

Supplement to Submission 80 Re Amendment C184, R1084 from Mornington Peninsula Human Rights Group

1. BACKGROUND TO THE GROUP

The Mornington Peninsula Human Rights Group ("the Group") is a voluntary group of concerned citizens established in 2005, whose Constitution lists as its purpose to "*promote understanding and respect for human rights and responsibilities in our municipality and beyond through programs of community education*", and to be "*unaligned with any political party or movement.*"

The Group has long had an involvement in promoting local awareness about accessible housing and homelessness. As well as publicising issues, we know that many disadvantaged people are "outsiders" and not heard, so we promote a "*voice for the voiceless.*" Our starting point is Article 25 of the Universal Declaration of Human Rights (1948) which states that:

Everyone has the right to a standard of living adequate for the health and wellbeing of himself and of his family, including food, clothing, housing and medical care.

In response to the 2008 "*Report on Homelessness*" by the Mornington Peninsula Shire ("the Shire"), the Group launched its Operation Concern, a targeted letter-writing campaign to 100 churches and other community bodies, noting that a local supported housing project was abandoned due to fears by the adjacent community and exploring ways to address this. About half of those seeking emergency and longterm accommodation are women with children; who arguably need the "social glue" of inclusive community more than any other cohort.

In 2012, members wrote and published a number of articles about social housing, including documenting the Habitat for Humanity work in building six homes for low-income families to purchase on the Mornington Peninsula.¹

We endorse the Shire's concerns about the need for more affordable and diverse housing provision, and its

*"ten year aspirational target to increase the MPS social and affordable housing sector to a minimum of 3% of the total housing stock by 2021. This equates to an increase of 146 social housing dwellings per year for next 10 years."*²

2. MEASURES OF UNMET LOCAL NEED FOR SOCIAL HOUSING

Although housing difficulties are invisible to most people unaffected, a 2008 Shire report³ explained how they can emerge suddenly:

A culmination of events at the wrong time in your life, a death in the family or family breakdown, retrenchment or a series of missed work opportunities, mental health issues, increasing stress and depression, could put you at risk of homelessness, and it can make you both homeless and sick, at a time when you need the most stability in your life.

¹ See our "Connect" newsletter No.40, July/Aug 2012

<http://mornpenhumanrights.org/assets/Newsletters/CONNECT40.pdf>

² Mornington Peninsula Shire, Social and Affordable Housing Policy – Action Plan 2011

³ Mornington Peninsula Shire "Social Speaking – Home Truths", 2008 p X

FMP Medicare Local point out that people with housing problems are also more likely to experience chronic health issues and this is often as a result of their homelessness, not the cause.⁴

In the 2012-13 financial year, 321 people and their families sought emergency housing from Peninsula Youth and Family Services (now known as SalvoCare Eastern)⁵, and 2012 analysis by the state Department of Human Services⁶ shows that across the Frankston-Mornington Peninsula catchment:

- the Frankston - Mornington Peninsula catchment was identified as having more than one third (37.5%) of the Southern Metro Region's total homeless population who were residing in tents and squats.
- Frankston West was identified as having the third largest number of people in the metropolitan region residing in homeless hostels, night shelters or refuges.

3. MEASURES OF HOUSING SUPPLY IN FMP REGION AND MT ELIZA

Lack of improvement in Affordability and Availability measures seems longstanding:

- of the 14 Small Areas Profiles in the Shire measured for rental availability in 2002, Mount Eliza was the equal lowest for public rental housing (0%) and
- the lowest for private rental housing (11%)⁷

The 2006 Census showed that renters in the Mt Eliza Small Area had the largest number of renters (61% of the total) in the highest two quartiles (least affordable on the basis of income and rental costs) in the Shire.⁸

3.1. Affordability

Local rental levels for low income people are just disastrous. Information provided in September 2014 to a Senate Inquiry by the Tenants Union of Victoria⁹ shows:

