Queensland Housing Strategy 2021–2025

Local Housing Action Plan

Balonne Shire Council

www.balonne.qld.gov.au

March 2023

For the People Balonne Shire Council

WESTERN QUEENSLAND ALLIANCE OF COUNCILS

Queensland Government

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Introduction

Introduction

This Local Housing Action Plan (the Plan) is developed through a joint initiative involving the Queensland Government*, Balonne Shire Council (Council) and the Western Queensland Alliance of Councils (WQAC) to respond to a range of immediate, emerging, and longer-term housing challenges in the Balonne Shire.

This is an iterative process that does not intend to duplicate existing actions of Council or the actions under The Queensland Housing Strategy Action Plan 2021-2025. It seeks to identify opportunities, consider an agreed response, develop targeted actions on key priorities and enable ongoing review of effort to adapt and respond to changing need.

The Plan aims to:

1. develop agreed priority actions to respond to housing need,
2. establish strong foundations for longer-term housing responses to assist housing and homelessness outcomes in the Balonne Shire into the future.
3. incorporate existing information and plans that assist with developing responses to housing need and acknowledge work already completed by the Council, State Agencies, private and not-for-profit organisations.
4. facilitate targeted interaction between all parties through agreed actions to ensure a focus on deliverables and projects that can improve housing responses in the short and longer-term.

Approach and methodology

The plan provides an overview of key community and housing characteristics, and emerging issues related to housing in the community and identifies a targeted initial set of priority actions to respond to housing need. It has been developed through a review of a range of supporting documentation including:

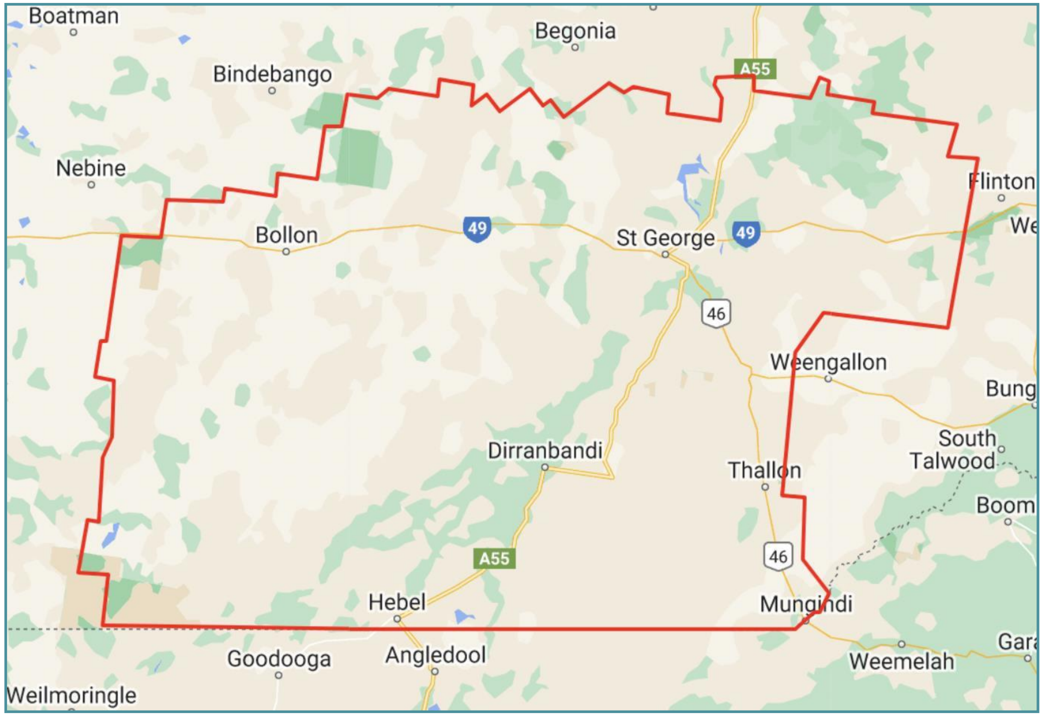
- Regional Infrastructure plans
- Balonne Shire Council Planning Scheme
- Relevant Council strategy reports and plans
- Statistical data via the Queensland Government Statisticians Office, including Census and other data sets such as building approvals, rental market data, housing approvals
- Housing needs data from the Department of Communities, Housing and Digital Economy and other state agencies as required
- *The Queensland Housing Strategy 2017-2027* and the *Housing and Homelessness Action Plan 2021-2025*.
- Other local data and information such as RAI reports

Emerging issues and opportunities, key challenges, and potential responses have been developed from the review of a range of data sets, anecdotal feedback, and preceding engagement opportunities with Council and other stakeholders.

