RURAL LOCAL GOVERNANCE AND HOUSING: LOCAL GOVERNMENT AS FACILITATOR

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Abstract: Housing affordability is an issue that affects all Australians, including those living in rural communities. Local governments in rural Australia are the most visible level of government for communities, and they are best placed to see first-hand the social and economic pressures that are impacting their communities. In this research, we consider the changing role of non-metropolitan local governments with respect to housing, and what it tells us about the state of Australia's federal system. We examine the findings of a national survey of local government before exploring the challenges of rural local governance and access to affordable housing. We then show how one rural council facilitates a range of activities to address housing challenges, and then compare its actions with those of its neighbours. Overall, we find it is not common for rural local governments to take a proactive approach to affordable housing, and we discuss the ways in which rural councils can take a leadership role in addressing local issues of housing affordability.

1. INTRODUCTION

Access to safe, secure and affordable housing continues to be a pressing issue for many rural towns across Australia (Beer *et al.,* 2011), and this is the consequence of a myriad of factors that have intersected and changed over time. Boom and bust cycles of economic activity - through fluctuations in agricultural or resource commodity cycles – have exerted impacts on rural housing markets in ways not experienced in metropolitan areas and large regional cities which are less dependent on one industry or economic activity (McKenzie *et al.,* 2009). In many ways, rural Australia demonstrates in stark relief the impact of globalisation, and new models of government, on the national economy. A more open economy has promoted the growth of some regions and towns but sidelined others (Beer and Clower, 2020) while new philosophies of government have stripped away the securities of the past and instead highlighted the need for communities to find their own solutions or – at best - work in partnership with the community to facilitate 'longer run social and economic growth' (Taylor and Garlick, 1989). However, research has also noted the incongruity of placing the onus on small, and often poorly resourced, communities to take responsibility for guiding the processes of change in areas as diverse as labour force growth, environmental quality and social services – including housing (see, for example, Sorenson and Epps, 1996; Gray and Lawrence, 2001). This paper considers how rural local governments deal with this 'incongruity' on a jurisdiction by jurisdiction and case by case basis. It considers how local governments – who exist to promote the wellbeing of their communities – balance out the needs and challenges of residents that they witness first hand, with a governmental system that ascribes responsibility elsewhere and is most unlikely to deliver practical solutions in their townships.

The question which this paper addresses is: how can rural councils facilitate access to housing in addition to their role as land-use planners and development regulators? We address this question by first discussing a national survey of Australian local governments highlighting the wide range of responses amongst non-metropolitan councils to housing issues

in their communities. Second, we reflect on the concept of rural local governance and the ways in which it finds expression in different ways across Australia's regional landscape. Third, we focus on an in-depth case study of Gwydir Shire Council in northern New South Wales. This local government plays a pivotal role in helping its residents gain access to affordable housing and does so within the context of a commitment to improving the wellbeing of its community and its citizens. We consider this an example of an exception as the typical response from rural councils is to move away from any direct involvement with housing issues on the grounds that such matters are the responsibility of state and Federal governments. Gwydir Council's activist approach is then contrasted with similar councils in the same region with respect to local housing. Finally, we conclude on the ways in which rural councils can make a difference to local housing access and what it says about their contribution to their communities, and Australia at large.

Understanding Rural Local Governments

We use the Australian Classification of Local Governments (Department of Infrastructure and Regional Development, 2004) to define the type of council referred to in this paper. This classification system identifies four types of rural councils where agriculture is the predominant industry. These councils have population densities of less than 30 persons per square kilometre and populations ranging from 2,000 to 20,000 people. Paris (2019) reminds us that 'distinctions between urban and rural areas are blurred in industrialized countries' (p. 274), and that simple commonsense usage is appropriate and often necessary: 'areas of low population density, where economies are typically dominated by primary industries especially farming.' (p. 274). This is the case with the rural councils discussed in this paper.