- The mean weekly rent for a one-bedroom apartment in the Frankston and Peninsula Region is \$210. That would consume 78% of the disposable income of a single person on Austudy (\$269.20 a week), leaving just \$59.20 a week for food, utility and transport, not to mention rapidly rising study costs
- A single person on Newstart (\$312.50) would be slightly better off, with rent eating up 67.2% of their income, leaving \$102.50 each week to cover living expenses
- An older person receiving the Aged pension (\$468.70) would be left with more than half their disposable income or \$258.70 a week to cover weekly expenses, but they would be still living below the poverty line

⁴ Fact Sheet *Homelessness and Health in Frankston and the Mornington Peninsula*, FMP Medicare Local 2012

⁵ Mornington Peninsula Shire, *Health, Hope and Happiness II Background Report 2013* p. 19

⁶ Cited in FMP Medicare Local 2012, above.

⁷ Gutteridge, Hasken and Davey, *Report to MPS on Triple A Housing Policy 2002* Appendix D

⁸ Mornington Peninsula Shire *"Social Speaking – Home Truths"*, 2008 p 62 Table 10

⁹ Cited in *Mornington News*, 30 September 2014

- A single parent with one child would have to spend 47.1% of their pension to cover the cost of a two bedroom apartment in Frankston (\$265 a week). With an income of \$562.84 a week, they would be left with just under \$300 a week to survive
- A couple both on Newstart with 2 children receiving \$723 per week, would need to spend 44.3% of their income to rent the average 3 bedroom property in Frankston at \$320 per week,
- If the same parents were both working in minimum wage jobs, they'd need to allocate 35.9% of their net weekly earnings of \$892.25 to cover the rent on a three bedroom home – still well above the threshold for “housing stress” of 30% of disposable income on rental or mortgage payments.

3.2. Diversity

There is the problem of diversity for clients seeking to access the private rental market due to dwelling types being of limited range, or discriminatory practices operating:

- one or two bedroom units with minimal outdoor space, and mainly designed for ageing couples or singles who are often not seeking long term stay; these are often low grade housing not suitable for children
- 3-4 bedroom houses on quarter or fifth of an acre blocks, at vastly higher rentals; this may be discriminatory to some family types eg. single parents, same sex couples raising children, indigenous people, or group sharing.
- local workers identified indigenous people, young people, people leaving prison and single men as experiencing significant difficulties in accessing the private rental market eg. Peninsula Youth and Family Services identified a gap in accommodation options for single people living with a chronic illness aged between 40 to 60 years old¹⁰
- these are reason for purpose-built housing, increasingly by community housing groups with knowledge and commitment to make these projects work.

4. SHIRE POLICY OBJECTIVES FOR SOCIAL HOUSING

Social Housing is defined by the Shire¹¹ as

“generally ... dwellings constructed, purchased or leased for the purpose of providing rental accommodation at a rent level below the market rate on a ‘not for profit’ basis, through a direct government subsidy or rebate, and includes public, community, transitional and crisis housing... (and)... social and affordable housing for people with support needs should optimally be integrated with appropriate support services.”

In the Mornington Peninsula Planning Scheme, the Shire has recognised that "Appropriate, affordable and secure housing provides a basis for life stability."¹² The keynote statement from their Triple A Housing Policy is

¹⁰ Cited in Katlynx Consulting: *Emergency/Transitional Housing Properties on the Peninsula, Future Strategies for the Management of Properties with Joint Ownership Between the Office of Housing and the Mornington Peninsula Shire*, December 2006

¹¹ MPS, *Social and Affordable Housing Policy*, Policy No. 11, 2011

“The Mornington Peninsula Shire believes that both the Federal and State governments have primary responsibility for ensuring the rights of people to access affordable and appropriate housing. However, the Shire recognises that, to give effect to its own stated values local government, in partnership with local communities, other agencies and levels of government, can also play a role in enabling the fulfilment of these rights. The Shire is therefore committed to facilitating a range of housing options and services in the Mornington Peninsula that achieves more affordable, appropriate and available housing outcomes to sustain our diverse communities. Particular consideration is given to vulnerable households of low income, young people, older people, people with disabilities, single parent and single person households, and people of non-English speaking or indigenous backgrounds.”¹³