* The Queensland Housing Strategy Action Plan 2021-2025

Balonne Shire Council key details

- Balonne Local Government Area (LGA) has a total land area of 31,104km^2.
- St George is the main population centre and is located approximately 495km, or 5.5-hours' drive, west of Brisbane.
- Dirranbandi, Thallon, Bollon, Hebel, Nindigully and Mungindi are the shire's other community centres.
- The community supports a mix of industries with agriculture, being a primary focus with key sectors including grain, cotton, horticulture, sheep and beef production.
- The region also has a growing tourism sector, with visitors drawn to this 'gateway to the Outback' for its scenic landscapes, cultural experiences, recreational fishing, food and wine, and a growing events calendar.



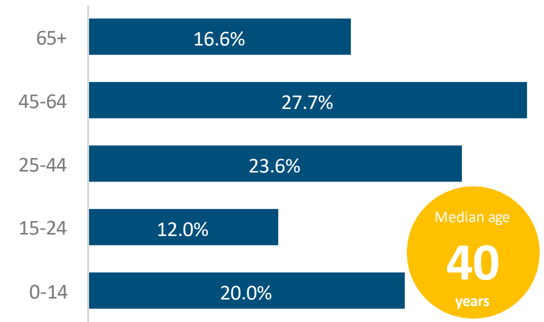
Key Community Characteristics

Key Demographic Characteristics

Estimated resident population is 4320 and is projected to increase to 4366 by 2041 (1.06%)