In reviewing local government expenditure across the Australian local government system in the mid 1990s commentators on Australian local government compared local, state/territory and Commonwealth expenditure against the Australian Bureau of Statistics (2019) public sector expenditure categories. Looking into these categories in order to understand just where local governments spend, Worthington and Dollery (2000) identified a considerable diversity of activity and they concluded that while 'local governments in Australia provide uniquely different services to those produced by either the states and territories or the

Commonwealth, it is clear that 'a wide range of activities are undertaken.' (p. 355) These included:

> 'housing for the general community and those with special needs, water supply, sanitation, waste management and protection of the environment, and functions relating to street-lighting, cemeteries, bus shelters and public conveniences. The latter function includes the provision of libraries and museums, community halls, outdoor recreation areas, footpaths, and walking and cycling paths. This clearly has important implications for its ability to foster a 'sense of place' in the development of social capital.' (Worthington and Dollery, 2000, p. 355)

The observations of Worthington and Dollery (2000) hold true today. The variation between local governments, with and between and state/territory systems remains a challenge for the sector. Local governments remain active in housing, taking on responsibilities that are wide ranging including 'provision of housing for the general community and those with special needs, housing for council employees, administration costs for urban planning' (Worthington and Dollery, 2000, p. 345).

As part of this national research project, we undertook a survey of all Australian local governments across six states and the Northern Territory (Beer *et al.,* 2019). Just over 200 councils replied – approximately 40 per cent of all councils. Seventy per cent of responses were from non-metropolitan (rural and regional) councils which reflect the proportion of such councils across Australia. While there are some significant differences in housing issues between metropolitan and non-metropolitan councils, what stands out is the diversity of responses especially from the non-metropolitan councils. It is also important to recognise that non-metropolitan councils cover a wide range of council types from regional cities to rural towns and remote communities.

For example, when asked to what extent has housing been considered a priority by their council over the past twelve months, significantly more metropolitan councils replied it had been a priority to a substantial (52%) to very substantial (17%) extent. Non-metropolitan council responses were more normally distributed over the five-point Likert scale from very limited to very substantial. The latter suggests considerable diversity in the attention non-metropolitan councils give to local housing. Notwithstanding this variation, the case study reported in this paper demonstrates that rural councils can play a leadership role in facilitating initiatives and activities that provide local affordable housing and the

amenity that supports communities, thereby making them both liveable and affordable.

When asked specifically about housing affordability, the metropolitan and non-metropolitan responses were different. The overwhelming response from metropolitan councils is that affordability is a problem in most cases to a substantial extent through to a very substantial extent (85%). On the other hand, non-metropolitan councils were skewed more to a very limited and limited extent (38%), notwithstanding that for some councils, affordability was also a problem to a substantial to a very substantial extent.

Another example of the difference between metropolitan and non-metropolitan councils' views on housing issues related to housing for workers. Their significantly different responses ranged from some 60% of metropolitan council responses being extremely, very to moderately concerned, compared with 58% of non-metropolitan councils who were either concerned slightly, not at all or saw this as not relevant. Approximately half of the non-metropolitan council responses were not at all concerned.

This variability in non-metropolitan councils, highlighted here in three questions is reflected across the survey more broadly. Local housing issues are highly variable between councils. A closer, in-depth analysis, is required to understand how these issues are manifested and how individual councils have responded. We do this via an in-depth case study of a rural council, reported below. But first, we discuss the nature of governance underlying these processes.

2. RURAL LOCAL GOVERNANCE

The challenges of local housing in rural communities are considered in the context of the position of local government within the Australian Federation and its dependency on state and territory governments. Local government is not recognised in the Australian Constitution. It is an instrument of state and territory governments (Grant and Drew, 2017). Each state sets out in their relevant Local Government Act the powers and roles local government has, and can, exercise. Other legislation that applies to local government varies from state to state in matters relevant to housing, such as land-use planning and development. While revenue sharing from the Federal to local governments occurs (across the nation local governments, on average, raise approximately half of their revenue from rates and charges and the remainder from state and Federal

Government grants), it is highly formulaic based on demographic and geographic criteria (Department of Infrastructure and Regional Development, 2004). Revenue is shared via each state's Grants Commission. The distribution bears no relationship to economic performance (Productivity Commission, 2008) and is seen as 'effort neutral'. While there have been efforts to reform intergovernmental financial relations, little has changed in form and function since the establishment of these revenue-sharing systems.