The State Planning Policy Framework (at 20.01) notes that the Municipal Strategic Statement is intended to

*Provide(s) the strategic basis for the application of the zones, overlays and particular provisions in the planning scheme and decision making by the responsible authority...(and) planning and responsible authorities must take the MSS into account.*¹⁴

5. POLICY APPLICATION TO MOUNT ELIZA PROPOSAL

The State Planning Policy Framework includes clauses which are relevant to our argument for the inclusion of two 1000 m² blocks within Lots 441 and 442 LP10791 at Bethanga St, Mount Eliza for social housing.

5.1. Housing Affordability

“Increase the supply of well-located affordable housing by: Facilitating a mix of private, affordable and social housing in activity centres and strategic redevelopment sites... Planning for housing should include providing land for affordable housing.. Facilitate the delivery of high quality social housing to meet the needs of Victorians.” (Clause 16)

The majority of the existing housing contiguous to the development site (in Kanya St, Bethanga St, Barmah St, Kunyung Rd) appears to be single storey 3-4 bedroom houses, many of 1960s-70s era, on quarter acre blocks. Use of 2 blocks for social housing on quarter acre blocks is therefore not considered to be out of character with the visual or size parameters of the existing built environment, and the Shire is keen to see purpose built social housing as being a model of excellence.

As the 24 development blocks are vacant means that a claim that social housing would be inconsistent with the local area presumes that the nature of adjoining new dwellings is known, when it is not. It also ignores that the great majority of social housing is currently provided by the private rental market in dwellings built without differentiation according to the occupants' position as a public or private tenant.

5.2. Access to Services and Facilities

¹² Mornington Peninsula Shire, *Health, Hope and Happiness II Background Report* 2013 p. 28

¹³ Gutteridge, Haskins and Davey, *Report to MPS on Triple A Housing Policy* 2002 p 88

¹⁴ Dept of Transport, Planning and Local Infrastructure, *Victoria Planning Provisions*, Nov 2014

“New housing should have access to services and be planned for long term sustainability, including walkability to activity centres, public transport, schools and open space” and “Support opportunities for a wide range of income groups to choose housing in well-serviced locations.”

5.3. Schools and Shops

It is noted that these facilities are close by. From the furthest point of the site (57 Kunyung Rd)

- Kunyung Primary School is 200 m distant
- Kunyung Pre-school at 44 Barmah St (Bruce Cameron Reserve) is 300 m distant
- Mount Eliza Secondary College is 1.9 km by foot
- Mount Eliza village (IGA) is 1.9 km by car,
- A family GP practice is located at 118 Mt Eliza Way, 2.2 km by car
- Peninsula Mental Health Clinic is located at the corner of Kunyung Rd and Nepean Highway (1.3 km from the development site)

Mount Eliza village is a very well-serviced centre for the full range of banking, shopping, household service facilities, comparable in range to bigger centres such as Mornington or Frankston. Mt Eliza had the highest family household proportion (singles/couples with children & couples without children) at 79.4% in the 2006 census¹⁵

5.4. Social and Recreational Spaces

- Mount Eliza Community Centre is also in the village precinct (2.1 km)
- The development site is around 400 m from the Earimil Creek Bushland Reserve, and a similar distance from both the Bruce Cameron Reserve and playground, and also from Moondah Beach.

5.5. Public Transport

The geographic dispersion in much of the Shire means that car ownership is a must (93% of households compared to the Melbourne average of 87%)¹⁶, location of low income close to public transport is a major benefit to reduced living costs and greater social access. The Mount Eliza area is one of the best locations to realise these objectives.