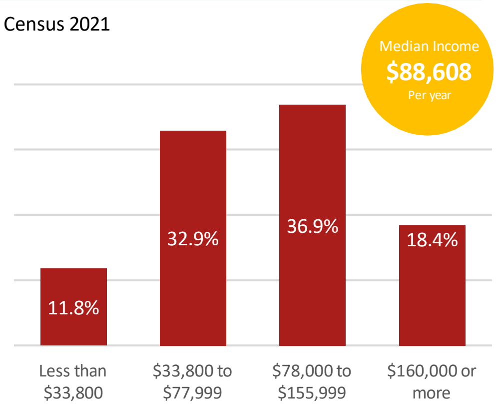
Age

Census 2021



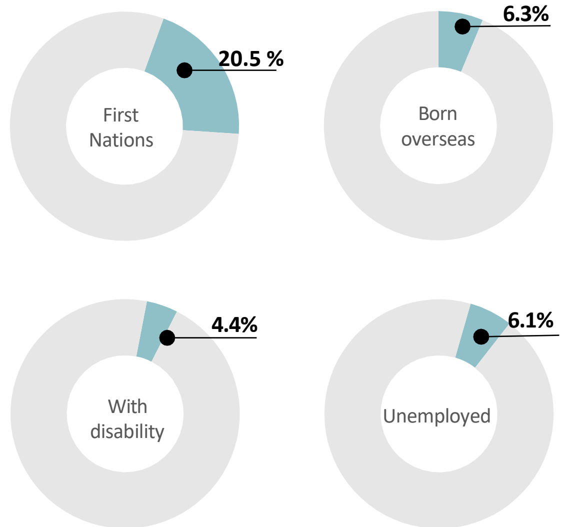
Family Income

Census 2021



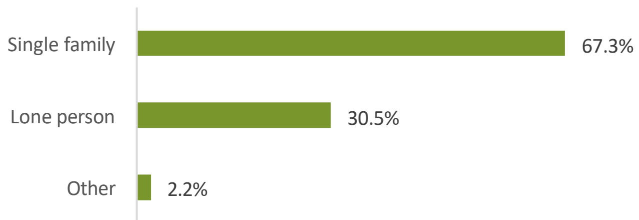
Other characteristics

Census 2021



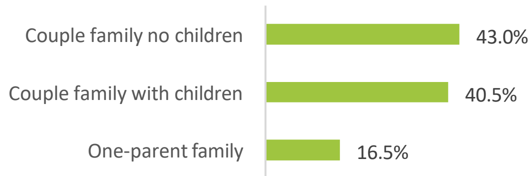
Household composition

Census 2021



Family composition

Census 2021

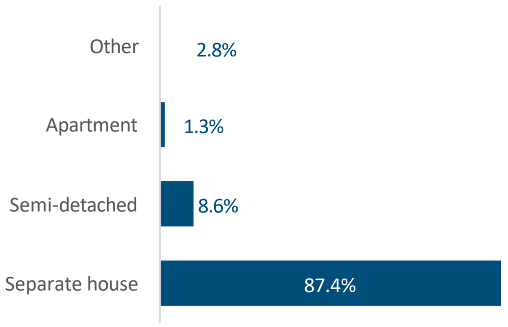


Key Housing Characteristics

Total Occupied dwellings (2021) 1588

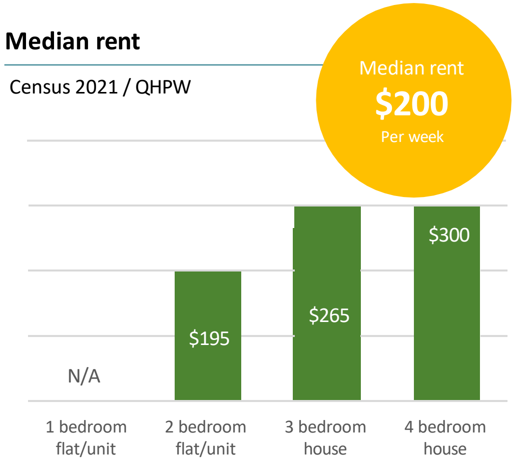
Dwellings by Structure

Census 2021



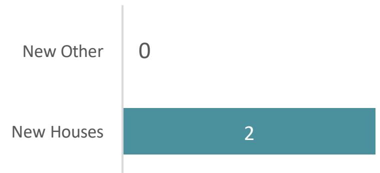
Median rent

Census 2021 / QHPW



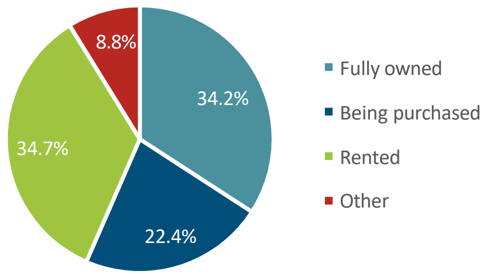
Building approvals

12 months to 30/06/22 - QHPW



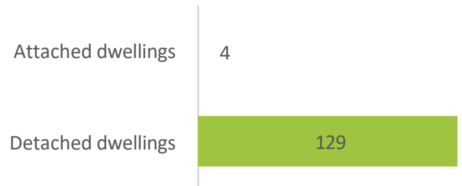
Dwellings by Tenure

Census 2021



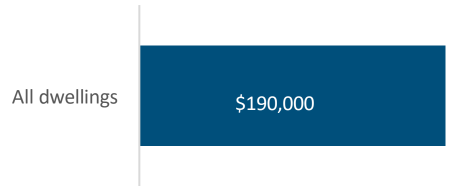
Number of sales

12 months to 30/06/22 - QHPW



Median Sales Price

12 months to 30/06/22 - QHPW



Key focus areas identified

Areas of emerging concern have been determined through a review of existing data and engagement with stakeholders as identified in the methodology. These concerns will be considered when identifying and prioritising shared actions.

1. Housing Availability

Housing demand in the Balonne Shire is based on growth of government, industry, and Council employees, as well as social and affordable housing with 54.7% of private occupied dwellings (ABS) being owned compared to 63.5% in Queensland. Of the total number of these properties 21.7% are owned with a mortgage.

