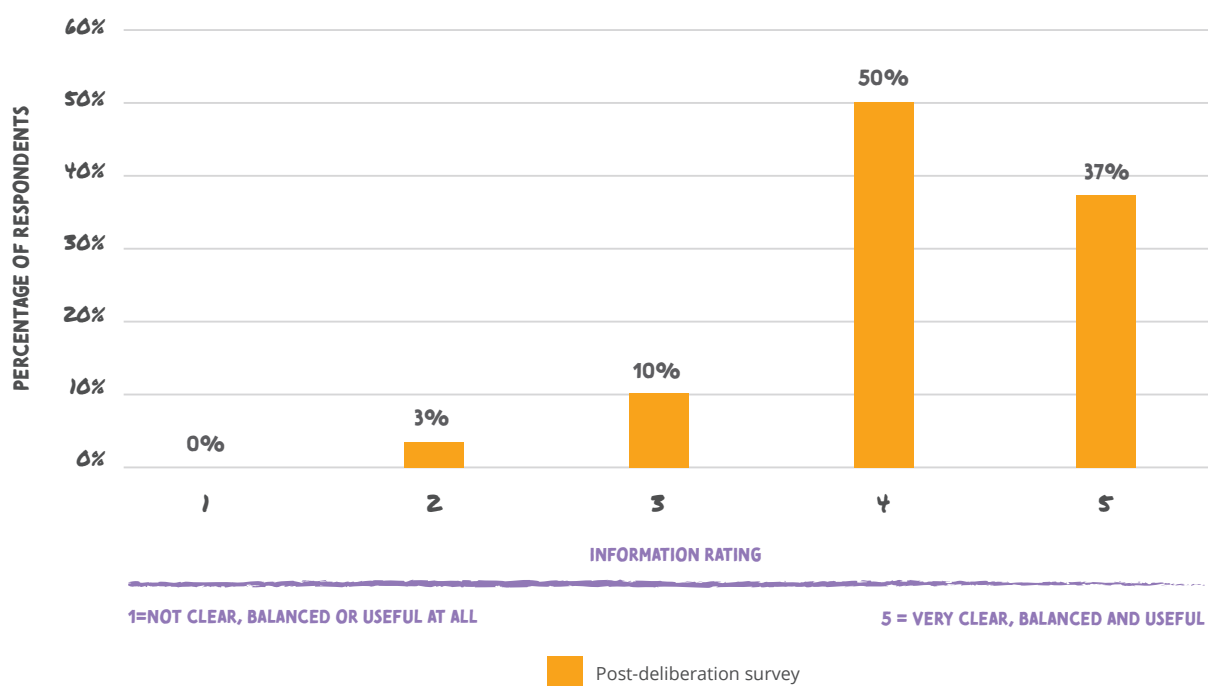
Panellists were asked to consider how clear, useful and balanced the information they had been provided throughout the process was. They were asked to consider this in the context of how the information provided had helped them to respond to the remit. This question was only asked at the end of the process and hence there is no comparison of pre and post survey results.

POST-DELIBERATION QUESTION

How clear, useful and balanced was the information provided to you during this process? (i.e. to what extent was it helpful in supporting you to respond to your remit).

SCALE/MEASURE

1=not clear, useful or balanced and 5=very clear, useful and balanced



QUALITATIVE FEEDBACK

Two questions were asked at the completion of the City of Melbourne People's Panel to better understand participants' overall experience of the process. All questions were asked in the post-deliberation survey. The participants' responses have been provided in full, unedited, below.

QUESTION 1

What helped you in your time on the People's Panel that we should continue to do?

- ♦ Speed dating experts was super educational
- ♦ Getting external speakers from the wider industry to provide their perspectives, so it's not just skewed towards what CoM wanted us to know
- ♦ Introduction to peers to get to know them first
- ♦ Management of the panel & it's supporting needs & time placement and notification of meetings.
- ♦ Collaboration with other panel members, as different perspectives help formulate my understanding
- ♦ Good facilitators who can keep the group focused
- ♦ Small group discussions
- ♦ Utilise MosaicLab as facilitators
- ♦ Expert advice. Perhaps add an extra session
- ♦ Setting up small groups to elaborate an idea, asking for clarification, and the greeting time provided to get to know people.
- ♦ Keep people engaged into process. It was not boring at all.
- ♦ Wonderful variety of people
- ♦ Done and dusted
- ♦ Open and transparent process

QUESTION 2

If something didn't work during your time on the Peoples Panel, what should we do differently?