In addition to the institutional and political challenges of local government's dependency on state government within the Australian Federation, each council has its own unique set of challenges, a function of factors such as their relative isolation, economic success over time, rural migration and, increasingly, the vagaries of a changing climate and climatic extremes (Aslin and Russell, 2008). It is important to acknowledge that commentaries on the issues and challenges of rural local governance in other nation states (Goodwin, 1998) relate to rural places where geographic and governance arrangements are quite different to those in the Australian system. Equally, Australian research (Beer, 2014) on the leadership and the governance of rural communities explains how the national context dictates rural local governance challenges.

Argent (2011) asserts that 'rural governance in the academic literature can be traced to the landmark 1998 *Journal of Rural Studies* special issue' (p. 96). This volume (Marsden and Murdoch, 1998) comprising contributions from and about the experience of rural communities across the United Kingdom is insightful for the Australian experience in its conceptual contributions. However, the rural contexts of Australia and the United Kingdom are, as we note above, quite different, geographically, economically and in governmental and institutional structures. Notwithstanding these different contexts, Goodwin (1998) claims 'there has been an increasingly noticeable silence at the centre of contemporary rural studies concerning the ways in which rural areas are governed.' (p. 5). The challenge of central and local government collaboration in nation states is not confined to the United Kingdom and the Australian federation. In Canada, for example (Brunet-Jailly and Martin, 2010), with thirteen provinces and a population approaching 37 million spread over a vast territory, local governments play a role in partnership with their provincial government that has a significant impact on the liveability and sustainability of towns and communities within these provinces (Martin *et al.,* 2012). The success of provincial governments in Canada 'depends

on balancing the need to act comprehensively and systematically while dealing thoughtfully with the unique situation of individual local governments.' (Martin *et al.,* 2012, p. 32).

A helpful conceptual framework for understanding the contextual factors impacting rural local governance is provided by the Canadian David Douglas (2018). He outlines a normative model of rural governance consisting of the interaction of five factors; localism and community development, rural and rural restructuring, globalisation, governance and local government (p. 3). He summarises these overlapping ideas as:

> These include the extensive and diverse discourse on *"rural"* itself and the concomitant critical exploration of *"rurality"*. The distinctive facets of rural contexts such as size, density, scale, level and distance, as well as its representation, its power dynamics, and identity, all come into play here. Regardless of the final role, it might play in a rural system of governance, the *local government* must be a central consideration in any construction of a conceptual framework, notably the global trends toward functional, organizational and political restructuring. Central to any conceptual framework is, of course, the ongoing construction of the emergent concept of *governance* itself. (Douglas, 2018, p. 2)

Douglas adds that: '*globalization* with its multifaceted and conflated constructions and putative implications brings something of a macro-structural membrane to any conceptual framework on rural governance.' (2018, p. 3) This is certainly the case with Australian rural communities highly dependent on the export of agricultural or mineral commodities, or both (McKenzie *et al,* 2009). Another outcome of the impact of globalization identified by Paris (2019) is:

> As in many other wealthy countries, there have been major transformations in Australian housing policies and markets since the 1970s, with a switch away from the 'social project' of mass ownership to commodified systems of housing production and ownership (Forest and Hirayama, 2014, p. 282).

Douglas' assertion that there is 'the emergence of a more assertive *localism*' (2018, p. 3) is also seen in Australian rural communities, and this is currently occurring across the Murray Darling Basin system as water becomes scarce impacting local economies and communities (Australian Broadcasting Corporation [ABC] Rural, 2019).

