

TRANSCRIPT

LEGISLATIVE COUNCIL LEGAL AND SOCIAL ISSUES COMMITTEE

Inquiry into the Rental and Housing Affordability Crisis in Victoria

Melbourne – Tuesday 22 August 2023

MEMBERS

Trung Luu – Chair

Ryan Batchelor – Deputy Chair

Matthew Bach

Michael Galea

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Rachel Payne

Aiv Puglielli

Lee Tarlamis

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David Ettershank

Wendy Lovell

Sarah Mansfield

WITNESSES

Peter Johnstone, Coordinator, Community Advocacy, and

Brett Jackson, Manager, Strategic and Environmental Planning, Greater Dandenong City Council; and

Steve Holland, Mayor (*via videoconference*),

Chris Munro, Manager, Community Partnerships, and

Kelly Wilson, Social Planning Officer, Mornington Peninsula Shire Council.

The CHAIR: Welcome to anyone from the public who is with us here today and those watching via the live broadcast. This is the last session of our Inquiry into the Rental and Housing Affordability Crisis in Victoria.

Joining us in the last session today on the panel are Peter Johnstone, Coordinator, Community Advocacy, Greater Dandenong City Council, and joining him is Mr Brett Jackson, Manager, Strategic and Environmental Planning, Greater Dandenong City Council. The other council here is Mornington Peninsula Shire Council, with Mr Chris Munro, Manager, Community Partnerships, and Ms Kelly Wilson. Also joining us via Zoom is the Mayor of the Mornington Peninsula Shire Council, Cr Steve Holland.

Before we continue I just want to introduce my subcommittee. To my left is Mr Joe McCracken, Member for Western Victoria; Mr Aiv Puglielli, Member for North-Eastern Metropolitan; Dr Sarah Mansfield, Member for Western Victoria; and Ms Rachel Payne, Member for South-Eastern Metropolitan Region. Also joining us via Zoom is Mr Michael Galea, Member for South-Eastern Metropolitan Region.

For the witnesses here today, I would just like to read this out to you. All evidence taken is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. All information you provide during this hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded. You will be provided with a proof version of the transcript following the hearing. The transcript will ultimately be made public and posted on the committee's website.

For the Hansard record, can you please state your full name and any organisation that you are appearing on behalf of. Before I invite you to speak could you please state your full name. Keep it to a minimum so that we can have a long discussion after your statement. I might formally invite Peter to start.

Peter JOHNSTONE: Thank you. Peter Johnstone, Coordinator, Community Advocacy, City of Greater Dandenong.

Brett JACKSON: Brett Jackson, Manager, Strategic and Environmental Planning, at the City of Greater Dandenong.

The CHAIR: Would you like to provide a statement today or just go on to questions?

Peter JOHNSTONE: I am happy to take questions. I think our submission is quite extensive, so I am happy to take questions on that.

Chris MUNRO: Mr Chris Munro, Manager, Community Partnerships, at Mornington Peninsula shire. We are also happy to jump into questions as we put in an extensive submission. Thank you.

Kelly WILSON: Kelly Wilson, Social Planning Officer at Mornington Peninsula Shire Council.

The CHAIR: And I take it the Mayor will be joining us shortly as well on Zoom.

Steve HOLLAND: I will. Thank you, Chair. Cr Steve Holland, Mayor of the Mornington Peninsula shire.

The CHAIR: Thank you. Well, we might jump in. To the members, I know we have got plenty of time, so if you could keep your questions to approximately 11 to 12 minutes. Would you like to start please, Ms Payne?

Rachel PAYNE: Yes, sure. Hello. I would like to just start by asking some questions to the City of Greater Dandenong. Considering that it is a huge growth corridor and one of the most diverse communities we do have here in Victoria, and I know that in your submission you did talk about social and affordable housing, how are you finding communication with parts of the community in making sure that certain spaces are activated?

Peter JOHNSTONE: I will take that one. In relation to our community, it is a very diverse community, and the challenge is how we actually communicate appropriately across the various different languages that we represent. We are the most multicultural city in Australia, so while we make attempts in terms of plain English, which is often utilised in terms of any messaging that goes out, where appropriate we will improvise via cultural workers for messaging and also translation. Once again there is a cost associated with that, so you are balancing out that. You might aim for a particular group that actually represents broader sections, but unfortunately with some of the minor groups which may be smaller in population you may not be able to do that direct translation in a language that is appropriate for them.

Rachel PAYNE: Are you finding that engagement with community leaders is also really pivotal to some of the decision-making that may be around planning for future development or future opportunities within the council?

Peter JOHNSTONE: Community leaders are very important across the board, not just in this particular topic area. Where we can, we would actually utilise a communication plan and identify – another topic area we were looking at this morning actually – we actually say who are the community leaders that represent their communities well. We have actually been doing a list even this morning in relation to another topic area, but that is the type of effort we need to do. Messaging through trusted community leaders is the best form, because often, particularly in our community, you have people with different settlement experiences and the countries they come from where authority is not necessarily trusted, so therefore going through trusted intermediaries is actually a really good strategy. Certainly we have used that for a number of other engagements.

Rachel PAYNE: We have been talking to quite a few other councils, particularly those from regional and rural areas of Victoria, but something that keeps coming up in conversation is the need for more extensive town planning and that specialised service of town planners. I am wondering what your experience has been in that space.

Brett JACKSON: In terms of the number of town planners available?

Rachel PAYNE: Yes, and just that specialty provision, I suppose.

Brett JACKSON: I think it has changed a lot over the last few years. We have been relatively lucky, I suppose, in terms of being able to attract town planners. But I am well aware that many councils, particularly rural and regional ones, have significant issues where they often have one or two or no town planners, and that is a big challenge. For us, we have been able to keep a number of town planners working for council, but it is a challenge. It is much harder to attract town planners than it was, say, five or 10 years ago.

Rachel PAYNE: I might open that up to the other council, Mornington, and your experience around that specialised provision.

Chris MUNRO: Yes, sure. I am happy to speak on behalf of the council. I am not a particular statutory planner myself, but we have got one of the busiest planning departments in the state, on the Mornington Peninsula. We certainly do not experience the big challenges of attracting people but certainly more of a high turnover, I guess, is a bit of a challenge. I guess the biggest challenge for our planning department is the complexity of the planning scheme and being able to implement that, and that can certainly impact on the availability of housing ultimately.

Rachel PAYNE: And this is a question more geared towards Mornington. It is more of an area where you would see short-term accommodation as probably an issue. Looking at the census data, especially Mornington, that area was highlighted as an area where there was a lot of empty housing during that period of time. What

sort of role is council taking on? Or is there anything that you think as a committee we would consider that would assist council in having more accountability around short-term accommodation?