- ♦ On the last session the quality of the report declined between versions 2 and 3 and it felt like we didn't have a chance to go over it as a group. The last circle was quite bureaucratic and disheartening in some ways. Like the process failed to take into account when the group had a supermajority who wanted to fix severe errors that had been introduced, so we had to game the system to be able to effect an edit.
- ♦ Honestly I think doing the rewriting in groups of 4 again for version 3 was quite redundant. I think it would have been better to instead, after version two and walking around, reviewing and writing suggestions/proposed changes on the large cards, to go straight into the circle, and for each point vote as a whole group for each suggestions that has come up, with a chance for people to also make last minute suggestions after the written ones have been covered. Suggestions that a majority agrees with will be actioned on the big screen during this process. It just felt like we didn't have a chance to collaborate as a whole group which would have felt more democratic and engaging and consensus building. A lot of people I talked to after seemed to feel the same way.
- ♦ As someone who has a pretty stressful full time job, spending 6 hours on the weekend on a very new topic with lots of new information to absorb and lots of participation required (and with very few breaks in between) was very taxing on the brain. Either break these sessions up into half day sessions or add more breaks
- ♦ Everything was great
- ♦ I felt like there were several confounds with the research design, especially during the feedback part where we reviewed each recommendation as it was prone to social desirability.
- ♦ More time. 3.5 days felt rushed and not enough time to fully develop policies
- ♦ When giving instructions, it would help to include written instructions on the large screen. In past sessions, I'd often miss parts of verbally spoken instructions and I needed to rely on others to relay the rest of the instructions to me.
- ♦ Add extra sessions
- ♦ I didn't receive any email since the sessions started, from reminders to the survey that we were supposed to participate. In addition to that I believe that some tasks should have been done by the same group, in order to minimise misunderstandings, for example the last task about editing recommendations, in some cases, second group has changed the purpose of primary group and this led to confusion of panel.
- ♦ Please, do something to improve sound, especially when working in large room.
- ♦ Too much recapping after each session and more support for those visual impaired (final rec review on screen).
- ♦ More time to make small changes in a LARGE group. For example after the second rewriting, 10 mins per idea that the whole group can edit before doing the final standing/sitting thing.
- ♦ I didn't find it difficult
- ♦ A per person cap of question. Some individuals tend to hijack Q&A time

NEXT STEPS

The final report of the panel's recommendations was presented to Lord Mayor, Sally Capp and Councillors Dr Olivia Ball and Jamal Hakim by Eilish and Chirag at the end of Day 3.

The City of Melbourne will invite all Panel members to attend a 'Special Future Melbourne Committee meeting in February/March 2024 (date to be confirmed).

At this meeting Council will formally table the Panel's recommendations and Councillors will endorse the City of Melbourne's response to those recommendations, in accordance with the COLLABORATE level of influence for this engagement. Council will also offer participants feedback on how their recommendations have been integrated into the Affordable Housing Strategy and if they haven't been, then an explanation as to why not.



We extend our deepest thanks to the City of Melbourne for the opportunity to work alongside the project team on this important conversation. From our experience being 'in the room' with panel members, we noticed a real shift in attitude and understanding (and the odd 'lightbulb moment') in the issue of affordable housing, including those who need it and how innovate design can create really liveable environments for residents.

We wish the City of Melbourne and Homes Melbourne teams all the best with their implementation and ongoing work on this important issue.

SPEED DIALOGUE SPEAKER LIST – SATURDAY 28 OCTOBER 2023

Jennifer Kulas

Development Manager - Housing Choices Australia & independent consultant in affordable housing.

Jennifer is a 2020 Churchill Fellow who has undertaken international research exploring innovative housing models for women and women-headed households.

She has previously worked as a development manager at Nightingale Housing and principal policy advisor of Affordable Housing at the City of Melbourne. Jennifer currently divides her time across two roles. First, as a development manager at registered housing association, Housing Choices Australia. And second, she works as an independent consultant in affordable housing. In this role she draws on her international research and local housing delivery experience and provides insights to a range of organisations, including municipal councils, philanthropic institutions and community groups.