Occupied dwellings according to the 2021 census represented 81.2% of housing stock while unoccupied dwellings were 18.5% (ABS). The breakdown of housing statistics collected in 2021 was as follows:

- Households with families represented 67.2% of households.
- Single-person households made up 30.4%
- Detached houses made up 87.3% of dwellings.
- Semidetached made up 8.6%
- Units were less than 1.3%
- The average number of bedrooms per dwelling was 3.2.
- The average number of people per household was 2.4.

The ratio of availability of beds to persons, per dwelling, indicates sufficient capacity if dwelling mix met demand configuration. This situation would indicate a focus on the provision of smaller two-bed semi-detached dwellings and units for future housing stock supply.

The number of dwellings for sale in Balonne is not as limited as other western local government regions and currently there is in the order of 50 properties publicly advertised available for sale (as advertised on Domain Real Estate). House sales over the past decade have been between 30 and 50 houses annually with median sale prices between $180,000 and $240,000 (RAI). The current market prices vary between $160,000 and $680,000 (Domain Real Estate). These figures represent the activity in St George which has 55 dwellings for sale but does not reflect the situation with other towns in the Shire. Property for sale in the other towns are as follows:

- Dirranbandi has 14 properties for sale.
- Mungindi has one (1) property available.
- Thallon, Hebel and Bollon have no properties for sale.

Advertised prices for house sales in these towns vary between $50,000 and $250,000.

St George residential land prices vary from $45,000 up to $120,000, while land prices are at the lower end in smaller communities. Difficulties in increasing housing stock numbers can be attributed to substantial costs of construction due to material supply and lack of availability of local house construction contractors across the region.

Quality of housing stock liveability has decreased over decades and a portion of housing stock may already not meet current liveable-standard expectations. This is due to:

- A lack of availability in building trades (Note: Council is now undertaking a contractors/trade through workforce development program)
- Excessive costs of renovations
- The risk of asbestos presence in the aged buildings which may add significant costs given the lack of trained asbestos removal specialists and local disposal locations.

These costs could well exceed sale prices of the properties and would therefore not represent a viable financial investment.

Options for utilisation of existing vacant land and unused buildings require investigation. There may also be opportunities to repurpose vacant disused commercial buildings, such as closed hotels into managed shared single-bed facilities. There is a limited number of these buildings available across the region. Removal of any buildings, which may not be able to be economically restored from town lots, and if this could be achieved at minimal cost, would free up lots for replacement with more sustainable dwellings. It could also supply material for renovation of other houses.

Options to encourage existing owners to enter arrangements such as new-dwelling-for-old (if a multi-unit was the preferred replacement option), may provide savings in developing expensive green field residential developments by using current infrastructure.

Housing affordability is still one of the major concerns even if market competition was healthy. There are concerns regarding financial institutions' security requirements which include substantial deposits and large mortgage insurances. First home buyers cannot enter the rural and remote housing market unless there is a change in policy to allow them to purchase existing homes in these regions. Additional spaces for rural remote are required for the First Home Guarantee.

Cashed up retirees entering the market from eastern towns can purchase lower cost dwellings with funds remaining. They compete with local purchasers who rely on financial institution loans. Localised financial arrangements to remove these barriers would assist in overcoming the situation.

Response opportunities

- Focus on immediate housing responses to the current housing shortage through:
    - Identification and repurposing of underutilised properties for accommodation
    - Construction of temporary accommodation
    - Leasing properties as they become available, while developing longer-term resilient and sustainable housing options that can underpin the economic development of the region.
- State and Federal Government review of financial support to provide financial options that are more attractive to home buyers and local house investors.
- Infrastructure planning is required to undertake greenfield development to add additional lots for housing and development of a business case for funding support.

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2. Rental Market

Many Local Government Areas (LGAs) in Queensland considered to have 'tight' rental markets are characterised by a vacancy rate of under 2.5%. Over three-quarters of Queensland LGAs (77%) have vacancy rates under 1% as at December 2021. The current vacancy rate (as of August 2022) in St George is 0.01% estimated from Council's data collection.

St George and Dirranbandi rental markets are limited with only one (1) advertised private rental available in each of the towns. There are no rental properties available in other towns.

The median rental price in 2021 was $200 per week (ABS). The current weekly rental prices are around $250 with the lowest being $170 and highest $550 per week, which represents impacts of government employee demand in the market.