Chris MUNRO: Yes, sure. Great question. I am sure the Mayor will want to speak to this one as well. Certainly short-stay rentals are a big challenge for our community. On one hand they are really great thing – they support our tourism industry and they really help underpin that industry in a big aspect.

I guess the unregulated environment of short-stay rentals is probably more of the greater challenge because now we are seeing, I guess, a seesaw or a pendulum swing back the other way towards the significant uptake in short-stay rentals, and that has grown up to 5000 in the last year on the peninsula alone – 1000 in Rye in its own little, I guess, microcosm area. I think the main thing for us as a council is to consider some measures to balance that because now we are seeing a lack of long-term rentals. It is nearly under 1 per cent for our area, so that really does then impact on our fundamental industries, such as hospitality, tourism, aged care and I guess, if I can say, a lot of our lower income workforce. And without the ability for those key workers and people to live in our community – it certainly underpins our key industries, so we need those workers, we need availability of rentals and we need those measures in place so that we can swing the pendulum back the other way. It needs to be a balance.

Rachel PAYNE: Thank you. Do I have a little bit more time?

The CHAIR: Yes.

Rachel PAYNE: Great. Just getting to the question around, I guess, affordable housing and looking at, you know, not only just public housing but social housing and that opportunity for a bit more equity and balance. It seems as though there is a lot of planning going on in the space around making sure that places are really accessible as well. Some of the areas are quite developed, particularly in Dandenong, not so much in Mornington, but you also have a university sort of precinct as well within the Noble Park region and not far from it. Is there a lot of consideration by council around that accessibility? I guess two questions there, and also looking at not just social housing that may facilitate family units but single dwellings as well.

Brett JACKSON: Yes, housing affordability and accessibility is a big issue that we are constantly trying to address, and we recently – well, I say recently; it was probably five years ago – did an overall rezoning of all of our residential land to try and focus the more affordable, accessible properties closer to activity centres, public transport nodes and that type of thing, so whether it is university students or people who simply do not have access to a private vehicle they are able to walk to all of the services they need. So that has been relatively successful. I think the challenge we still face is how we actually get genuinely affordable housing on the ground. The reality of the planning scheme as it stands right now is it is a voluntary arrangement. We continue to have discussions with developers about a percentage of affordable housing being implemented into development, and unfortunately nearly every time it is not successful in getting genuinely affordable housing. The term is that it is going to be ‘affordable’ because it is in Dandenong or Noble Park, where it might be cheaper than down on the peninsula, but it is not meeting that actual definition of affordable housing that is set out in the planning scheme. So that is the big challenge that we have and I think most councils have.

Rachel PAYNE: Thank you. Thanks, Chair.

The CHAIR: Thank you. Dr Mansfield.

Sarah MANSFIELD: Thank you for your detailed submissions. I might continue on that topic of, I guess, inclusionary zoning that you were alluding to there. In your experience how have both of your councils managed those negotiations with developers? How much social or affordable housing has actually been delivered in your municipalities with those individual developer negotiations at a council level?

Brett JACKSON: With individual private developers getting affordable housing in terms of the definition, I do not think we have been successful in being able to achieve one to this point in time. In terms of getting an agreement in place that they actually meet that definition and that they are sold or rented at that rate for very low to moderate-income households, as I say, because of the voluntary nature of it, it is very hard for that to happen. One of the things we as a council have been advocating for is a mandatory type of arrangement where a certain percentage of dwellings have to be provided in that space, because I think most councils are in the same boat that unless that is in place it is very difficult just to try and get the goodwill to actually get that to

happen. I suppose we have had a number of social housing developments, which have obviously been put together by social housing providers, so that is sort of a different aspect and that has been relatively successful. I do not have the numbers – Peter, I am not sure if you do – but that has been successful. It is more that private side that continues to be the challenge for us.

Peter JOHNSTONE: On that one, just one example that we were dealing with earlier this year was in relation to that private developer looking at demountable housing and going for the moderate- to low-income range as per the definition, but I think the challenge was around the planning.

Brett JACKSON: Oh, for the tiny homes?

Peter JOHNSTONE: Yes. So there was an attempt by a developer who had a good heart and who actually wanted to meet the definition. As I said, he thought it was possible, in terms of his factoring and accounting, to say, ‘Okay, I can actually do low income to moderate income as per the definition by looking at four or five on a particular residential block,’ but then with the planning provisions it was not possible.

Brett JACKSON: Yes, the planning system is simply not set up to accommodate it.

Sarah MANSFIELD: And how about Mornington?

Chris MUNRO: Yes, thank you. Very similar to Dandenong in the sense that it has probably been few and far between in terms of voluntary contributions. It is very difficult to get developers to entertain that. In saying that, there have been some good developers that have come along for that journey, but we have the same position around mandatory inclusion zoning, that that would be something that we are certainly advocating for.

Sarah MANSFIELD: Yes. And in terms of public housing, you identify that there is quite a significant need for additional public housing, particularly in Dandenong. How much additional public housing are you aware of that is going to be delivered to your municipality in the coming four or five years?

Peter JOHNSTONE: Have you got the figures on that one at all?

Brett JACKSON: I am not sure if I have. Have you got numbers?

Peter JOHNSTONE: No, not numbers, but I know in terms of the MAV and the compact with Homes Victoria there are local social and affordable housing plans and the discussion we have been looking at in terms of targets and potential, but at this stage we have not actually ended those discussions with Homes Vic. Back in 2021 we did look at a minimum supply social housing analysis, but that was based on the 2016 census data. At that stage it was looking at a shortfall of 1380 and then a projection for 2041 of being in excess of 2000 social housing needs, so we were a long way short. Certainly I am not aware of any immediate plans for social and affordable housing. There might be some discussions going on, but I am not aware of – in terms of fixed plans.

Sarah MANSFIELD: Yes. And those discussions have been around mainly community housing rather than public housing? Yes? Okay. In Mornington has there been any public housing either delivered recently or planned to be delivered in the short term?

Chris MUNRO: There have been I think 11 projects committed under the Big Housing Build in recent times, but that is obviously significantly short of what is required. We are kind of similar to Dandenong, by I think 2040, 900 short, which is a significant volume. The council has committed 10 of its own land parcels to try and assist with this issue, so we have really taken an active role to try and address a portion of that, but yes, we still have a significant shortfall on the peninsula. I think one of our biggest challenges, to come back to your point around accessibility, is that often the housing is located far away from the peninsula, which is a real challenge for our community, with a lack of public transport as well. Mainly the options for either crisis housing or social housing are up in Dandenong or further afield. The options just are not there for people on the peninsula, which is creating a real challenge.