Dan McLennan

Co-CEO - Local

Founding Local alongside Matt in 2021 Dan is armed with over 20 years' experience in the Australian real estate industry creating, structuring, funding, and delivering some of the country's most iconic buildings. We've never seen him in a hat, but as the saying goes, he's worn a few; development executive, adviser and corporate lawyer, and founding CEO of a national NDIS housing provider.

Dan is incredibly passionate about strengthening communities by using our homes to deliver positive social change.

Scott Leckie

Director and Founder - Displacement Solutions

Scott is an international human rights legal expert and Director and Founder of Displacement Solutions a global not-for-profit NGO dedicated to resolving displacement generated by global warming and climate change.

He teaches a course on Human Rights and Climate Change at Monash Law. He also founded Oneness World Foundation, a research think tank exploring questions of world-centric political evolution and new forms of global governance and world citizenship. He manages the One House, One Family initiative, a project in Bangladesh building homes for climate displaced families. Scott has written 25 books and over 250 academic articles and reports on issues including land solutions for climate displacement, housing rights, economic, social and cultural rights, forced evictions, the right to housing and property restitution for refugees and internally displaced persons and other human rights themes.

Christine Thirkell

Lived experience - Council to Homeless Persons

Christine is a retired teacher, art therapist and a graduate member of the Peer Education Support Program, the consumer participation program of the Council to Homeless Persons. Christine is a strong advocate for improved systems access and responses for people in crisis, including health, mental health, homelessness and housing. She is trained in Intentional Peer Support work and hopes to work in community services as a peer support worker in the near future.

Stephanie Ng

Policy Officer - Community Housing Industry Association (Vic)

Stephanie works with our members, local councils and developers to uncover partnership opportunities to deliver more affordable housing and build an understanding of the community housing sector. Stephanie has worked in the not-for-profit sector on projects in Tonga, Solomon Islands and Australia. Prior to this, she worked as an engineer in the private sector for six years.

Rachel Hornsby

Director - Hornsby & Co.

Rachel Hornsby is the founder and director of an affordable housing consultancy Hornsby & Co. Rachel works with the community housing, government, and development sectors to create the policy and funding environment to get housing built for low-income households. Before establishing her consultancy Rachel worked for community housing organisations in Victoria, Tasmania, South Australia and New South Wales. Prior to that she was in executive roles in local government, including 10 years in New Zealand. Since establishing Hornsby & Co. Rachel has worked with more than 15 different local governments on their affordable housing policies and projects. This breadth of experience and her firsthand knowledge of the community housing sector provides her with unique insight into the challenges and opportunities of trying to increase the amount of affordable housing.

Jim Spillane

Housing Advisor - City of Melbourne

Jim is a Housing Advisor working at the City of Melbourne in the Homes Melbourne team. He has a Masters in Urban Planning and has worked in private consulting, and for state and local governments. He most recently worked at the City of Vancouver where he managed rezoning projects for affordable housing developments and contributed to local housing policy.

Growing up in regional Victoria, Jim has always been fascinated by what makes cities great. He is passionate about using research, advocacy and the planning system to deliver more equitable housing outcomes for all Melburnians. Jim always seeks to ground his work in a strong evidence base and loves nothing more than a well presented set of data.

Sophie Jordan

Principal Policy Advisor - Affordable Housing Delivery - City of Melbourne

Sophie is an experienced urban planner with particular expertise in affordable housing. She has worked in advocacy, research, local government and international development. She is currently Principal Policy Officer Affordable Housing at the City of Melbourne. Sophie has delivered a social housing project on Council-owned land in Preston, negotiated with developers for affordable housing contributions, and developed housing policy for councils. She is passionate about just cities, equitable housing outcomes and knitting.

PANEL NOMINATED SPEAKER BIO'S – SATURDAY 11 NOVEMBER 2023

Your request: Developer

Speaker: Dean Rzechta - Managing Director, 94 Feet

Ninety Four Feet believes long term property value is enhanced via intelligent and efficient design and we consult with our communities, always remaining aware of our works impact. This social responsibility to contribute positively forms the foundation of our business principles.

Dean is the Managing Director who fulfils an all-encompassing project management role striving to satisfy public goals through private development. More specifically, his responsibilities include the management of design consultants, authorities, environmental groups, project users, contractors and legal representatives.

