

Ipswich Affordable Housing Forum 2017: Summary and Outcomes



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Ipswich Affordable Housing Forum 2017

Background

Ipswich's population is forecast to more than double over the next 25 years (520,000 residents by 2041). While Ipswich continues to exceed the performance of other cities in housing affordability measures, it is essential for Ipswich City Council to maintain its focus on maximising the availability of suitable and affordable housing. To that end, Ipswich City Council's first Affordable Housing Forum, held 8 December 2017 at Fire Station 101, brought together a wealth of expertise across government, private and not-for-profit sectors, and evidenced widespread support for working together on new solutions.

The forum aimed to:

- encourage collaboration to identify innovative housing solutions that make a difference;
- position Council to facilitate, enable and broker change to ensure social and affordable housing needs are met; and
- identify and agree key next steps to continue and progress the conversation.

Mayor Andrew Antoniolli opened the day with a strong personal commitment to positioning Ipswich as an initiator of change and encouraged participants to tap into the forum's "collaborative wisdom", remain open to new ideas and remove the blinkers.

The Ipswich Affordable Housing Forum supports the strategic goals and actions from the Ipswich City Council's Corporate Plan 2017-2022, in particular Goal 1 Managing growth and delivering key infrastructure under Strategy 1 Encourage a diversity of housing types, styles and densities that meet community housing needs.

The conversation

What began as a discussion about affordable housing soon shifted to one about affordable living and ensuring the life-long well-being of Ipswich's most valuable assets – the people who live here. While there is no single solution to this complex, multi layered issue, it was agreed there were actions stakeholders could explore and execute now, and over time, to deliver more diverse housing options to help those in need connect with our city and their neighbourhoods within it.

Participants

More than 30 civic leaders and influencers came together to discuss liveability, affordability and fairness in housing. Participants represented:

- Ipswich City Council
- Economic Development Queensland
- Department of Housing and Public Works
- Community housing providers
- Not-for-profit service providers
- Industry bodies
- Private developers
- Banking
- Researchers

The group discussion was positive and energetic throughout the day with each participant bringing their unique experiences and expertise to explore and evaluate solutions. Key areas people wanted to share or hear more about included:

- growth as a planning opportunity;
- the need to challenge assumptions that home ownership is an indicator of personal success;
- the need to focus on the full costs of living rather than housing cost; and
- the need deliver housing products that match community need.

Ipswich's population demographics and housing impacts

Ipswich's population was 200,123 (ABS ERP) in 2016, with the median age of 32 years being younger than Queensland (37 years) and Australia (38 years). The city's younger status is forecast to continue for the next 15 years, remaining younger than the State (34.5 years in 2031 compared to Queensland's projected 40.2 years). While Ipswich has a large proportion (24%) of residents aged under 15 years, it also has a growing proportion of older residents, with the recent Census showing strong increases in residents aged 55 years and over. This indicates a strong trend for residents to 'age in place' and of new residents moving to Ipswich at age of retirement. This increasing number of older residents influences the local demand for housing, perhaps signalling a need for smaller dwellings to cater for ageing households.

In 2016, 91% of Ipswich's workforce was employed (59.2% full-time, 26.9% part time, 1.7% casually and 3.3% employed but hours not stated). The city had a higher level of unemployment (9%) than Queensland (7.6%), with statistics demonstrating an increase in the proportion of part-time workers and a smaller proportion of residents working full-time than in 2011. Slightly more than half of Ipswich's resident workforce is employed within the city, with 48.6% of workers travelling outside the city for employment. The majority of residents travelling outside of Ipswich for work are going to Brisbane (82.1%) and Logan (6.8%).

Ipswich has a reducing level of home ownership and increasing levels of rental, with 58% owning their homes and 41% of residents renting their homes in 2016. This is substantially higher than proportion of renters in Queensland (35%) and Australia (32%). Ipswich has had a larger proportional increase in rental stock over the last decade than the benchmark areas; it may reasonably be assumed that a substantial proportion of new development is owned by investors outside of the city.

Ipswich households' incomes are concentrated in the middle income quartiles, with proportionately fewer households falling into the lowest and highest income quartiles than for the State. The median weekly household income (\$1,410) is similar to the Queensland median weekly income (\$1,402) but significantly less than Brisbane's (\$1,746). Personal median weekly incomes mirrored this trend, with Ipswich (\$667) being slightly higher than Queensland (\$660) and behind Brisbane's median income (\$770).