New construction for private rental to increase the market is unlikely to be financially viable in the immediate future. Local investors are concerned about whether there is sufficient incentive to enter the rental market including the ability to manage the property effectively over the life of the rental lease.

Renovation of existing rental stock to improve standards is costly and unappealing for private investors looking for reasonable returns. Excessive costs of renovation to meet tenancy requirements and the lack of capital gain on sales is making it difficult to break even, which has caused some property owners to exit the rental market. Concerns were also expressed in interviews about changes to tenancy laws which appears to have influenced decisions on property management, with some unoccupied houses excluded from the rental market as a result.

A “hidden” market has resulted where local knowledge and word-of-mouth are one of the only ways to source additional rental housing. These arrangements have secured higher rental prices and longer-term rental agreements, however those “not in the know” and who try to relocate for employment, have been forced to turn down employment opportunities due to lack of available housing. This issue requires further investigation as to the opportunities in this target area.

There may also be opportunities to repurpose vacant disused commercial buildings into managed single-bed shared facilities. There is a limited number of these buildings available across the region.

As the demand for rentals increases due to single transient employees and permanent staff on fixed short-term contracts, local community members have difficulty competing. Anecdotally, this situation has resulted in increased rental prices for houses with reasonable liveability quality. Given most of this demand is for single occupancy, employers may consider opportunities for promoting shared accommodation, thereby freeing up multi-bedroom houses for families.

Response opportunities

- Consideration towards bringing forward any proposed social housing projects to increase rental stock and free up lower cost rentals for market availability.
- Investigate the current rental supply market and the current unoccupied dwellings to identify opportunities to bring additional “hidden” rental supply into the market.
- Investigation of vacant disused commercial buildings to repurpose for single bed facilities to reduce single renters’ use of multi-bed dwellings.
- Explore shared accommodation arrangements for single occupants of multi bedroom dwellings to open opportunities for family household access.

3. Social Housing Supply

There is high demand for social housing across Queensland and allocations focus on supporting households with the highest needs. The median household income in Balonne is $1,350 per week, compared to the Queensland median of $1,675 per week (ABS). The total income for 20.4% of households was less than $650 per week compared to the Queensland figure of 16.4% (ABS). Consequently, this combination of lower median income and higher proportion of lower income households may be reflected in the demand for increased social and affordable housing stock.

Low income and supported individuals and families find it difficult to enter the private rental market when the minimum weekly rent exceeds the target of 30% of their household income to avoid financial stress. Details from ABS (2021 census) recorded that 67% of households have rental charges of less than 30% of their total income, while 17.8% have rental costs greater than the 30% indicator of rental stress.

Social housing in Balonne is mostly managed through St George Aboriginal Housing which has a total stock of 33 mixed dwelling types, which includes six (6) in Dirranbandi and 27 in St George. Care Balonne have five (5) social houses and Goondir Health Services provide twelve (12) houses in St George. The Department of Communities, Housing and Digital Economy owns four (4) dwellings in Bollon. The Dirranbandi Progress Association provides social housing with eight (8) units. The total number of social dwellings (including community housing) available in Balonne is 139, of which only 7.9% are single bedroom dwellings.

The Queensland Social Housing Register identifies 40 persons listed for social housing need in Balonne with 50% of these prioritising Dirranbandi. Most of the demand is based on single occupancy. There is no evidence of overall planning for social housing in Balonne.

Overcrowding and “couch surfing” were raised by interviewees on several occasions. These situations may aggravate social issues that cause other unintended consequences such as family and domestic violence. Also, the limited availability of housing may be resulting in people moving from the region.

Concern about moving people in need from other regions into local vacant social housing was discussed in interviews. Cited examples included such people needing medical assistance which was currently not available in smaller, remote towns, and having no access to necessary transport. While intentions are to support people of need is acknowledged by the community, antisocial behaviour is causing concern in smaller communities.

Given that demand for social housing will continue to rise, increasing supply as well as reducing vacancy time is one of the principal areas of focus to address the social housing shortfall. The number and types of dwellings will also impact on the ability to house as many people as possible. Suggestions including the provision of more single and double-bedroom units or combinations may avoid tying up larger numbers of three-bedroom dwellings to house sole occupants and increase availability for families.