We are not afraid to challenge the status quo, even when it calls into question our own previously held assumptions. Our reputation is built on our resolute commitment to quality, consistent delivery and a vision of long-term success. This attitude permeates how we act as a business, how we develop and build our projects and what we demand of ourselves and others.

Your Request: Designer/Architect

Speaker: Ingrid Langtry - Head of Place & Experience, Assemble Communities

Ingrid is the Head of Place & Experience at Assemble. An experienced designer with a background in retail strategy and sustainability, Ingrid helms the placemaking outcomes for all Assemble projects by striking a balance between the needs and desires of every community and finding that experiential 'sweet spot' through strategic design. Ingrid works across Assemble's portfolio and full cycle of the development process, from pre-acquisition, master planning, seeing projects realised through to mobilisation, driving high quality user experience and places feel good about being in.

Your Request: Finance/Funding Bodies

Speaker: Caryn Kakas - Head of Housing Strategy, ANZ Bank

Caryn is the Head of Housing and Strategy at ANZ where she leads the bank's commitment to improving the availability of suitable and affordable housing options for all Australians and New Zealanders. Caryn was previously Executive Director, Housing at the Department of Family and Community Services (NSW).

Your Request: Financial Models

Speaker: Steph Harper – Director, Living Sectors, CBRE

Steph is a Director and the lead Valuer of CBRE's Living Sectors Valuation and Advisory team. She is an industry specialist in Affordable Housing and the accelerating Build-to-Rent and Co-Living sectors. Steph is at the forefront of these emerging asset classes in the Australian property market, offering clients quality valuation and advisory services to better inform business decisions as this sector builds momentum. She partners with clients at a local and institutional level, including developers, private investors, operators, government entities, financiers, and not-for-profit organisations. Steph is a qualified valuer in all States and is based in Melbourne.

Your Request: Affordable Housing development

Speaker: Nemesia Kennett - Executive Head of Development, Nightingale Housing

As Nightingale's Executive Head of Development, Nemesia creates industry partnerships, leads new site acquisitions and promotes housing advocacy. Nemesia's track record in the property and construction industry has seen her conceive and deliver a diverse portfolio of developments spanning across residential, social infrastructure and mixed-use assets. Urban regeneration considered infill development and connected communities are Nemesia's key professional focus areas.

Your Request: State Government / Interplay between various government levels

Speaker: Jo Cannington - Director Homes Melbourne, City of Melbourne

Jo has a deep commitment to fair, inclusive and data driven strategic planning. She has a specialised competency in the development of housing and social policy blending expertise in community needs assessments, community wellbeing indicators, social impact, consultation and facilitation. Jo's professional expertise spans 20 years, in private consultancy working within local state and international contexts and includes senior and executive roles in organisations such as Ethos Urban and Social Fabric: Planning for People, as well as tutoring at Monash University.

City of Melbourne

People's Panel on Affordable Housing

Panel Report

November 2023

REMIT

We have a severe shortage of affordable housing and need innovative solutions from all levels of government and society.



How can we increase affordable housing in the City of Melbourne?

INTRODUCTION

The City of Melbourne's People's Panel on Affordable Housing was held over four sessions from 26th October to 18th November 2023. The aim of the project was to recommend solutions to the shortage of affordable housing in the City of Melbourne area. Eleven recommendations were formulated over this period from a group of 40 participants. These participants reflected the demographic of the council area, from age, gender, background and socio-economic status.

Housing is a fundamental human right and critical to the health and wellbeing of individuals and society at large. Governments at all levels must implement the right to housing - however, the housing situation in the city is falling short of Melbourne's need, with housing affordability becoming a critical issue in discussions about the future of our society.

'Affordable housing' is a specific type of housing for very low- to moderate-income earners, where rents are no more than 30% of gross household income. This comprises both community and public housing and is also known as 'social housing'. Housing of this type is in need as market rents have exceeded the ability of key workers and lower-income earners to be able to live in the communities they serve. Unfortunately, decades of underinvestment have resulted in a shortfall of over 6,000 affordable housing dwellings relative to current need, with that shortfall projected to increase unless something is done. Addressing this need is essential to the City of Melbourne's aims to create a more cohesive, safe, and accessible society for residents.