These contextual factors impact local governance across the Australian federal system notwithstanding interstate variability, over time, with the

different political parties in power at the state government level. National economic imperatives are another factor shaping public policy and the way local government systems are designed and managed. A key question for local government leaders is, can they frame their strategic choices in terms of these wider contextual factors and align them with their own community values and characteristics? While a local government in the Australian Federation is an instrument of state and territory governments, many do much more than simply comply with state legislation, taking the initiative on a wide range of issues to ensure sustainable and liveable communities (Walsh, 2009).

A recent Victorian Parliamentary Committee inquiry (2018) conducted by the Environment, Natural Resources and Regional Development Committee into the sustainability and operational challenges of Victoria's rural and regional councils demonstrates the instrumental view central governments have of their systems of local government. Notwithstanding this Inquiry's terms of references focussed on 'local government funding and budgetary pressures; fairness, equity and adequacy of rating systems; impact of rate-capping policies' and tasks such as the 'capacity for rural and regional councils to meet responsibilities for flood planning and preparation, and maintenance of flood mitigation infrastructure; maintenance of local road and bridge networks; and weed and pest animal control' they highlight the resource constrained environment in which rural and regional (a distinction in their report not well made) local governments operate. Little wonder that, when asked about their role in local housing, rural councils shied away from a commitment to capital infrastructure such as housing. Aged care services, as we will see, are an exception as it is not uncommon for rural councils to own and manage such facilities or to support non-governmental organisations providing such services, albeit with funding support from state and Federal governments. The care of an ageing community is an obvious one in small rural communities where many people do not have the resources to move to larger centres for such care.

In Australia, the changes to state local government legislation throughout the 1990s enabled local governments to take the initiative on local matters to do with the economic, social and environmental sustainability of their communities. What they are now required to do is follow processes which make their planning, engagement and development transparent such that both the state government and the local community are aware of council plans. Notwithstanding this focus on governance processes, local governments continue to innovate in their

own way addressing local needs. A review of the annual National Awards for Local Government (National Awards, 2018) facilitated by the Federal Government demonstrates that councils engage in a wide variety of activities relevant to their local needs. Initiatives to address local housing issues are thus not excluded from such consideration.

3. THE EXCEPTION TO THE RULE: A RURAL COUNCIL FACILITATING AFFORDABLE LOCAL HOUSING

We undertook field work in the Gwydir Shire in New South Wales mid 2018. At the announcement of the Australian Research Council funded research project (on which this paper is based), the General Manager of the Gwydir Shire contacted the research team asking to be a part of the research. The General Manager had worked in urban and rural councils over his career and, when appointed to his position with Gwydir, became aware that this community had a long tradition of facilitating local affordable housing. He was interested in exploring with the research team why this was the case and what the ongoing implications for the shire were.

The lead author visited the Gwydir Shire in August 2018 interviewing Council elected members, staff and people associated with a range of housing initiatives across the shire. He subsequently conducted an email survey and follow-up phone calls with all rural councils in the surrounding region. Ethics approval for this research was granted by the University of South Australia, the lead institution for this ARC funded research.

The Gwydir Shire Council is located in north central New South Wales, close to the Queensland border. The two major towns are Bingara and Warialda. In 2017/18, the shire had a population of 5,104, which has declined slightly over the last decade. The median house price (three bedrooms) is $168,000, and the median weekly rent is $120. The annual average wage and salary income is $38,267, marginally higher than the minimum wage of $37,398. While housing prices are relatively affordable when compared with metropolitan and regional cities, the average income is low.

The Gwydir Shire agricultural economy is based on beef, sheep and dryland farming. Local housing issues include the quality of housing stock, availability for farmers retiring off their farms, fit for purpose housing, including aged care housing. The relative isolation of the two main towns has seen the council support local housing over time in a

number of ways. These include supporting long standing local community groups providing aged care housing as well as supporting a non-government aged care facility, owning the local caravan park which also provides long term accommodation, acting as mortgage guarantor with the local Regional Australia Bank branch to ensure local employment, and working in partnership with the State Government to manage and maintain local public housing stock. The council has 29 properties that it leases out and manages. These include 18 aged care units, six commercial premises, three low-income houses and two residences that are used by medical professionals.