Housing stress in Ipswich is higher than Queensland, with 14.1% in Ipswich experiencing housing stress compared to 12.2% in Queensland. This level of housing stress is predominantly experienced by renters; the level of mortgage stress in Ipswich (8.6%) is less than Queensland (9.2%), while rental stress in Ipswich is 29.8%, which is slightly higher than Queensland (29%).

¹ All data and statistics compiled using Australian Bureau of Statistics Census of Population and Housing, 2016 for Ipswich, Queensland and Brisbane

² State of Queensland, Office of Economical and Statistical Research (2012) Population and dwelling profile, Ipswich City Council

³ .id (2017) Source: Australian Bureau of Statistics, Census of Population and Housing, 2016 (Enumerated data)

Compiled and presented in atlas.id by .id, the population experts.

Almost three quarters of Ipswich's households are family households while 22% are non-family household (lone person and shared households) and 5% group households. In comparison to Queensland, Ipswich has a smaller level of non-family households (26% in Queensland) and greater proportion of one family and group households (71% and 4% respectively).

The strong level of one-family and group households is catered for by a high proportion of separate house dwellings, with 89.5% of all Ipswich dwellings being separate houses. 8.4% semi-detached, row or terrace houses and 1.5% Flats or apartments. The concentration of separate dwellings in the council area illustrates the 'missing middle' concept highlighted in the South-East Queensland Regional Plan 2041 (ShapingSEQ 2041): an evidenced gap in semi-detached housing stock to meet market demand.

Where lone households are living by dwelling type

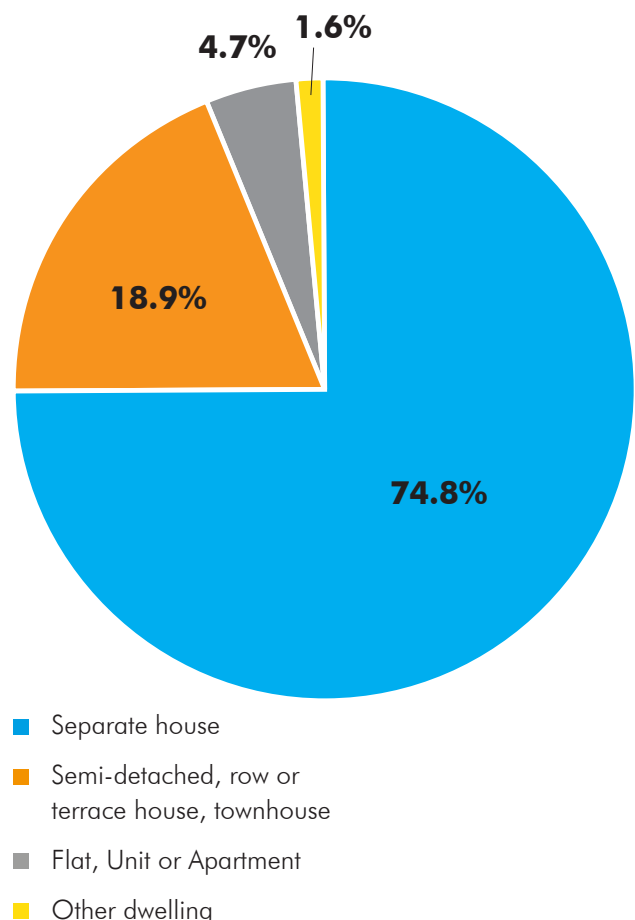


Figure 1: Lone person households by dwelling type in Ipswich 2016

Planning and development

In a presentation at the forum, Ipswich City Council’s Planning and Development department outlined the responsibilities under the South East Queensland (SEQ) Regional Plan 2017, including meeting growth targets, shifting the focus to affordable living and the importance of fairness and choice in types and forms of housing, transport and employment. Affordable living is a broader concept of the full cost of living, as shown in the diagram below, and will underpin the future planning policy directions within council (see Figure 2).