The panel has carefully deliberated and have found the following basic guiding principles to be evident in forming our recommendations:

- 1. All human beings deserve to be housed with dignity**
- 2. Affordable housing is essential infrastructure and must be prioritised as such**
- 3. Affordable housing provision must be sustainable in the longer term, socially, financially and environmentally**
- 4. Policy must be evidence-based.**

Recommendation 1

Heading

Penalties and disincentives for not participating in the affordable housing supply

Description

The intent of the idea is to **increase access to the supply of currently available housing** in the City of Melbourne. This may have a flow-on effect on both affordable housing supply and overall housing affordability.

Reasoning - why is this important? What evidence can we provide?

In order to tackle **the issue of housing supply** in CoM, these **three key points** may assist in addressing this issue:

- **Increase the tax rate for vacant properties** from current levels of 1% total value of the property to 10% capped, progressively. depending on the length of time the property is vacant (e.g. more than 3 months = 5%, more than 6 months = 10 %). Although it may seem high, rich investors will be able to afford it.
- Self-reporting of vacant properties is as good as not reporting. The data provided clearly suggest that it's not working.
- Better data analytics using data from statutory bodies, service providers, e.g utilities, rates, OC fees, tax reporting data to identify vacant properties in the CoM.
- Council needs to refresh the rate rebate to affordable housing providers.
- Impose **more restrictions and certain conditions on**
- **foreign property investors** in the residential housing market in the City of Melbourne council area, particularly if these properties remain vacant for a long period of time.
- penalties for foreign and local investors / developers that construct new properties that do not have 10-20% affordable housing.
- **Impose rental market regulations** such as rent control, progressive taxes on second and third rental properties, and landlords who artificially inflate rents (e.g. rental bidding).

Recommendation 2

Heading	Innovative alternative funding
Description - what is the intent of the idea?	<p>The council should seek non-traditional/non-historical ways of funding affordable housing. This is to include new ways to fund and partner with the private sector which may include developers or financial institutions (such as superannuation funds and hedge funds). Funding provided through private and public partnership should be considered and encouraged.</p> <p>As an example: https://www.socialventures.com.au/sva-quarterly/developing-affordable-housing-affordably/</p>
Reasoning - why is this important? What evidence can we provide?	<p>The funding in the current system is inadequate to meet the demand, so innovative ways of funding are required:</p> <ul style="list-style-type: none">• alternate funding sources (super funds, overseas partial investments, Federal Home Loan Banks (FHLBs))• More governments awareness and more support of Innovative funding• Fast-track the application for affordable housing in Melbourne to avoid the long waiting time in the system by implementing faster and alternative ways through government incentives. <p>(https://www.socialventures.com.au/sva-quarterly/developing-affordable-housing-affordably/)</p>

Recommendation 3

Heading	Simplifying the funding process
Description	The process to obtain funding for affordable housing is too complex, too slow and has too many barriers, such as a competitive market and infrequent investment opportunities. It would be prudent to simplify the process and remove barriers.
Reasoning - why is this important? What evidence can we provide?	<ul style="list-style-type: none">- Inconsistent policy and funding slows the process of construction- Government's processes and procedures consume significant resources, by restructuring internal processes and policies, capacity will be released- The current legislation that facilitates the building of affordable housing is too cumbersome and doesn't allow for innovative new processes.

Recommendation 4

Heading	Public awareness campaign and education program
Description - what is the intent of the idea?	<p>To build social acceptance of the concept of affordable housing and education programs to shift public perceptions and celebrate achievements in affordable housing.</p> <p>In appropriate environments such as schools and workplaces or in public forums. Different forms of communications eg. advertising on trams and public transport stops, articles and talk segments on TV, radio, digital media, print media like newspapers etc. The campaigns must be interactive, engaging and inviting to the community to participate in solving the problem to address points like:</p> <ul style="list-style-type: none"> • What is affordable housing? • Who will need affordable housing? The groups who need it are broader than what the public currently are thinking. It is not limited to a certain group of people. This is to reduce the stigma, dispel myths and preconceptions around affordable housing. • What factors can lead to housing stress and how to manage them in advance? • What has been achieved to date to support the plan? • What options are available for people who are in need of affordable housing?
Reasoning - why is this important? What evidence can we provide?	<p>Wider acceptance and support from the public on affordable housing initiatives are important for these projects to succeed. For example, local residents may object to plans related to affordable housing and this may make developers hesitate to take on these projects.</p> <p>For people who live in affordable housing, it's important for them to feel they are accepted as part of the local community and know where to ask for help when needed.</p> <p>Adoption of the communications campaign endorses certain commercial values to corporations who would like to present themselves as socially responsible.</p>