Sarah MANSFIELD: Okay. I guess we are hearing a lot about supply being an issue, but we know that a lot of dwellings are sitting empty, and actually in terms of number of dwellings per capita, we have never had more supply. Why do you think that housing affordability is therefore at an all-time low when we have actually got more supply than we have ever had, and I guess there is this idea that we just need more supply to deal with that issue of affordability?

Brett JACKSON: Good question.

Chris MUNRO: I am happy to go first. Thank you, it is a complex question with not a simple answer. I think there are a number of things that have got us to this position. There is probably a lack of obviously investment in social housing over a long period, but also I guess there are a lot of incentives for property developers and/or investments to have that secondary dwelling, like, on the peninsula alone there are a lot of holiday houses, secondary houses. There is I guess from a pure numbers point of view a stock supply, but it is unavailable, so we need to consider those measures, whether it is balancing the short-stay rentals or other incentives or disincentives to be able to access that housing. On the Mornington Peninsula I think the majority of our housing is that three-bedroom-plus, with generally that backyard, so there is a capacity piece if we can look at other options around secondary dwellings, tiny homes, other measures that could be implemented as well to be able to support housing.

Steve HOLLAND: Do you mind if I add to that, Chair?

The CHAIR: No, please continue.

Steve HOLLAND: Thank you. I was just going to say, in addition to what Chris has already said, it would be interesting to gauge the effect that the increase in land tax has. Anecdotally on the Mornington Peninsula we are finding there are people who have secondary dwellings, their holiday homes on the Mornington Peninsula, that are either selling those or they are moving to them permanently and selling their place in town. So it will be interesting to gauge the response across the state to the increase in the land tax.

Peter JOHNSTONE: In terms of Greater Dandenong, we certainly would not have the same issues in terms of secondary dwellings. But that being said, there are occasions where people would be looking at land banking, so therefore you have squat houses. And so they will not do any maintenance and they would be sitting on those houses and waiting for the land value to accrue. Unfortunately what usually happens is that you get people occupying those houses and it becomes a challenging space for them, but also for the owners and for council in general. But I do not think for us as a council supply is the real – it is an issue, that we do not have enough supply; certainly anecdotally from homelessness housing providers, they are simply saying ‘we cannot get enough’, particularly one-bedroom accommodation. But in terms of supply, that is a really challenging space for us.

Sarah MANSFIELD: And you make comments in your submission about I guess the definition of ‘affordable’ – and you have mentioned it briefly. Do you want to expand on that and what problems that is creating for you, I guess this loose understanding of what affordable might be in the sector?

Brett JACKSON: Yes, good question. So from our perspective we often get developers coming in and they say, ‘We want to develop an affordable housing product. Here’s 20 dwellings. They’re going to be affordable. This is what we’re proposing.’ And obviously from the *Planning and Environment Act* perspective it has got a definition of what affordable housing is, and that is in relation to very low to moderate income earners actually being able to purchase those properties or rent those properties. From a planning scheme perspective it would be intended that a legal agreement would be put on those properties to then ensure that they remain at a value that meets that definition of affordable housing in terms of very low to moderate income earners so that that is controlled in perpetuity, so that eventually that dwelling does not become a million-dollar property and simply just step out of the space, the realm of affordability.

What we instead find is that people market them as affordable because they are in a location like Dandenong or Noble Park or Springvale where the values are simply not – like, the peninsula has much higher values, so developers say that it is affordable, albeit it is just going on the open market to the highest bidder so it continues to lock out people that are in that very low to moderate income bracket. So that is the continual challenge we get, and every time we try and enter into an agreement with somebody, they just pull out of that and either go off to VCAT or we just have to approve it without that, because we have no power to actually require them to enter into it. It is purely a voluntary thing.

Sarah MANSFIELD: That is interesting. I do not know if you have had similar experiences in –

Chris MUNRO: I cannot speak on behalf of our planning team, but definitely more clarity around the affordable housing definition would be very helpful, because I know it is broad and it does include social housing in that definition.

Sarah MANSFIELD: Thank you.

The CHAIR: Thank you. Aiv, would you like to continue?

Aiv PUGLIELLI: Yes, sure. Hi, Aiv here. I might go first to this idea of affordability and affordable that we were just talking about then, and I note in the City of Greater Dandenong we have had mention of the idea of having from the Victorian government a clear and binding definition of what affordable housing is. To my understanding, on the Homes Victoria website the government's definition of 'affordable' is no more than market rate, with a 10 per cent discount on market rate in certain areas of the state. Do you agree with that definition of affordable when it comes to housing? I might start with Dandenong.

Peter JOHNSTONE: In terms of what has been gazetted in terms of the very low low-income loans for our population in terms of the residents of Greater Dandenong, I think from our submission we have showed we have a fairly large population of people who fall within that bracket and who actually would need to have housing that actually fits that definition. So I think – this is just my perspective in terms of reflection on both our residents and in terms of the definition – a clear definition in the order that has been done from the *Planning and Environment Act* is actually very useful, but as Brett said, to actually get it stipulated in regulation would be important.

Aiv PUGLIELLI: Okay, and just to clarify: in your awareness are there definitely circumstances where the word 'affordable' gets used when it by no means would be, under that definition that you are referencing there?

Brett JACKSON: Yes, all the time.

Peter JOHNSTONE: Yes.

Aiv PUGLIELLI: How significant do you think that is as an issue in your area?

Brett JACKSON: I think it is a significant issue because of the socio-economic demographics that we have. We have a lot of vulnerable communities, people that are new to Australia and have limited means. Our position would be that the definition in the *Planning and Environment Act* would be the definition that should be followed in terms of affordable. I think one of the other challenges is there are so many multiple versions of affordable housing definitions – which you just had a different version of – and everyone can probably find a different version, so the waters get very muddled as to what actually is affordable housing and how we lock that in. I think there just needs to be one, whether it is a state government definition or whatever it is, that everyone abides by so it is much clearer for everyone.

Aiv PUGLIELLI: Okay, thank you. And from the perspective of Mornington Peninsula shire, do you have a view to this subject? Is there a particular definition – when someone says the word 'affordable', what do you interpret that to mean?

Chris MUNRO: Yes, it is difficult. It does need more clarity, because for us we have significantly higher costs of housing and rental housing on the peninsula, so what is that in comparison to? Because obviously Commonwealth assistance and payments are still at a similar level for everyone. For us, any more clarity around that definition would be very helpful.