The Radiance Club of Bingara, established during WWII, raised money to provide housing for war widows. This organisation has continued on with the daughters and granddaughters of the founders still working to raise funds to support now seven residences for people in need, with a focus on sole supporting mothers and widows. The Gwydir Shire Council has been called upon to assist during emergencies such as plumbing and electrical work simply because they are the only local organisation employing such trades. While these are emergency services only, they ensure the confidence of the tenants and the wider community that they will be looked after during an emergency.

Council's Naroo Aged Care facility is a 36-bed residential facility. All rooms are single occupancy with ensuite. The facility is set on beautifully landscaped grounds with a bushland backdrop in Warialda. It includes a 10-bed dementia secure area comprising of an indoor/outdoor courtyard with an automatic roof. All meals are cooked on site. Naroo is staffed 24/7 by a combination of care staff and registered nurses. The original Naroo Facility was built by Yallaroi Shire Council (now part of the amalgamated Gwydir Shire Council) as a direct result of representations from its community 25 years ago. The community raised considerable funds for the construction of the facility and has continued to be involved in Naroo since its inception. The Naroo Advisory Committee developed during the building stage of the facility and continues to go from strength to strength. The Advisory Committee not only undertakes fundraising for items for Naroo residents, it is also a consultative body ensuring community input is included in any strategic planning initiatives undertaken. All of this is facilitated by the Gwydir Shire Council.

Affordability means different things for different communities. Having fit for purpose housing in a relatively remote rural shire with a population density of 1.8 people per Km2 reflects the housing challenges facing these communities. Given the low price of housing, selling and moving to

more expensive amenity locations is not possible for many people. The towns of Bingara and Warialda also host various annual festivals and events and much more to address liveability in their communities. The council supports these events in a myriad of ways recognising that the provision of services to households as well as events that provide for an interesting and enjoyable lifestyle is also part of the overall local housing strategy. The council's annual report provides an overview of such activities, including toy libraries in both towns where various events are held engaging children in reading; council, in association with the Hunter New England Health (HNEH) Child and Family Health, arranges monthly visits to both Bingara and Warialda toy libraries offering baby weighing and measuring; the annual Orange Festival held in July attracts visitors from across the region to join in the celebrations of the orange trees planted in memory of fallen soldiers from the region; after school care; and, the Rural Outreach and Support Service provided workshops and sessions for families once a month throughout the year. These are examples, typical of many rural councils, which the Gwydir Shire Council also recognises are important support services for families in their towns and communities.

The Gwydir Shire Council's range of programs and initiatives outlined above have evolved over time. They have not come about as a result of a strategic planning decision to be involved in local housing in a particular way. The community has taken the initiative over time, and, with the support of Council, there now exists a range of strategies and programs that creates affordable housing. The Gwydir case demonstrates what a rural local government council can do to address local housing issues. The local government legislation in New South Wales, and in all other Australian states and the Northern Territory, does not preclude councils from taking such initiatives. As our national survey, suggests many councils do not see these types of initiatives as part of a local housing strategy. However, taking a broad view of the ways in which they can facilitate affordable local housing outcomes, councils can play an important local role in addressing unique local needs, which they are well placed to do complementing the policies and programs of state and Federal governments.