Recommendation 5

Heading	Consistent pipeline of funding between all levels of government for affordable housing
Description - what is the intent of the idea?	Rather than rounds of funding which creates inconsistency in the ability to create affordable housing, an agreed pipeline creates a baseline to remediate the underfunding in affordable housing projects in Victoria.
Reasoning - why is this important? What evidence can we provide? (3 key points)	<p>Inconsistent funding leading to a delay in the affordable housing project construction. A consistent commitment in funding and investment would help deliver the housing project as soon as possible.</p> <p>Governments at all levels have underinvested in affordable housing over recent decades, as demonstrated by rising levels of homelessness and rental stress.</p> <p>There are good examples of affordable housing projects (e.g. Nightingale, Munro, etc) which have successfully worked when government funding was involved. The level of investment or the amount of investment should be scaled up to meet the size of the problem.</p>

Recommendation 6

Heading	Compulsory affordable housing for new developments
Description - what is the intent of the idea?	<p>Council to advocate to the State Government and other local councils (e.g M9) for a regulation requiring minimum 30-40% (to allow for negotiation) permanently affordable housing (i.e part of land title) in new developments.</p> <p>To be implemented progressively over 10-15 years, starting at 5%.</p>
Reasoning - why is this important? What evidence can we provide?	<p>Voluntary inclusion of affordable housing has not been widely adopted by developers.</p> <p>Integrating affordable housing into all projects builds community awareness and acceptance, reducing stigma.</p>

Recommendation 7

Heading	Planning reform: new permit priorities
Description - what is the intent of the idea?	<p>More new developments that prioritise higher percentages of affordable housing are needed.</p> <p>The panel recommends that new developments must contain 20% affordable housing units as a base.</p> <p>Developments that propose a higher percentage (e.g. 30%) will receive planning priority over those with a lower percentage.</p>
Reasoning - why is this important? What evidence can we provide?	<p>Developers currently report wait times of up to two years for planning approval. This increases costs, disincentivising affordable housing developments. This contributes to minimising potential new housing stock.</p> <p>The cost of holding land whilst waiting for approval eats into developers' budgets and profits. This may affect the viability of new projects.</p> <p>To incentivise and encourage developers to provide more affordable housing, the Melbourne City Council can offer them lower wait times (within a negotiated timeframe).</p> <p>Decreased delay times may lead to faster supply of new affordable dwellings.</p>

Recommendation 8

Heading	City of Melbourne to lobby State and Commonwealth Governments for sustained and consistent long-term funding across affordable housing models
Description - what is the intent of the idea?	For Melbourne City Council to successfully secure consistent and ongoing funding streams from State and Federal government sources in the near and long-term future (i.e. not impacted by the changes in the Government rather being part of the Nation's long term sustainable development goals). The aim of this is to ensure a stable, ongoing supply of affordable housing to address the pressing concern of affordable housing shortage.
Reasoning - why is this important? What evidence can we provide?	<ul style="list-style-type: none">• The chronic shortage of stock and the unacceptable length of waiting lists for public and community housing is a reason for minimal or sporadic funding from various sources.• Historically, funding from the government has been sporadic. We have also seen a rapid decline of this funding since the 1980's.• The Melbourne City Council is the entity that is best to advocate to these governments on behalf of citizens.• Increasing affordable housing is important, as the problem is growing exponentially. A commitment from all levels of government is required to guarantee citizens' basic human rights to adequate housing.• We are advocating for long-term funding sources to ensure this happens.