Steve HOLLAND: I also think that there is a little bit of a muddying of the waters with short-term rentals. Often they get used as, 'Okay, we could legislate or we could enforce a levy on short-term rentals and they're going to come off the Airbnb or short-term rental market and go back onto the private market,' but then they are not necessarily going to become affordable rentals. A property that is for lease on Airbnb or Stayz or one of the platforms for \$500 a night might come back onto the private rental market but somewhere around \$2000 a week. That is obviously not affordable, so we have to look at that as well.

Aiv PUGLIELLI: Thank you. I might actually go to short-stay accommodation now as a point of subject matter, given that we have sort of segued. I will start with Mornington Peninsula shire. We hear in discussion around regulation of short-stay accommodation that there may be investor flight in this space if there is

regulation on, say, the amount of days that a property can be listed on Airbnb, for example. Do you see that as a legitimate issue for your area?

Chris MUNRO: I might let the Mayor go first on this one.

Steve HOLLAND: Yes, look, it would depend on whether that was a hard cap. For example, in New South Wales I am aware – I have spoken to colleagues in New South Wales – the cap more relates to whether or not you need a permit to operate. It is not a hard cap on the number of nights, and I think it is important to make that distinction when the state government is talking about legislating in this space. We have, as a shire, around 2500 properties that are registered on our own local register, which includes a voluntary code of conduct, but there are estimates that vary widely between 5000 and all the way up to 10,000 properties that are actually used as short-term rentals on the Mornington Peninsula, so we are talking about a huge market. I do not think there would be support for a hard cap, but it might be around more the planning and amenity issues whereby once you have reached a certain threshold you then cross over a threshold – I think in New South Wales it is 120 nights – and at that point you need a planning permit, because you are seen to be operating a commercial business in a residential zone. It depends on whether we are talking about hard caps or whether we are talking about regulating it from a planning and amenities perspective.

Aiv PUGLIELLI: Sure. Just to question further: why is it that you get the sense that there would be opposition to a hard cap?

Steve HOLLAND: I think it is around the flexibility. We have people on the Mornington Peninsula who may own a holiday house. They may put that on Airbnb or Stayz or one of the many platforms for a couple of weeks over winter. They might do it for five weeks over summer, and they like the flexibility to be able to do that, and the coming and going of that can very quickly breach a low cap. If it was, say, 50 days or 90 days, which has been discussed or floated in the media, it could be very easily surpassed. I think what you would find in that instance is that the properties would simply sit vacant as opposed to being available on the short-term rental market, which is important from our perspective for tourism on the Mornington Peninsula, because we do not have a large number of commercial providers and hotel chains, so we do rely on short-term accommodation, despite the troubles that we have with housing affordability.

Aiv PUGLIELLI: Thank you. You mentioned vacancy, which is obviously also a legitimate issue in the context of the housing conversation here in Victoria, but also notably, for example, in areas like Mornington Peninsula shire. With regard to the vacancy tax, do you have a view to a strengthening of that tax and the enforcement of it?

Steve HOLLAND: The council does not have a resolved position on that, no.

Aiv PUGLIELLI: Okay. In the scenario where a short-term rental was taken off the market and instead offered to a long-term renter, in the view of Mornington Peninsula shire, would that be a good thing?

Steve HOLLAND: It would be, yes, and anecdotally we have had a couple of examples of that occurring. In fact council has written out to non-resident property owners and we have spoken to real estate agents in the region to try to encourage houses to come off the short-term rental market and onto the long-term rental market. That is something that we would see as a positive, and anecdotally we have seen a few examples of that on the peninsula.

Aiv PUGLIELLI: Okay, thank you. And just to sort of put a ribbon on the short-stay conversation, at least in regard to Mornington Peninsula shire, do you currently have a resolved position on what regulation should look like in that space?

Steve HOLLAND: I would not say a resolved position, but we have had an advocacy position. Look, our view is that local government is best placed to regulate this space because whilst housing affordability is a problem in the context of short-term accommodation, the issues that we see as a council are more the planning and amenity problems. You know, you might have a quiet residential cul-de-sac of 20 houses and it is not unusual for half of those to be short-term rental accommodations, and that causes huge amenity problems for those residents that otherwise want to live in a quiet residential street because you effectively have commercial operators setting up in spaces that are zoned for residential occupation, not for commercial occupation. Council, in our view, is best placed to manage that. The other thing also is that a levy or a tax will not resolve those

issues. Whilst it will generate some revenue, it will not actually resolve the planning and amenity problems with just the sheer number of short-term rentals that are popping up in high tourist destination places like the Mornington Peninsula.

Aiv PUGLIELLI: Thank you. And I just cannot resist doing another question, I am so sorry. This idea of it being a positive thing, to have more accommodation coming from the short-term rental space into the long-term rental space, what would you like to see offered to encourage property owners to put those properties onto the long-term market?

Steve HOLLAND: Well, as I say, council does not really have a resolved position on what it would like to see, but I would be very interested to see what is occurring as far as the changes that the state government has made to land tax, because, as I say, anecdotally I am finding people are disposing of properties as a result of high land tax rates, or they might be selling properties inner city and making their Mornington Peninsula residence their main property. I think state government really controls the tax levers as far as vacancy rates go. Obviously the Mornington Peninsula would be heavily affected by that, but I think it would ultimately be a decision for the state government. Our council does not have a resolved position on what we would like to see with vacancy rates. However, council does have a differential rate for vacant properties, so empty land. We have changed our differential rates whereby a block that is undeveloped will pay a higher proportion of council rates than an developed block. The purpose of that change in our differential rate about 18 months ago was to encourage those vacant blocks to be developed. Again we have seen some shift in that, but there are very few vacant blocks left on the Mornington Peninsula relative to other municipalities.

Aiv PUGLIELLI: Thank you. And in terms of that development, in the context of a renting and housing crisis, do you think more investment properties being built on that land would be beneficial?

Steve HOLLAND: Well, obviously if it is an investment property, that is not going to benefit the broader housing market and housing affordability problems. I think the discussion from our perspective needs to go into more mixed-use developments and identifying the townships where there is potential to increase development, because what we see on the Mornington Peninsula is of our townships – and we have got 40 of them – around six of them suffer from housing stress, they are higher than the Australian average. What we need to see is more development in the townships where there is public transport that is available, and it is very limited on the Mornington Peninsula. It is a bit of a chicken-and-egg issue: does public transport come first on the Mornington Peninsula or does the development come first? And that is more the planning issue that we are finding.

Aiv PUGLIELLI: Thank you. I might, with the remaining amount of my time – I assume I am still going – return to Greater Dandenong. You were mentioning just then the idea of land banking that goes on in your area. How significant an issue do you think that is?