State government role in Ipswich

The Department of Housing and Public Works (The Department) addressed the Queensland Government’s role in the provision of affordable housing. The Department shared its programs, housing stock, and the mismatch in relation to its current housing stock and the waitlisted applicants in Ipswich. There was some discussion regarding The Department’s focus on meeting all levels of housing need, from homelessness (with crisis housing and the Dignity First program) to discounted market rent products like NRAS; social housing stock, and Home

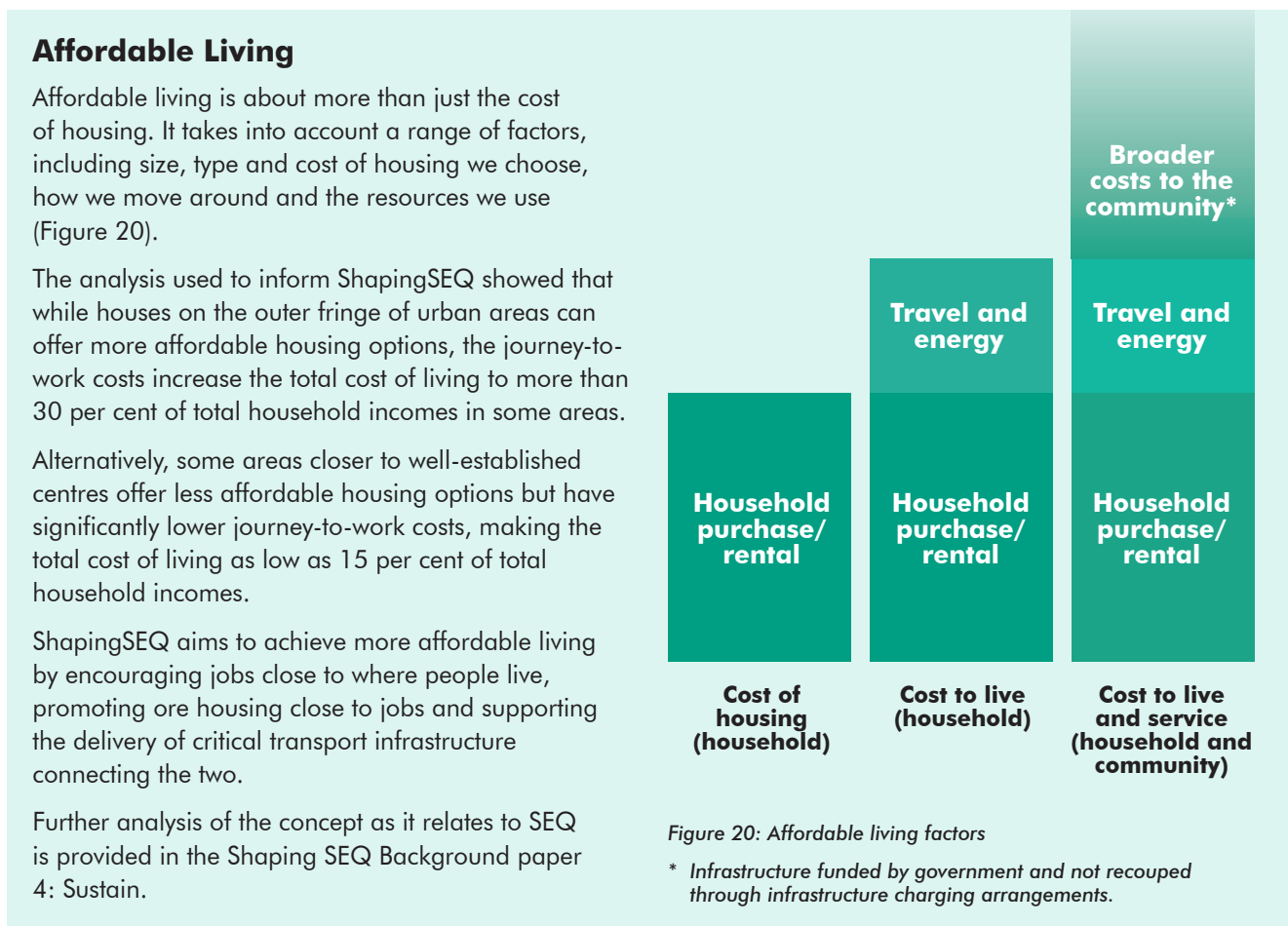


Figure 2: Affordable living factors⁶

Housing Stress is defined as per the NATSEM (National Centre for Social and Economic Modelling) model as households in the lowest 40% of equivalised incomes (income adjusted using equivalence factors to remove the effect of household size and composition) across Australia, who are paying more than 30% of their usual gross weekly income on rent or mortgage repayments.