After visiting the Gwydir Shire Council and spending time in the community meeting a variety of people from elected councillors, council staff, front line staff, real estate agents and community organisations we were interested to learn how neighbouring councils had addressed their local housing issues. As we have highlighted above, our national survey

shows there is considerable variation in the responses from non-metropolitan councils, which includes rural councils. Gwydir is located in the New England region of New South Wales along with eleven other councils. Tamworth Regional Council, for example, covers a similar area but has a population more than ten times that of Gwydir. Armidale Regional Council is the only other larger, by population, council in the region with an area only slightly less than Gwydir. The smallest shire, Walcha, is roughly a quarter the size with two-thirds the population of Gwydir. A common characteristic of these councils is that their economy is predominantly agricultural. As such, we assumed that all of these councils would have, to varying degrees, common local housing issues such as, for example, aged care retirement, single parent households, and, young families looking for their own home, much like those we identified at Gwydir.

All councils in the New England region, except the two large regional cities, Armidale and Tamworth, were contacted via an email to their General Manager (who is the chief executive officer in New South Wales Local Government) and provided with an outline of the local housing initiatives occurring in the Gwydir Shire. Three councils replied and subsequently had phone conversations with us about their local housing issues and what their council was doing to respond. The staff member in all three cases who replied was the director responsible for planning and development. This is in itself insightful as our enquiry was seen by the senior management as a planning and development issue, yet in the Gwydir information this was not mentioned.

Subsequent telephone conversations revealed that the officers interviewed were not aware of instances where their council played a leadership role facilitating and assisting with access to local housing. This may well be happening in an informal sense, as it was at Gwydir, but the informants did not know of such action. This response raises several questions relating to what might be happening and whether it is incorporated in the strategic and corporate planning processes of the council. This was also not the case in Gwydir. It was only after our research in the community and learning about the range of local housing-related activities did the extent of their role in facilitating affordable local housing efforts become apparent to the council. The implicit assumption was that this was a role their council had always carried out and was not, ironically, exceptional.

When considering the diversity of responses from non-metropolitan councils to our national local government and housing survey this

variation might well be attributed to who answered the survey. For example, what was their professional orientation: planning versus community services? How long had they worked in the council (historically there is a steady churn of senior to middle level managers in Australian local government (Martin & Aulich, 2012), but not in all councils where favourable local amenity conversely creates a stable local government workforce)? Also, did those responding to our national survey actually live in the shire (many council senior managers live in adjoining council areas and commute daily, some weekly, to work, such that those responding may not be aware of the actual local lived experience relating to housing in the shire in which they work).

When considering the transferable insights from our survey research, the Gwydir Shire Council case study and email and telephone enquiry with other councils in the region suggest that a method of enquiry that combines both is required to further explore the nature of local housing issues and the requisite role local councils play. From our national survey (Beer *et al.,* 2018) it is clear there are local housing challenges in the majority of councils in Australia and each local government is responding in some way. Just what these challenges are and the level of awareness and action by each council varies significantly. Some see it simply as a planning and development issue: getting the right type of housing development is a fundamental step in all communities. An important and essential local government function but, we would argue, only part of the bigger picture of understanding local housing needs and issues. Some councils, we suggest, see their role of facilitating affordable and amenable local housing as part of a wider community service role, not one of addressing housing issues through direct provision, and therefore don't name housing as an issue in their formal planning and management strategies.

4. WHAT CAN RURAL COUNCILS DO TO FACILITATE HOUSING ACCESS IN THEIR TOWNS?

It is important to note, again, that local government legislation in New South Wales and other Australian states and the Northern Territory does not present a barrier to councils taking the initiative to address local housing issues. To do this, they need to engage their communities, be clear about their intentions and transparent and accountable in their reporting. Addressing these issues may well involve working with other levels of government which have a legal or financial mandate related to

specific housing issues, such as tax and rent relief schemes. However, being the level of government 'closest to the people' enables local government to see the unintended consequences of central government policy and to do something about it. Innovation in local government is resplendent with such examples. What then can councils – regardless of their location and type – do to address local housing issues?