Peter JOHNSTONE: I recall we had around 80, I think it was – it is around that figure. But I know there have been letters out to the owners suggesting that if they can demolish the properties quickly, that would be advantageous, so you would not get this issue of the squats being there. In terms of the number of houses –

Brett JACKSON: I am not aware of land banking being a major issue within our residential areas. I think more around our green wedge areas that are on the fringe of the urban growth boundary, they can sometimes be caught up in land banking on the potential for that land to be rezoned in the future. I think that is something that is a bit of a challenge. Whether it actually directly affects housing affordability; maybe, maybe not, but I think that is our major land banking issue.

Aiv PUGLIELLI: Sure. I mean, by flow-on effect, would it not affect housing affordability and availability of housing by the fact that there is no-one living in there and it is being saved purely for the purposes of accruing value?

Brett JACKSON: Yes. Every house that is not being occupied adds up in terms of availability, so yes, it does have some impact.

Aiv PUGLIELLI: Sure. Would you like to see more regulation in that space to perhaps help tackle that issue?

Brett JACKSON: I am not sure that is something that council has made a formal decision on, but I think it is something that would be of benefit, yes.

Aiv PUGLIELLI: Okay. Thank you.

The CHAIR: Before I go to you, Joe, Michael, would you like to ask any questions?

Michael GALEA: Sure. Thank you, Chair. And thanks all for joining us. It has been a most interesting discussion. I might start with Greater Dandenong. I note from your submission you advocated for the easing of restrictions around secondary dwellings – what we would informally term ‘granny flats’. Can you speak to any issues that you have had in your LGA around second dwellings and people being forced to either pull them down or not being able to build them in the first place?

Brett JACKSON: I think with the planning scheme it is obviously an objective document, but there is a level of subjectivity. We all know that planning takes a certain period of time to go through the traditional channels. One of the things that from a council perspective we have looked at is given it is just one additional dwelling on a property, if there was some sort of code assessment-type process, not dissimilar to the VicSmart process that exists for a number of different development opportunities in the planning scheme at the moment, there may be an opportunity to do some sort of code assess where that can be dealt with in a much shorter time frame than going through the full planning permit process just for that single dwelling. I think you would find by doing that it would actually increase the availability of stock and development quite quickly, because it gives people a much greater level of certainty if they know that if they meet the 10 criteria or whatever it is, they will get a permit, rather than having to see what might happen through the normal process.

Michael GALEA: Interesting. Thank you. Can I also ask you a not quite related but similar question. As a middle-ring council in Melbourne, what are your general thoughts around density and the discussion that has been going on at the moment about the appropriate density in suburbs? What is your view of that in the context of Greater Dandenong?

Brett JACKSON: Through our residential zones review that we did probably five years ago, the key to that was around ensuring that we increased density around our activity centres, and for us that is primarily Springvale, Noble Park and Dandenong. We rezoned all of the land around those activity centres to residential growth zones so that we can increase the density in those areas. I think around about 11 per cent of our residential land is for that zoning, which is one of the highest I think in metro Melbourne. It is focusing density there where it is much more walkable and accessible for people and then as we get further away moving to more traditional and lower density development. We are supportive of increased densities in the right location.

Michael GALEA: I guess that flows in with what you, Steve, said before about public transport and other access, that those things are important where you have an actual good service level to connect with – and as you say, Steve, the chicken and the egg. Are there particular priorities – if I can jump to you now, Steve – on the peninsula or particular pockets where you think a better transport network would make a significant difference towards the ability to build more appropriate housing?

Steve HOLLAND: Sure. It is difficult. We are obviously very pleased that the state government announced a cross-peninsula bus service. When we think about the peninsula geographically, getting one from one side to the other – from Port Phillip side, say, Mornington, over to Hastings – is difficult. We had two disparate population centres on either side of the peninsula and green wedge all the way down the middle – so two very disconnected communities there. A cross-peninsula bus service is incredibly important just so people on the peninsula can get around without having to go all the way up to Frankston and then back down again.

The issue with public transport on the peninsula is it does not have that backbone. There is no electrified train line on the Mornington Peninsula. Effectively all services, metro services, despite us being metropolitan, stop at Frankston. And without that backbone it is very difficult to have an effective and efficient bus network off that, because there are no train stations with 10- or even 20-minute services all the way down the peninsula. Both of those things would be a priority for us: the cross-peninsula bus service but then also ensuring that we can extend – whether it is 10 years, 20 years – that train line down to Hastings and to Stony Point will be incredibly important for the Mornington Peninsula.

Michael GALEA: Interesting, thank you. And if I can stay with you on the Mornington Peninsula for a while and just pick up some commentary that you had with Mr Puglielli; you talked about the differential rate for vacant land that was brought in 18 months ago. I know it is still quite early, but what sort of trends have you noticed? Have you seen an uptick in development applications on vacant land as a result?

Steve HOLLAND: Very minor, from the last data I saw. I would expect to get a little bit more towards the end of the year. Rates notices will go out around about now, so I would expect to have some more data over the coming months on that. This will be the second year in a row, and I suspect we might see more of a shift after that.

Michael GALEA: It will be interesting to see that change. You also mentioned there are roughly 5000 to 10,000 short-stay rental properties in your LGA, and I note from your submission that roughly 3200 of them have registered with council. What have been the biggest challenges in actually reaching out in and getting these places registered? Is it a wilful lack of compliance, or is it more just awareness?

Steve HOLLAND: A little bit of both. It is a by-law, so it is akin to a parking fine or not walking your dog on the lead or something like that, so it is that kind of low-level regulation, which makes it very difficult to enforce as opposed to say the New South Wales model where they are all obligated to register via a state register. We have reached out to as many as we can when they are reported to us, and the way that happens is often with compliance issues – you know, a resident complaints about noise or parking or rubbish or something like that, and that is when we identify, ‘Oh okay, there is obviously a short-term rental being operated there and they’re not currently registered on our register.’ And then often when we write to people, they do register, so there is a high level of compliance once they are engaged in that system. The voluntary code of conduct is voluntary, but it has worked reasonably well in allowing council to enforce some of those issues – which is kind of separate to housing affordability, but it is that more amenity problem in a residential area of really a commercial practice.

Michael GALEA: Yes. And correct me if I am wrong, but I do not believe you currently have a variable rating system for short-term rentals, is that correct?