It was suggested that opportunities for long-term tenants who are aging and wish to remain in their current rental residences be given access to housing rent-to-buy options. It is thought that this proposal may also reduce damage to dwellings if there was ownership involved.

Housing providers have raised concerns over impacts of being subject to contingent liability which was part of a housing management agreement under the State Government’s Pilot Housing Program. This issue combined with outstanding rent recovery debts, limits their ability to refurbish existing housing as well as increase social housing stock.

Response opportunities

Investigate options to urgently address the housing short fall such as:

- Provision of temporary single/double units
- Consideration of alternatives to tenancy management
- Engaging viable local management partnerships with focus on tenancy performance to minimising costs of repairs
- Promote Housing Buy Back schemes to reduce the financial burden of renovating aging housing infrastructure.

4. Aged Housing and Care

Churches of Christ Care Warrawee aged care facility provides a 25-bed aged-care facility in St George. They also have independent living units connected to the aged care facility. It is understood they will be building independent living units consisting of eight (8) one-bedroom units with the potential for a further eight (8) to 10 units, subject to the uptake of the first supply.

There are limited aged-care facilities in the region and demand is partially met through community housing. The overall demand is not collectively known for the Shire; therefore, it warrants a detailed assessment given potential investment is required into home care response.

Anecdotal evidence suggests that government home care packages are providing extended home living for the aged which reduces the demand for special aged-care facilities. Inclusion of the outcome of the home care on aged-care housing demand could be part of a local review if not already completed.

There is a void between aged pensioners living alone in private housing and the opportunity to downsize into community housing. Many local governments have attempted to fill this gap through the supply of aged pensioner accommodation.

Several local governments struggle with limited resources to dedicate time to manage aged pensioner accommodation and this service provision competes for budget allocations for local government traditional responsibilities.

Response opportunities

- Review aged housing and care provision in the region and the linkage to the effectiveness of the stay-at-home strategy delivered though home care packages.
- Assess the role of local government in the provision of aged pensioner housing and its impact on Council resources.

5. Employee Housing

To engage worthy employee candidates in rural and remote areas, employers prioritise attraction and retention incentives such as housing. However, housing stock is limited in these regions, and standards do not match accommodation expectations from where potential employees are relocating. Relocating employee families away from more populated areas creates stress within the family unit, and therefore availability of a good standard of housing assists in the transition and performance of employees.

Council has:

- 10 dwellings for employees in St George and have identified a demand for a further four (4) dwellings.
- There is one (1) employee dwelling in each of the towns of Thallon and Bollon. No further demand has been identified.

The State Government supplies housing for its employees under two (2) schemes. The Government Employee Housing arrangement (GEH) provide a range of housing types for government employees in government owned dwellings. Most houses are provided to police, health, and education. In addition, these departments provide "Operational Housing" for staff located on operational sites e.g., police stations, hospitals, and schools. They also rent houses in the private market. Data provided by GEH supplied and identified demand as shown in Table 1 below. Noting that rental and "Operational Housing" details are not included in the numbers supplied.

Table 1: GEH Housing Supply and Demand in the Balonne Region

Town	GEH Housing Supplied	GEH Housing Demand
St George	31	2
Dirranbandi	11	0
Thallon	0	0
Bollon	0	0

Employment housing policy practice varies across departments. Queensland Police do not have a policy obligation to house their employees, but they do have dwellings attached to police stations which they provide to employees. Queensland Heath have a policy for housing employees as there are specific work health and safety requirements on housing standards. Where there are limited dwellings that meet these requirements, it forces Queensland Health to consider alternative means to secure appropriate housing such as entering long-term leasing agreements with premium rental payments above market prices, as well as providing employee housing assistance.

Grain Corp operate in Thallon with a permanent workforce of around seven (7) employees, however during grain season they require accommodation for up to 55 additional casual workers. With limited permanent accommodation available, they hire temporary relocatable dwellings. This impacts on productivity and the cost of operations. Grain harvesting contractors set up their temporary accommodation at Hebel.

Response opportunities

- Investigate the supply and demand of government employee housing and consider opportunities for additional rental housing being made available if more local government and State Government employee housing is supplied.
- State Government support for service provider employers to construct employee housing to avoid transient employees monopolising higher-quality housing at higher rental prices.
- Provision of additional government housing in locations of high demand to return higher end rentals to the rental market for stabilising longer term community demand.