Councils already have a good understanding of the nature of the housing stock in their jurisdiction. Their rating systems demand this. They will also have a good understanding of the characteristics of the people and families living in these premises. At the aggregate level, the Australian Bureau of Statistics – and the various commercial intermediaries – are able to give an aggregate view of their communities. The national census only provides aggregate information on communities at a level of generality that allows for household anonymity. Councils don't have specific information on individuals and households and how their circumstances manifest into local housing issues and challenges. In rural towns and communities, especially in the town where the local government office is located with council staff are also members of these communities, they have the opportunity to learn more about the housing needs of their community first-hand. Staff in large urban councils do not always have this proximity that allows them to be aware of local housing needs.

Within all communities, there is variation within families and households such that personal situations can change for a myriad of reasons related to daily living; health, employment, social inclusion, for example. The local council and its front-line staff are well placed to see these changing situations, as well as community members; neighbours, friends and sporting colleagues, for example. Does the council have a process for working with its community to identify families in need and address these needs? The City of Burnie in Tasmania, for example, through its innovative 'Burnie Works' (Social Ventures Australia, 2016) collective impact program is a standout example of the facilitative role local government councils can play to address local social issues. In this community the City of Burnie works with Tasmanian State government agencies, NGOs and local community groups to identify and address the social and economic needs of families, including their housing needs.

A review of the National Awards for Local Government (Department of Infrastructure, Transport, Regional Development and Communication, 2019) of those councils recognised for their innovative initiative demonstrates that many councils innovate in their own way to ensure

bespoke responses within the legal framework, which is focussed on governance processes. In Western Australia, the City of Bunbury's (2019) 'MARCIA' project (Most Accessible Regional City in Australia) is another example of a local government facilitating a strategy that is addressing local social issues. The Burnie and Bunbury cases demonstrate that a comprehensive approach addressing the needs of local families, including housing needs, is a key component in assisting communities facing a range of challenges, such as unemployment and social dysfunction.

In addressing local housing issues and designing appropriate responses, the first question to address is; is it a 'whole-of-community' strategy? Addressing individual family and community needs within whole-of-community needs is a central political and managerial challenge facing councils (Productivity Commission, 2017). Burnie's Collective Impact strategy recognises that dysfunction in a minority of families has consequences across their whole community impacting liveability and amenity. Addressing the circumstances of individuals and families experiencing stress enhances the whole community in the long run (Social Ventures Australia, 2016).

The question for elected councillors and their senior managers is how can these strategies be encompassed in their council's strategic and corporate planning processes? A good example is the Sunshine Coast Council in Queensland (2017) which provides an answer in the framing of its Environment and Liveability Strategy. This strategy encompasses local housing as the means to ensure the outcomes of environmental sustainability and liveability are achieved. These outcomes are measured by this council serving as its key performance criteria.

As populations change, their housing needs change (McDonald, 2003). Young families need room to grow, while an ageing community requires housing that is fit for purpose for their needs. Do the council's planning and development strategies recognise these changes and plan accordingly? Equally important is the nature of council local social or community services. Do these services integrate with housing and local transport, for example? Increasingly we see strategies which 'transcend' (Coughlin, 2017, p. 20) the demographic spectrum, such as walking and cycling strategies accommodating people of all ages in communities. Innovative planning and development that reflects the needs of people across the life span. This is no less true of local housing where development is based on changing demographic needs, not on the

production of standardised housing products (see the City of Joondalup 2013, as an example).

Resilient communities emerge when community members are well connected and engaged in decision making about their collective future (Cabinet Office, 2011; Christakis and Fowler 2011; Cinderby *et al.,* 2015). How well this is done can create a 'dividend' that flows back to the community in times of change, whether that be through sudden change such as a disaster or change over time through economic and technological change (see Rodin, 2014). Local governments can establish processes to connect and engage citizens in a dialogue about their housing issues. The Gwydir case revealed that this rural community was well connected such that housing needs had been addressed over time. This shire now has a range of different housing strategies across their rural towns.