Steve HOLLAND: No, and I am not too sure whether that is possible in Victoria. I think other councils have explored it. We have explored many options, and other councils are now following our lead, which is the by-law path. As I say, council would be very much in favour of giving local governments in Victoria more control over this. You were talking before about secondary dwellings. The council made a submission on secondary dwellings back in 2021, and one of the things that we did point out was that whilst we are in favour of secondary dwellings, council would need to be empowered to prevent those being used as short-term rentals, because what we would find on the Mornington Peninsula is if you are allowed secondary dwellings or tiny houses, straightaway – and this is just a gut feeling – many of them would become short-term rentals very quickly. That would do nothing for housing affordability.

Michael GALEA: That is a very good observation, actually, yes. It is good to note. If I jump back to Greater Dandenong, I know both from your submission but also anecdotally, a large number of people – perhaps more so than anywhere else in Melbourne – that do come to Greater Dandenong have come to Australia and it might be their first time renting a house. What is your perception of general awareness amongst these new migrant communities around our rental regulations? We have heard a lot this morning about some of the challenges that even people who have been raised here all their lives have been having with the system in some cases. What has been your experience around the accessibility of information to those newer communities?

Peter JOHNSTONE: In general what we have found is that they tend to go through intermediaries. If they have come through a standard settlement process, they will have a case manager or be case managed for 12 to 18 months and they will be in the system through a settlement provider such as AMES Australia. And so from a refugee status, they will have connections and they will have a case-managed process, so it is a little bit easier that way. If they have come privately, by migration, generally they are working through once again intermediaries, family members who know the system or attempt to know the system. That being said, one of our officers who is doing a community connector role is actually helping out specifically assisting new arrivals, and he has good contact with a couple of real estate agents who are open to the idea, because not having a rental history is very challenging for new arrivals, and so therefore effectively having someone you can trust and vouch for is a really important process. The short answer is: I do not think people fully understand in terms of

the actual processes involved, because they are actually usually going through intermediaries who understand the process for them.

Michael GALEA: Thank you very much, and thanks for all those answers. I will pass back to the Chair.

The CHAIR: Thank you, Michael. Would you like to continue, Mr McCracken?

Joe McCracken: Thank you very much. Are you guys happy if I just refer to you by your first names? Is that all right?

Peter JOHNSTONE: Sure.

Joe McCracken: Thanks. Unfortunately, local government really does not have that much control over housing, as much as we would probably like it to. There are many levers that can be pulled, but not many of them belong to local government unfortunately. That is just the sad reality of the matter. But of the ones that you do control, rates is one that could be played with, and the planning system. My first question relates to the planning system. Firstly, I know that it can be a big challenge to get a planning amendment done in a quick amount of time in order to bring more supply online. Has that been the experience of both councils here?

Brett JACKSON: Yes, certainly in terms of getting planning scheme amendments through. Ultimately, again, whilst local government has a role, the state government ultimately makes the decision on whether a planning scheme amendment goes through. Our experience over the last couple of years is that they take considerable time, and we have got two examples at the moment where we have been waiting a year for a response in regard to planning scheme amendments.

Joe McCracken: It would not be unusual to get two years.

Brett JACKSON: We have had some that have got very close to that as well, yes. There are significant delays in getting planning scheme amendments through and getting approval from the state government.

Joe McCracken: And if you are trying to respond in one way to pull a lever to get more supply into the market, that does not exactly help respond quickly.

Brett JACKSON: No. It does make it a challenge, and I think from Greater Dandenong's perspective the changes that might be needed in the planning scheme to help that are probably more statewide ones rather than Greater Dandenong doing something, then Mornington doing something else and someone else doing something else.

Joe McCracken: You still feel the impact of that, though, of course.

Brett JACKSON: Yes, exactly.

Joe McCracken: How about you guys?

Chris MUNRO: Very similar to the city of Dandenong. As I said before, it is a very complex planning scheme, particularly on the Mornington Peninsula. So, yes, it does take some time to get through planning scheme amendments.

Joe McCracken: Would you think that perhaps one solution – and it is one of a multipronged approach – would be allowing more selected but more dense pockets of development, particularly for dwellings that might only be one- or two-bedroom dwellings? What do you think the response would be in your communities if the planning scheme was altered to facilitate that?

Brett JACKSON: I think it comes down to what level of density you are referring to, because certainly from a Greater Dandenong perspective we have increased the densities around our activity centres. Obviously there was a lot of community feedback through that process, and as with everything, you get some people in support and some people not in support. I think we are probably at what we feel is the appropriate sort of –

Joe McCracken: What is that?

Brett JACKSON: Around our activity centres they can go up to effectively four-storey apartment buildings. Within our activity centres it depends on which activity centre you are in. Springvale, for example, is up to 12 storeys; Noble Park is I think six storeys. So for the location of Greater Dandenong – we are not inner city, we are sort of more outer than inner – we think it is a reasonable compromise in terms of being able to get that level of density that is required. I think one of the challenges we find particularly with Dandenong – the suburb itself – is actually attracting development there, in particular apartments. It is something that does struggle to sell in that location, because it is quite a distance out from the CBD, where you probably see more traditional apartments and it is more desirable there. So that is a challenge that we continue to face. Even though we are supportive of those in that location it is actually the market – whether there is actually a need in the market for that.

Joe McCRACKEN: Yes. Context is key, because I will bet your context is very different.

Chris MUNRO: Yes. I am sure the Mayor will have plenty to say about this as well, but I guess similar to the city of Dandenong there are pockets in our community in those activity zones or centres where there is opportunity for growth. But the thing that is I guess challenging more for our community is that the thing that they love and value about the peninsula is the open space – that it is not metropolitan Melbourne. That is what they know and love about it. So they do not want to see it also be metropolitan Melbourne, where we have got a lot of density – significant density.

Joe McCRACKEN: So you would probably say density is probably less a priority.

Chris MUNRO: It is more of a lower level density, but there are still significant opportunities on the peninsula, areas like the port of Hastings land that is basically sitting there with the availability to be able to be more developed for more housing. So there are some pockets of opportunity on the peninsula as well. I am sure the Mayor will want to add to that.

Steve HOLLAND: Yes, the direct answer to your question: it depends, township by township. With 40 townships some of them definitely would have a much better reaction to increased development than others. What I would say is that often the diversity of the development is important. For retirees downsizing, for example, they are not necessarily looking for a one-bedroom apartment, because they like to have their grandkids come and stay and things like that. I find anecdotally more support for mixed development in certain townships on the Mornington Peninsula. But certainly your open preamble raises an important question – and I do not have the data for Mornington Peninsula, but it would be interesting to see the statewide data as far as the number of approved dwellings across the state which councils have approved but have not actually been built or constructed. I think that would demonstrate a very clear picture that there is no real backlog from a council approval and planning perspective but there is a question as to why those approved developments are not actually being constructed.

