



Urbanista

AFFORDABLE HOUSING CONTRIBUTION SCHEME

RESILIENT SYDNEY PROJECT

TRACKING OF CONTRIBUTIONS AND OUTCOMES

BACKGROUND

Work undertaken by Urbanista as part of this project to develop an evidence framework and examine implementation issues has highlighted gaps in the monitoring and tracking of affordable housing contributions and the outcomes they deliver.

Affordable housing is a high value, durable community asset providing significant public and user benefits. It is in the interests of the public and the integrity of the NSW planning framework to have systems in place to track housing outcomes generated through Affordable Housing Contribution Schemes (AHCSs) and to ensure that contributions due under such schemes are collected in accordance with their terms and accounted for.

TRACKING AND SECURING CONTRIBUTIONS

When first introducing an AHCS, councils will not have an established process in place for tracking contributions requirements through the development approval process and this functionality is not presently available through the Planning Portal.

There is a risk if insufficient systems are in place, that contributions will not be collected in accordance with requirements. To protect against this, in some cases, councils have augmented their own IT systems to provide for the tracking and collection of contributions.

However, setting up IT processes at an individual council level is not a cost-effective use of resources, especially where a common approach suitable for wide use could be fairly readily developed.

Further, a common system across councils will also assist in providing consistency to development proponents and could feed directly into the monitoring of affordable housing outcomes as discussed below.

MONITORING AFFORDABLE HOUSING OUTCOMES

It is very difficult to readily identify the number of affordable housing dwellings generated under the small number of schemes currently in place.

Tracking housing outcomes will help councils and the state government meet community and proponent expectations of transparency and accountability, contribute to the evidence base (which seeks to measure the amount of affordable housing delivered through schemes and other initiatives), inform consideration of the merits of different approaches to ownership and management, and support future policy review and development.

There is a process in place whereby the Registrar of Community Housing receives notifications of development approvals and occupation certificates issued for affordable housing provided under the bonus provisions of the Housing SEPP.

However, this process does not extend to notifications of contributions towards affordable housing generated under AHCSs and with this remit it is probably not currently a suitable mechanism for tracking and consolidating data on the range of affordable housing resources generated under such schemes, particularly as contributions will not necessarily be transferred directly to a community housing provider.

Some councils have established their own systems requiring their community housing partners to report on housing outcomes delivered. An example of an approach by Willoughby Council is provided in the AHCS Compendium - section E2.

As the objective of this project is to make it easier for councils to establish schemes, and in doing so increase the supply of affordable housing, embedding a harmonised approach to tracking outcomes at this early stage will avoid the proliferation of multiple and varying approaches and associated difficulties reconciling the data they produce.

Importantly, the process must be streamlined and not impose onerous reporting or data collation requirements upon councils or others. Ideally, it would link with a common process for the tracking of contributions as discussed above, as of course it is the contributions that generate the outcomes.

PROPOSED APPROACH

Tracking and securing contributions

To support councils in securing contributions under AHCSs, it is recommended that the Planning Portal be enhanced to provide a common framework for tracking and collecting affordable housing contributions.

The framework could draw upon existing council-based systems, such as that developed by Northern Beaches Council.

Monitoring affordable housing outcomes

Given that councils are receiving and distributing contributions received through their schemes, it makes sense that they have responsibility for the main data reporting. To support this and ensure consistency, it is recommended that this be enabled through a standard format in the Planning Portal. Tracking of the outcomes of schemes will involve developing metrics that capture the range of approaches available to councils to applying the contributions received.

Tracking should show the total affordable housing portfolio resulting from the AHCS in the LGA:

- Dwellings held by council
- Dwellings held CHPs

To promote improved transparency, effectiveness and accountability this total could be further articulated by the means of delivery:

- Contributed as in-kind dwellings by private developers
- Delivered by CHPs
- Delivered by council
- Delivered by joint venture

For improved financial transparency and accountability:

- Dwellings planned or under construction
- Land or other resources held by council or transferred to CHPs
- Monetary contributions raised but not expended
 - Held by council
 - Held by CHPs

Councils could be required to produce an annual report in a standard format provided through the Planning Portal. Ideally input data on contributions collected would automatically flow through from the contribution tracking functionality recommended above, allowing for the report to be generated for councils for the specified reporting period.

An outline report format is shown in the Table below. The Planning Portal could provide a searchable page for the annual reports, and an aggregated report for each of the six cities, as well as the remainder of the State.

Affordable Housing Contributions at 30 June	As at 30 June last year	Activity for current year	Closing Balance
Total monetary contributions received			
Monetary contributions held by council			
Monetary contributions provided to CHPs (by grant, tender, or otherwise)			
Monetary contributions expended by council on new supply - not provided to a CHP			
In kind dwelling contributions			
In kind dwelling contributions transferred to council (to be held by council)			
In kind dwelling contributions transferred to CHP			
Otherwise delivered dwellings			
AH Dwellings completed by Council			
AH Dwellings completed by CHPs			
AH Dwellings completed by JV			
Total AH portfolio			