Councils are required, at a minimum, to enable citizens to review their planning proposals and to comment on them. While for most this is a standardised process, some councils engage more extensively in processes such as community juries (Noosa Shire Council, 2015) that create a commitment to change. Beyond the formal legal requirements of local government to engage with its citizen's local social networks, such as observed in our case study council, can play a key role in assisting the council to facilitate change, such as those associated with local housing needs. In Gwydir Shire, the council has successfully worked in partnership with its community, over time, to address the ongoing housing needs of individuals and families.

5. CONCLUSION

Being aware that the council can play a leadership role in addressing socio-economic issues that have not traditionally been in its ambit is fundamental to tackling contemporary social issues such as access to fit for purpose local housing. This leadership starts with an analysis of the current situation and a preparedness to engage in a dialogue with the community about how to address these issues. This often means looking beyond the routine administrative tasks of council work and engaging with key stakeholders and the community at large.

Local governments carry out a diverse range of functions. In recent decades the influence of neo-liberalism (Mowbray, 2011) has meant that many functions are market tested and delivered by the private sector under competitive tendering regimes. Within their communities, a

continuous, dynamic range of forces for change surface and shape how a local government leads its community. Do they provide services directly? Or, do they tender them out to the private sector? Being aware of these forces for change, both short and long term, is the challenge of local governance regardless of size or shape. Local government realises its unique position of being the closest to the people as it serves and responds to their needs in a timely and purposeful manner. General powers of competency, now embodied in all Australian local government legislation, have afforded councils the opportunity to do this (Walsh, 2009; Grant and Drew, 2017). This includes addressing local housing issues. We have provided an example where one rural council has done this. There are many other examples of council action across a range of local government types, which also demonstrate the initiative shown by local councils in addressing local housing issues (ARC Linkage Project: Local Government and Housing in Australia for the 21ˢᵗ Century, 2020).

  One common theme in this research is that the typical response from local government elected members and officials when asked about their role in local housing was that many focussed on whether their council had housing stock that they own and managed. While this is the case in some instances, for all sorts of historical reasons, to do with the provision of accommodation for their own staff and that of state government employees, such as police and teachers, it is not the only way rural local governments can facilitate local housing opportunities. There are many other things rural local councils can do to assist local housing. What we have shown in this paper is that an active housing strategy is very much a local governance process (Goodwin, 1998; Morton *et al.,* 2004) and may well include housing assets, but a comprehensive policy and strategy is much more than this. Equally, much of what a council does in terms of local housing today is path-dependent, a function of decisions taken, often decades ago. This is reflected in our case study – an exception to the rule – whereby many councils consider housing a responsibility of the state and the Federal Government and do not include housing in their formal planning and management processes. Nevertheless, these exceptions are indicators of what is possible in addressing this chronic issue in many rural towns and communities. Local governments are not excluded from such initiatives. It requires place-based leadership (Beer *et al.,* 2019), strategic thinking to recognise the issue and innovation in working with the community to achieve affordable local housing outcomes.

Local governments are not precluded from addressing local social issues, such as affordable housing. Much of what they do in terms of the design, development and maintenance of infrastructure is to make communities safe and amenable. This is part of a cycle of planning and development where a large portion of their annual budget is allocated to routine works and services. Yet, there is overwhelming evidence that councils do take on a wide range of initiatives that are regarded by their local communities and elected councillors as important to the sustainability of these communities (Walsh, 2009; Mowbray, 2011). If these initiatives are not negotiated with their communities then councillors face the consequences at the next election.

Contemporary views of leadership are very much about creating a process of engagement with values articulated and negotiated (Kouzes and Posner, 2017). Exemplary leaders model the way, inspire shared values, challenge the process, enable others to act and encourage the heart (Kouzes and Posner, 2017). When we look into those communities where councils engage systematically and comprehensively to address issues such as local housing, these characteristics of exemplary leadership are evident. Addressing local social issues in this way is the opportunity for elected local government leaders and senior managers to demonstrate their leadership competence. Our research reveals that rural local governments can make a difference to the local housing opportunities of their citizens in many different ways relevant to the unique and ever-changing needs of their communities, if they choose to do so.

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