- Consideration of employee housing for single accommodation in managed shared arrangements to allow general access for families accessing three or more bedroom houses.

6. Cohort Specific Housing

The following cohort specific housing has been identified as an issue to be addressed in housing configurations within towns of the region:

- Domestic and family violence
- Disability
- Youth homelessness
- Family homelessness
- Sleeping rough.

There is no specific evidence for the demand of housing for the above-mentioned cohorts. However, the ABS recorded 18 homeless persons in 2016. The current Social Housing Register for Balonne has identified 22 homeless persons and nine (9) persons with disability needs. This requires specific assessment to predict cohort housing demand and address shortfalls in the current cohort housing stock.

While there is no open evidence of homelessness, smaller communities generally provide connected support which can result in an increase overcrowding and couch surfing occurrence in the community.

The Australian Homelessness Monitor 2022 Report has identified the average monthly number of people using homelessness services increased by 8% nationally in the four (4) years to FY 2021-22, which is double the national population increase over that period. The report recommends the following:

"The role of local government authorities (LGAs) responding to homelessness in Australia remains largely unrecognised and undefined. To contribute towards national efforts to end homelessness, the role and opportunities for LGAs need to be made explicit and more coherently integrated within national and jurisdiction-specific strategies."

Rural and remote local governments have already committed to a role by default; however, with limited resources any future role will need to be financially supported by State and Federal Government programs. Opportunities in the National Housing and Homelessness Plan may assist in addressing this situation.

Response opportunities

- Investigation to be conducted into crisis housing for the cohorts of domestic and family violence and homeless persons to identify the need for such housing.
- Evidence of the extent of family and youth homelessness that results in couch surfing and overcrowding should be qualified to assess social housing demand estimates.

- Supply needs for disability housing be addressed through detailed assessment demand.
- Council to investigate opportunities in the Federal Government National Housing and Homelessness Plan.

Future Housing Demand

Future housing demand was not specifically identified in the data provision however, during visits to individual towns, there were examples of substantial future demand for tourism and agriculture industries. Council's economic development strategies will provide input to future housing needs through the ongoing assessment of the proposed actions in this plan.

Response Opportunities:

- Council's housing and development plans to be linked to its economic development strategies.

Response Opportunities

Response opportunities

A local housing action plan enables engagement across all levels of government, and benefits from partnerships between private and not-for-profit organisations.

An initial set of tactical actions has been developed, enabling refinement through an ongoing iterative process. These actions provide for a targeted response and outcomes that will seek to either create immediate benefit or establish a foundation for the next phase of actions. More specific responses can then be determined that provide flexibility in delivery and support each of the broad areas identified.

Actions

The Balonne Shire Council with the support of the Queensland Government through the Queensland Housing and Homelessness Action Plan 2021-2025 is committed to engaging in the delivery of its initial Local Housing Action Plan through this set of actions, developed to target immediate to longer term housing responses. This is an iterative process, and these actions and target outcomes will seek to either create immediate benefit or to establish foundations that help respond to ongoing housing needs.

❶	Land and Development	**Timeline** Starting in March 2023 (months)
1.1	Conduct a detailed assessment of current residential land and buildings to support immediate development of temporary housing provision including repurposing of existing buildings to address the present housing crisis.	6
1.2	Develop a Council Property Management Plan and incorporate into Council's ten-year financial plan for investment.	12
1.3	Leasing properties as they become available, while developing longer-term resilient and sustainable housing options than can underpin the economic development of the region.	Ongoing

❷	Planning	
2.1	Undertake a Shire Housing Needs Assessment (HNA) to inform planning work for housing provision demands across the region for all housing sectors.	12
2.2	Review Shire and local planning schemes to meet housing needs objectives while acknowledging the town character, through review of local density aspirations, opportunities for secondary dwellings on existing blocks, mixed use development options, repurposing unused commercial space, types of construction permitted, and any other specific initiatives to address future housing needs.	24
2.3	Prepare a draft Shire Council Housing Strategy with targeted action for the next 10 years in consultation with the community, informed by other policy settings such as environmental management, infrastructure and servicing, transport, and economic development and social outcomes.	12
2.4	Council's housing and development plans to be linked to its economic development strategies.	Ongoing