Recommendation 9

Heading-	Creating sustainable communities
Description - what is the intent of the idea?	<p>Developments of affordable housing should be community-centric. This would mean designing and building houses that serve to facilitate ease of access to a number of amenities such as schools, supermarkets, medical facilities, and communal spaces. For those whose jobs/lives revolve around such places (teachers, nurses, students, etc), the price of regular housing is too high for their current wages. It's also important to consider that many who would occupy these houses are vulnerable/ at-risk due to their finances/backgrounds. Providing them with the option to live in affordable houses close to support services that they may need would be a first step in creating a more sustainable, long term community. Because these key workers are essential to the community, they must be part of the community.</p> <ul style="list-style-type: none"> - Proximity to schools, supermarkets, medical clinics, spaces for communal gathering, 24hr libraries, transport - Support services for health and wellbeing, finance, etc - Sustainable, high quality design of the built environment - The key workers should be prioritised to be allocated Affordable Housing near their workspaces. - Cheaper housing for uni students - more creative spaces / community - artist studios/community.
Reasoning - why is this important? What evidence can we provide? (3 key points)	<p>Support services help people stay out of poverty and improves the city's livability.</p> <p>Sustainable buildings cost less to maintain, leading to overall stronger supply over time.</p> <p>Liveable communities have flow-on effects reducing the overall costs of services such as healthcare and transport which governments can redirect towards future housing investments.*</p> <p>* to clarify, happy, healthy people will cost less in healthcare (e.g may not need government subsidised therapy long term) allowing costs to be redirected.</p>

Recommendation 10

Heading-	Incentives for stakeholders to provide affordable housing
Description - what is the intent of the idea?	<p>Federal, state and local governments could develop and offer various policies aimed to incentivise the provision of affordable housing through subsidies and tax concessions.</p> <p>For example:</p> <ol style="list-style-type: none"> 1. Introducing a discount on Capital Gains Tax (CGT) for sellers and Stamp Duty exemptions for buyers only for transactions that put housing in the hands of community housing organisations or government public housing portfolios. Review other tax and duties to ascertain whether that revenue can be redirected to affordable housing. 2. Offering low-interest government loans to reduce the holding costs of land percentage of affordable housing included in the development (in the same way solar or energy efficiency upgrades were subsidised) 3. Offering government land at reduced or no cost for development of affordable housing 4. Direct cash subsidies to developers according to the current policy 5. Negotiating deals to rezone/repurpose land for use in development of affordable housing.
Reasoning - why is this important? What evidence can we provide? (3 key points)	<p>Current costs of constructing and developing affordable housing are subject to inflation and shifts in the macro-economic environment. Introducing incentives would make the difference as to whether certain projects are viable or not and encourage developers to take up the task of providing affordable housing. Tax benefits can also be used to encourage the transfer of existing housing stock into the affordable housing sector.</p> <p>This recommendation is based on the insight that in order to make a development attractive to developers, some financial incentives in the form of subsidised development costs and/or tax concessions would be required.</p>

Recommendation 11

Heading	Use a data-based approach to support and assess all recommendations
Description - what is the intent of the idea?	<p>It is important that we use data and analytics from a variety of sources (CoM, State, Federal governments, service providers, current affordable housing projects) to support all actions recommended in this document.</p> <p>Data can help increase affordable housing by examples, such as:</p> <ol style="list-style-type: none">1. Using data in advocacy to create a compelling case for action for affordable housing.2. Better data on affordable housing, funding and service providers and stakeholders.3. Making Information available to all developers on potential sites.4. Data to ensure disincentives are effective. <p>And to measure the success of the initiatives, such as:</p> <ol style="list-style-type: none">5. Regularly review data to ensure targets are being met.6. Mandatory reporting from developers on whether they have achieved affordable housing targets. <p>It is also important to ensure transparency in the acquisition, use, and analysis of the data in order to prevent manipulation and misuse.</p>
Reasoning - why is this important? What evidence can we provide?	<ul style="list-style-type: none">- Empirical data increases community acceptance and is difficult to argue against- Developers need to report on progress to ensure integrity- Council can't implement policies without accurate information- Transparency allows for accountability and helps ensure data is not misused.

PLEASE NOTE: While every effort has been made to transcribe participants comments accurately, a small number may not have been included in this summary due to the legibility of the content.

This report has been prepared by MosaicLab on behalf of and for the exclusive use of the City of Melbourne project team. The sole purpose of this report is to provide a report of the process undertaken by the People's Panel on Affordable Housing.

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MosaicLab is a Victorian-based consultancy that specialises in community & stakeholder engagement, facilitation, negotiation, strategic planning and coaching.

We acknowledge the traditional owners for all the lands on which we live and work and pay our deepest respects to their valuable contribution and care for land sea and culture.



REPORT PREPARED BY:

mosaicLAB

www.mosaiclab.com.au