⁴ Mortgage Stress is defined as per the NATSEM (National Centre for Social and Economic Modelling) model as households in the lowest 40% of equivalised incomes (income adjusted using

equivalence factors to remove the effect of household size and composition on income) across Australia, who are paying more than 30% of their usual gross weekly income on mortgage repayments.

⁵ Rental Stress is defined as per the NATSEM (National Centre for Social and Economic Modelling) model as households in the lowest 40% of equivalised incomes (income adjusted using equivalence factors to remove the effect of household size and composition on income) across Australia, who are paying more than 30% of their usual gross weekly income on rent.

Assist Secure program (in partnership with Ipswich City Council) that helps senior citizens and people with disabilities stay in the homes for longer. A key driver for the Department to engage in the forum was to undertake local engagement to analyse local need and opportunities to deliver the right housing mix.

In addition to social housing, the State Government focus on affordable housing within Ipswich is evidenced in the Priority Development Area of Ripley, delivered via a partnership between Economic Development Queensland and Ipswich City Council. Affordability in this context is focussed on the delivery of lower cost land to encourage affordable home ownership.

What makes a functional and healthy community?

Professor Lynda Cheshire, Head of Sociology at the University of Queensland, highlighted the need to foster inclusive and cohesive communities, while heeding past lessons. Factors that contribute to cohesive, inclusive and resilient communities are diversity; housing and services for people who are excluded (people with a disability, mental health issues, and low incomes); high-quality physical environments and a strong public realm.

The presentation included research that challenged current planning and policy practices and outlined the following points for consideration in the development of policies and programs to develop affordable housing:

- Some social housing areas can already have high levels of cohesion
- Urban renewal of low-income areas often end up displacing lower-income residents, thereby creating social risks for individuals and the community
- De-concentration of existing social housing is not necessarily the answer
- There is little evidence that reducing concentrated disadvantage through policies of social mix will ensure good outcomes
- De-concentrating disadvantage can lead to the loss of essential services for marginalized groups

- There is an under-supply of affordable and social housing, but replacing public housing with affordable (private rent) housing can displace low-income groups
- Creating mixed income public housing reduces stigma and increases financial viability of the sector
- There is a requirement for an expansion of supply and a widening of eligibility for social housing
- Working with Not for Profit (NFP) groups to provide housing for special groups –the elderly, people with mental health challenges is likely to deliver better community outcomes
- Broader reforms to housing policies, including the private rental sector, are required
- Creation of longer-term tenancies to enhance security and belonging would be beneficial

Professor Cheshire reminded the workshop that housing was a fundamental building block to enable social change and encouraged participants to consider solutions that continue to create social cohesion and opportunities for all residents.

Workshopping the options

The diverse representation of developers, service providers, funders, planners and State and Local Government representatives allowed for robust discussion on a number of topics. Workshop discussions also allowed fuller explanations to facilitate clearer understanding of existing policies and programs that could be used or amended to facilitate potential changes. Workshop participants were encouraged to be innovative and creative when considering the challenge of addressing affordable housing in Ipswich. Small group discussion identified initiatives and areas for further exploration, discussion and consideration by Council and its broader stakeholder groups.

Groups proposed the following ideas to be explored, acknowledging that not all of the areas were within the scope of Ipswich City Council to deliver.

Research into renters: Given the 41% of residents who live in rental housing in the city, further exploration of renters' perspectives of living in rental housing in Ipswich including their motivations for moving and staying within the region including housing aspirations would inform future action and decision making.

⁶ *The State of Queensland, Department of Infrastructure, Local Government and Planning (2017) ShapingSEQ: South East Regional Queensland Regional Plan 2017*

Demonstration multi-unit project: With diversity and social cohesion key to creating liveable cities, the group suggested the development of a pilot multi-unit project to attract a variety of residents (varying income levels, ages and household sizes). The project would be located near transport and employment and designed to reflect a microcosm of an integrated community to showcase what is possible.

Reconfigure existing three-bedroom social housing stock: Acknowledging the strong public housing demand among single households and the number of three-bedroom homes among public housing stock, the forum saw an opportunity to reconfigure existing suitable houses as shared households for eligible singles. In addition to meeting current and future social housing needs, this fresh approach also has potential to increase social inclusion.