❸	Optimisation	
3.1	Based on assessment of underutilised land, buildings and housing needs assessment, Council and State Government to investigate and coordinate options for development of under-utilised sites in partnership with the not-for-profit sector, private sector (including employer housing providers), and Federal Government assistance where available.	12
3.2	Assess use of land sale/purchase involving long-term lease exchange, new for old land exchange, redevelopment, change of use or renovation of existing buildings to optimise community outcomes that support housing needs that will maximise the use of existing infrastructure.	12
3.3	Investigate the current rental supply market and current unoccupied dwellings for identification of opportunities to bring additional “hidden” rental supply into the market.	6

❹	Master planning	
4.1	Consider master planning of identified options to ensure resilient development meets community expectation of how town development acknowledges its heritage. Planning may be at allotment, street, or locality level.	12-24
4.2	Investigate master planning of the provision of future residential housing development sites, particularly addressing the provision of infrastructure.	6

❺	Supports	
5.1	State Government and Council consider additional actions to support and address age pensioner housing needs for the local community in Shire towns.	6-12
5.2	Investigate what Federal Government programs/funding/incentives are available that encourage and assist local youth to take on trades in the local building industry.	6
5.3	Jointly promote with other local governments, State and Federal Governments’ provision of financial assistance for rural and remote LGA’s to support delivery of employee housing to reduce the financial burden on communities in funding these additional costs of service delivery by obtaining equitable access to essential services.	12

5.4	State Government to ensure there is sufficient housing of an acceptable standard in rural and remote LGA's for State Government agency and service staff to minimise the impact to general housing markets.	5 years
5.5	State Government to assist housing providers in addressing outstanding rental debts and consider the impacts of contingent liability on the ability to financially undertake refurbishment and stock renewal.	12
5.6	Lobby State and Federal Governments to consider financial options to remove inequity in both rural and remote areas for access to finance for house ownership.	12
5.7	Lobby the Federal Government to allow first home buyers in rural and remote areas to access the First Home Buyers grant.	6-12

❻	People in need	
6.1	Consider how Specialist Disability Accommodation (SDA) can be incorporated into existing properties, where required, and for future developments.	12
6.2	Undertake a detailed needs assessment to determine necessary actions in response to domestic and family violence situations for any specific identified cohorts such as young people, rough sleepers, individuals, and households; with the view to providing immediate support regarding crisis housing on a temporary or more permanent basis.	6
6.3	Undertake an assessment of aged housing demand and resolve institutional roles of aged pensioner housing delivery in addition to accessing local social housing priority.	6-12
6.4	State Government to review the allocation of social housing applications for small communities and remote areas with limited health and transport access to ensure that priorities for local community needs are addressed.	6

❼	Construction	
7.1	Identify opportunities to enable housing construction in private market and social housing including the use of non-traditional housing options in response to emergent need. However, in the longer-term the built form needs to be reflective of the traditional housing character in the towns, while using more sustainable and resilient materials.	12
7.2	Encourage housing development which may repurpose existing commercial properties for specific cohorts to address emerging needs.	6-12

8	Capital solutions	
8.1	Develop capital solutions in partnership with State and Federal Governments through land provision and funding partnerships, to construct and manage delivery of current and future housing needs.	Ongoing
8.2	Investigate options for developing low deposit and interest free periods for house construction to encourage housing investment on existing local government residential land.	6-12
8.3	Develop funding partnerships with not-for-profit social housing providers to deliver short term outcomes for specific cohorts in the interim with longer term plans being incorporated in the arrangements.	12-24
8.4	Engage with private landowners and developers with land opportunities to maximise use of existing underutilised serviced land without having to develop high-cost green field sites thus promoting a gradual improvement of the housing stock quality.	12-24

Next steps

Establish a Local Housing Action Plan (LHAP) working group of key representatives from Council, selected State Government agencies, and community representatives to oversee and progress actions, review findings, report quarterly and develop and test next steps in an open partnership to resolve the housing crisis and progress towards sustainable and resilient communities.