Joe McCRACKEN: I guess also one of the areas that I am interested in to bring about more supply into the market is obviously the taxation arrangements in the state. Do you guys have any feedback on land tax, stamp duty, any of those other arrangements that might be helpful?

Chris MUNRO: I will let the Mayor speak on this one.

Steve HOLLAND: Look, not a resolved position. Obviously I would say anecdotally that the feedback we get that it is that it is very complicated. People pay their rates, they are paying stamp duty, they are paying land tax, all these different types of taxes that are varied at different rates. I would say it is just confusing for a lot of people. I think for first home buyers in particular, stamp duty is a significant burden on them, especially when we are looking at land and property prices, at the way they are. So there is opportunity I would say for simplification, but council does not really have a resolved position on that. Our focus is more around the planning perspective and making sure that we identify the areas in our municipality which are open to more development, and I think we have done that and we are progressing that. It is a question I think as to why those developments are not proceeding at the speed that we would probably expect, that we need that supply to come on board.

Peter JOHNSTONE: Just going from one of our recommendations in terms of the option of the Victorian government raising subsidies:

to transitional and crisis-accommodation service providers, or increase tax relief to owners of private properties, to enable them to establish further accommodation for women escaping family violence under head-leasing arrangements.

So in terms of using the tax or tax subsidies as an incentive, that could be a different way of actually doing it, as opposed to seeing it as putting tax on –

Joe McCracken: Punitive. Yes.

Peter Johnstone: in a punitive way.

Joe McCracken: Because I was going to ask you too – obviously the windfall gains tax has been talked about quite a lot with developers and local government, thoughts on that? Do you think it has stifled development or not? With the view of obviously wanting to increase supply, do you think that has had an impact?

Brett Jackson: I think at this point it is probably hard to determine that, because I think it has only just come in or is coming in – correct me if I am wrong. But what I think we have seen in central Dandenong, for example, is there have been certain levies on that land in there. That, we believe, is one of the reasons that development is stifled through that area, because of those additional levies that developers have to pay when margins are already probably pretty tight in a location like that. So I think that has been a challenge, having those levies.

Joe McCracken: Do you know – I am probably putting you on the spot here, off the top of your head, but – what sort of levies, what sort of costs are we looking at, ballpark sort of figure stuff, if you have not got it?

Brett Jackson: Oh, it is 5 per cent, but I cannot remember – I might have to double-check that one for you.

Joe McCracken: Yes, that is fine.

Brett Jackson: It is 5 per cent of the land value or something along those lines.

Joe McCracken: Which is significant.

Brett Jackson: It adds up, absolutely.

Joe McCracken: Okay. Do you guys have any thoughts – windfall gain?

Chris Munro: I do not have any firm views on that one, at this point.

Steve Holland: No, I have not received any strong feedback on that. On the Mornington Peninsula, we are not talking about large swathes of greenfield sites or significant land parcels being rezoned. I think it is more, on the Mornington Peninsula, about infill development.

Joe McCracken: Yes. All right, that is me done. Thanks very much.

The Chair: That is it? Thank you. Thanks for being prepared for all these questions. G'day, Steve. How are you going, mate? It has been a while. I just wanted to ask – it is a bit curious. I know the peninsula and Dandenong are a bit chalk and cheese, a little bit different. Just with the City of Greater Dandenong, I know with the growing population and the ethnic diversity down there, it is very similar to out in the western suburbs.

Peter Johnstone: Yes.

The Chair: I just wondered: would you have data in relation to the number of rental dwellings or the ratio in your LGA? Is it a large proportion or –

Peter Johnstone: I think it is around the 30 per cent mark from memory.

Brett Jackson: Yes, I was going to say 31 per cent is the number.

Peter Johnstone: We did mention it in the submission.

The CHAIR: Just regarding that, say it is about 30 per cent, I was wondering – I am aware of it from when I was in a council in the western suburbs – do you have a proportion of home owners having a second property or third property in the municipality?

Brett JACKSON: I would have thought it would be a very small number. There may be, but it is certainly not going to be like the peninsula, I think. If there is any, it would be a very small number.

The CHAIR: I am just wondering, from a council perspective just with the rental proportion being around 30 per cent of your LGA, if the government were to put down a rent cap or rent freeze on these rental properties, what kind of impact would that have on that 30 per cent in your municipality?

Peter JOHNSTONE: I suppose it would be linked to how many people are actually being asked to leave their rental property. I do not have statistics on that, in terms of tenancy and the length of tenancy, to find out how long those places are actually rented by people. If it is 31 per cent that is rented in the private rental market, rent caps – I do not think it has been an issue, to be honest. Anecdotally, I have not heard of it being a massive issue.

The CHAIR: Also, do you think the costs will be passed on to the tenants? I know in most of the municipality there the tenants are low-income families – the majority of those that are renting. I am just wondering what the impact would be in the municipality when suddenly those rent caps are in place and how that would affect the council itself in relation to if they were passed on to these renters and they were forced to choose another place to live, and what the impact would be on the municipality in terms of the number of supply.

Brett JACKSON: I think obviously it would have a negative impact on our organisation and our community in terms of people who are – we do have a lot of people at that very low to moderate income level. Obviously, any increases in costs are going to impact on them, which potentially forces them out and then into other forms of accommodation or no accommodation. So, yes, that is something that would be a challenge for us.

The CHAIR: Also, I am just interested in the Dandenong area, because we are dealing with a large population, a diverse community, down that way. Just in relation to the affordable and social housing perspective on planning, what has the council done in relation to assisting those on a lower income and those diverse communities with affordable and social housing, and how can the government assist in that aspect with the council as well?

Brett JACKSON: We have been advocating, as I sort of said earlier, for a while in terms of a mandatory requirement around affordable housing for new developments, and I think that is a critical sort of thing that needs to happen if we are going to be able to move forward and get more supply into the market at that affordable pricepoint. Other than that, as I say, we try and negotiate with developers in a voluntary manner, which continues to be a challenge. I think other than that council has advocated through its housing strategy, and we have also looked at council land to sort of help assist with social housing and affordable housing, but again that makes only a very small difference because council only has a small element of land and other assets that it can utilise for that type of facility. Yes, I think our position still remains that the planning system probably needs to change to be able to bring more genuinely affordable housing through that planning system, and that needs change at the state level to do that.

The CHAIR: Also with the council, I understand all municipalities want to attract buildings to their municipality. I am just wondering: when it comes to affordability and attracting that, the cost comes up. What kind of incentive does the council provide for an investor to actually invest in their area to go towards a scheme of affordable and social housing? Are there any schemes at all, any incentives to attract investors?