Work to transition National Rental Affordability Scheme (NRAS) tenants: Rental prices of approximately 840 homes in Ipswich are subsidised by up to 20% under the NRAS. With the NRAS program's 10 year life coming near the end, the group saw an opportunity to work with developers and property owners to scope and propose a new solution to the Commonwealth to ensure an adequate supply of affordable rental properties in Ipswich.

Investigate innovative transport solutions: Transport is a significant, infrastructure-intensive issue that required long-term planning across all levels of government. However, there was consensus it was worthwhile exploring more innovative or immediate solutions, such as developer-sponsored buses, to alleviate isolation for some communities. Participants also discussed the idea of secondary dwellings (termed Auxiliary Units in the Ipswich Planning Scheme) to create more options for multi-generational households or more affordable rental options and were informed that these were already provided for within Ipswich City Council's planning scheme. Ipswich City Council effectively incentivises secondary dwellings as they are exempt from infrastructure charges and not subject to a planning approval, where they have less than 50m² Gross Floor Area and a maximum of one bedroom. Council announced an intention to amend the Ipswich Planning Scheme (subject to public consultation) in the near future to avoid inappropriate concentrations

and clustering of secondary dwellings. This reflects concerns about concentrations of secondary dwellings occurring in inaccessible (to public transport, services and facilities) locations and resultant impacts on social inclusion and amenity.

Participants identified that, of all the initiatives discussed, the following could have the greatest impact in the next three to five years:

- Research into renters;
- Reconfiguring social housing stock; and
- A demonstration unit

They acknowledged that any further work or consideration into these areas should be informed and advised by a specific Affordable Liveability Advisory Panel.

Focus areas for Ipswich City Council

Demonstrating Council's strong desire to facilitate ongoing change, Council identified the following a focus areas and actions.

- **Demonstration multi-unit project** – explore potential areas and mechanisms to partner with Department of Housing and/or another agency to deliver an affordable housing complex to be managed by not-for-profit organisation.
- **Work with Department of Housing and Public Works** – to support the NRAS transition process as the Federal government winds back the process and investor incentives stop. Key areas for consideration are the impact upon Ipswich residents currently living in the discounted rental product and how and where they will live when this program discontinues. Council will also work with the Department to discuss the reconfiguration of the State's social housing portfolio within the Ipswich region to better align to the South East Queensland Regional Plan, Shaping SEQ 2017, and to grow affordable housing within the city.
- **Collaborate to investigate innovative transport solutions** – While continuing to advocate to State Government agencies to deliver and improve public transport to growing areas within Ipswich, innovative transport solutions are required to ensure equitable access to education, employment, health services etc. Council has recently completed iGO public transport survey

- to inform the development of its public transport strategy. This strategy and on-going work will include alignment of transport to affordable living outcomes. Further work is required.
- **Establish Affordable Living Advisory Panel** – To guide and inform these and future affordable living initiatives and discussions, Ipswich City Council will establish a Liveability Advisory Panel.

Affordable Living Advisory Panel

This panel will provide input and advice on the key areas above and also other areas that impact liveability within Ipswich. Membership will have cross-sector representation including:

- Local elected representatives
- Council administration representatives
- Housing providers
- Housing developers
- Funders
- Academics
- Local community representatives
- Department of Housing and Public Works

There is also the potential to include representatives on other issues that impact liveability e.g. transport and employment, on an ‘as needs’ basis.

The panel will meet regularly to provide project oversight and guidance. It will be informed by actions and advice from council processes, public consultation and other feedback mechanisms. Advice provided by the Panel will be communicated to council and the community via reports and will be used to inform council policies and programs in this area.

How to be a member

Membership on this panel will be for 24 months and will be reviewed biennially. Invitations for membership will be extended to representatives from the stakeholder groups listed above. The panel membership will be a non-paid role and members of this panel will be selected within three months. Membership to this group is non-transferrable unless by prior arrangement with Ipswich City Council.

Future actions

Ipswich City Council is committed to providing a liveable city for all of its residents. We envisage that the initiatives outlined in this report will be organic, responsive to need and dependent on the collaborative efforts of all parties involved. We express our appreciation of the contribution of all those involved in the forum and look forward to future iterations. Please keep an eye on the Council Website to be kept informed of further opportunities for collaboration to deliver improved affordable living outcomes in Ipswich.



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