- The Frankston Mornington Bus stop at Nepean Highway/Kunyung Rd intersection is 1.3 km from the site, and also transits via Mount Eliza village; services in both directions are hourly.
- For those unable to access this, the Mornington Peninsula Shire operates a subsidised Dial A Bus service from Mount Eliza to Mornington for passengers aged 60 plus and people of any age with a disability (and their carer) every Wednesday; this is door to door and wheelchairs and mobility aids are accommodated. Once a month the service goes to Frankston.
- The Shire also operates a shopping delivery service for residents assessed as needing it.
- Taxi costs to Frankston are significantly lower than from other Peninsula townships

¹⁵ Mornington Peninsula Shire *“Social Speaking – Home Truths”*, 2008 p 10

¹⁶ Mornington Peninsula Shire, *Municipal Strategic Statement* Clause 21.02 Profile of the Mornington Peninsula, 2006

5.6. Employment

As “40 percent of the Peninsula’s workforce works outside the Shire, with 13 per cent employed in Frankston but with less than 4 per cent in any other centre”¹⁷, it makes sense to take advantage of this opportunity for low-income social housing residents to be located close to Frankston, with its higher employment, lower taxi costs to access (compared to say, Rosebud), radial buses to Dandenong etc., and metropolitan rail link.

6. CAPITAL CONTRIBUTION FROM SOUTH EAST WATER

The South East Water company (SEW) is a State Government-owned enterprise not subject to commercial pressures from private shareholders, and has benefited from a monopoly franchise over the Mornington Peninsula for over 100 years. As a public enterprise, it is very reasonable to expect it to distribute to the local public for socially beneficial ends a small portion of the enormous windfall capital gains it will realize from sale of the Bethanga St property. It is reported that SEW purchased the referenced land for \$18000 in the early 1960s, and it is now worth \$10.8 million.¹⁸ Based on this estimate of current value, a capital gain of 600 times the purchase price will be realised.

Such gains are well known as derived from the scarcity value of land, population growth and economic development, rather than the enterprise of the owner and are therefore windfall capital gains. It seems reasonable that long term stakeholders - the Shire as host and its residents as franchised customers for many decades - should receive some of the huge benefit being realised. This would enable affordable rental accommodation in an appropriate location to low-income or disadvantaged local residents who aspire to housing security, as well as reducing the contribution from ratepayers.

Assuming land cost is approximately half of total capital costs for a social housing project at this site, if SE Water was to gift 2 of these 24 development lots, it would enable a sustainable financial (and therefore functional) model, as the new owner (the Shire or an appropriate social housing body) could levy residential rents discounted significantly from the commercial rate, but still recover the cost of capital (dwellings only, as land would be gifted). This could reduce rental subsidy requirements and therefore recurrent pressures on local and state Government budgets, and ultimately on taxpayers and ratepayers.

7. CONCLUSION

The use of 2 blocks for social housing at this location is entirely consistent with

- the Shire Strategic planning objectives, being within the Mount Eliza township and
- the Shire Disability strategy since the location is accessible to existing services, and
- the Shire Housing strategy because it integrates residents into an existing community, rather than treating them as “fringe dwellers”
- more employment opportunities for low-income people, in Frankston and the Metropolitan region.

¹⁷ Ibid.

¹⁸ Frankston Times, Feb 24 2015, p 1

An innovative, tailored model which would cater for the needs of those who have not found the private market either affordable, non-discriminatory or sufficiently diverse is not only possible but has been realised locally with Shire input (the “Hastings Model”). A well-designed and well-functioning model would clearly reduce perceptions by neighbours of detrimental impact, and do what good social housing should do: enhance and extend local amenity and strengthen community bonds.

We have all seen in recent years the growth in awareness and community strengthening which has occurred as people with disabilities are brought into the mainstream of society. Such reciprocity can occur towards homeless people also, but the pre-condition is physical proximity – community development cannot occur without it. There is very little social housing in the Mount Eliza precinct, and it is an ageing area with some parts (not at this location) reflecting high income households and large blocks eg. Woodlands area. A step towards greater affordability, even in this small way, will promote a more diverse demographic cohort and a balanced, inclusive community.

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This submission draws on the research, advocacy and action on homelessness and insecure housing issues by many local organisations and individuals over many years, who we thank for their dedication. The MP HRG contact for this issue is Kevin Bain, secretary kbkevinbain@gmail.com, mob. 0413 427 851