Brett JACKSON: We do not have any incentives at this point built into our planning scheme, again on the voluntary nature, but I do know other states certainly have some built in. South Australia, for example, have a system where if you are required to provide the affordable housing, then it gives you an option of being able to potentially add an additional storey onto the property or reduce the amount of parking that you need to provide in that. Not to say that that is appropriate for Greater Dandenong or elsewhere, but there are different states out there that have done different things like that to try and incentivise affordable housing, which we do not currently have.

The CHAIR: I would just quickly touch on, Steve, the land tax. You mentioned that with land tax people are selling. I am just interested, down in the peninsula shire's area, in those properties that are probably selling because of the land tax, are they selling to new owners to be occupied, or are new owners purchasing them for second premises?

Steve HOLLAND: Anecdotally, owner-occupiers. It is quite interesting, and that is where I am interested to see the data probably in 12 months time to see what the effect is, because we have the case on the Mornington Peninsula where rates are quite low. We are the eighth lowest rating municipality in Victoria, which means that some owners of holiday homes on the Mornington Peninsula have recently found themselves in a position where their land tax bill is higher than their council rates bill. I think that was a bit of a shock to the system for many people and it has forced them to reconsider whether they continue holding that property, whether they move to the Mornington Peninsula permanently and sell their property elsewhere in Victoria. Obviously, those properties would then go onto the market. So I think probably anecdotally it has had a positive effect on vacancy rates, but I think that is still to be seen in the wash-up.

The CHAIR: So would you say it is a good thing with the land tax or not?

Steve HOLLAND: Oh, from a vacancy perspective perhaps it is a good thing. But my personal opinion is lower taxes are better, but that does not necessarily mean we are solving the affordability issues, which is what we are talking about today.

The CHAIR: Thank you. I will just quickly touch on short-term stays from a council and hopefully the Mayor's perspective in relation to your municipality. What would you consider to be a balance of levies and taxes just to pursue that path on short-term stays and hopefully, as Aiv has mentioned, encourage those short-term stays to be long-term rental properties?

Steve HOLLAND: Look, we have probably got the best data on that in Victoria at the moment because we were one of the first cabs off the rank as far as implementing our own levy, which is around \$400 a year. The levy itself is not a profit-making exercise. It really only covers the compliance cost of those amenity issues that I mentioned earlier, like rubbish and parking and noise complaints and things like that. This is the point: when the discussion is occurring at a state level of a potential tax on short-term accommodation, new taxes are fine – they will generate some revenue – but a tax is not going to fix the housing affordability issue. The question is: where is that money going to go? How is that going to be spent? If the state made a commitment that that money would be locked away and put into a housing affordability fund, maybe there could be a direct link there, but I am not necessarily seeing or reading that that is going to be the case. I think it will go into general consolidated revenue, which is a problem.

It is more the amenity and planning issue. If we were talking about a cap on short-term rentals of, say, 90 days or 50 days or whatever it is, if we look at a New South Wales model, once you reach that cap you then have to apply for a planning permit. That would allow councils to condition that property as they would any other property, and conditions are enforceable under the planning scheme. It is not a by-law, which is what we rely on at the moment. By-laws, as I say, are akin to a parking fine or walking your dog off the leash, so it is a very low-level form of regulation. So there are amenity problems and planning issues with the number of short-term accommodation places, and that has a sort of secondary effect on housing affordability on the Mornington Peninsula.

The CHAIR: Thanks, Steve. That brings an end to questions. Has the committee got any more questions you would like to address? Panel, is there any statement you would like to make, further statements at all, or any more submissions you would like to add?

Brett JACKSON: I think we have covered our comments, thank you.

The CHAIR: Any comments? No? Mayor? Steve, any comments you want to add at all?

Steve HOLLAND: Look, maybe if I could put my broader sector hat on as a board member of the VLGA, I think the local government sector stands ready to really be a sounding board on reforms in this space. Local governments and our planners are at the front line of some of these affordability issues, and there is a lot of commentary in the media that I am seeing which is really talking down the sector. Local government is not to blame for the housing affordability issues, and I think, working with state government, local government could

actually be part of the solution. At councils across the state – and this is putting politics aside, because there are councils controlled by all sides of politics – the backlog is not there. With a lot of opposition to specific planning permits, those decisions are upheld at VCAT, which is a state body. Local government stands ready, and if there is anything the sector can do as far as sounding out some issues, trialling changes or reflecting on what the effect of those certain changes might be in certain pockets of the community, I think the sector stands ready for that and would be very keen to work with the state government on whatever reforms are coming down the pipeline.

The CHAIR: Thank you. Actually, since you mentioned that, I have got a quick question open to the board just in relation to the government social housing or affordable housing when actually wanting to develop in a certain LGA. What is the council's opinion in relation to their being notified at the very last minute where the location is going to be, and suddenly there are objections and problems from residents in relation to the actual premises being built or the housing being built in that area? Has the council got much to say in relation to the location, input and planning of that social housing?

Brett JACKSON: Are you referring to when the state government are building that type of –

The CHAIR: Yes.

Brett JACKSON: Yes, councils are usually given the opportunity to make a submission in regard to that, like other residents are in the normal sort of planning system. Instead of maybe us being the decision-maker we just have the opportunity to make a submission. I guess that, yes, is standard process. It is just a different decision-maker.

The CHAIR: Is the submission after it has been made?

Brett JACKSON: Normally it is when it is being proposed. As part of the proposal it comes forward in the same way a development proposal comes to the council. In this case it would be the state government, and they usually would come to us and ask: does the council have any comments in regard to this? Do they support it, do they object et cetera, and the same for residents. I think that process works not dissimilarly to any other planning application.

Chris MUNRO: We certainly have not had those big developments happen from the state. They have mainly been community housing agencies on the peninsula, so it has really been through that kind of process of planning. But if I could just add one more point to my closing remark, we would certainly like to see some regional targets for social and affordable housing, because as I mentioned earlier, a lot of that housing is located off peninsula, where that is in larger, developed areas, and we are certainly seeing the impacts on those, particularly in southern peninsula and Western Port communities, where the housing is just not located where it is needed. We are seeing an increased rough sleeper profile in those areas just because the social housing is not being built in those areas and those places where it is actually needed.

The CHAIR: Thank you. Well, thank you very much for your attendance today. It has been invaluable. All your input and submissions will definitely go a long way towards our evaluation and recommendations down the track. This brings the hearing to a close today. Again, thank you to panellists and the Mayor for coming to us on Zoom today, and thank you very much for giving your time.

Committee adjourned.