

# Local Government –A collaborative partner in achieving housing outcomes?

*Charles Johnson Planning Context*

Housing in the South West in the 21<sup>st</sup>  
Century

Bunbury 1<sup>st</sup> April 2016

# Topics Covered

- Strategic context for housing futures in the South West
- Changing housing demand, products and affordability
- Local Government and housing
  - A strategic planning led agenda.
  - Having a statutory planning alignment
  - Direct intervention

# South West Development Commission

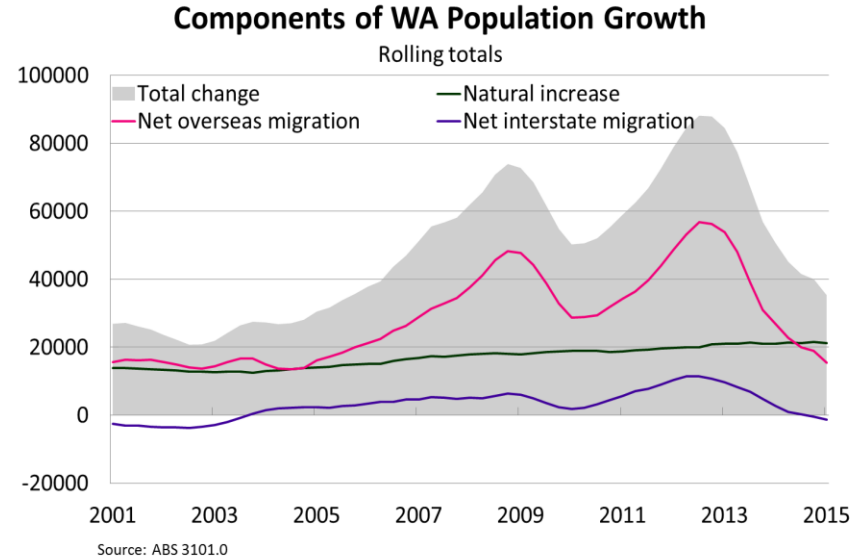
Regional development initiatives to accommodate and focus growth

- Aspirational target of 500,000 people by 2050 more than double the WA Tomorrow forecast of 230,000 by 2026. **Need to provide around 150,000 extra dwellings**
- Argued that this population can support comprehensive development in areas of transport, education, health and community and recreation services, and directly support our smaller towns and hamlets.
- Strategies
  - Regional development and investment framework
  - Royalties for Regions
  - Regional Cities
  - Super Towns



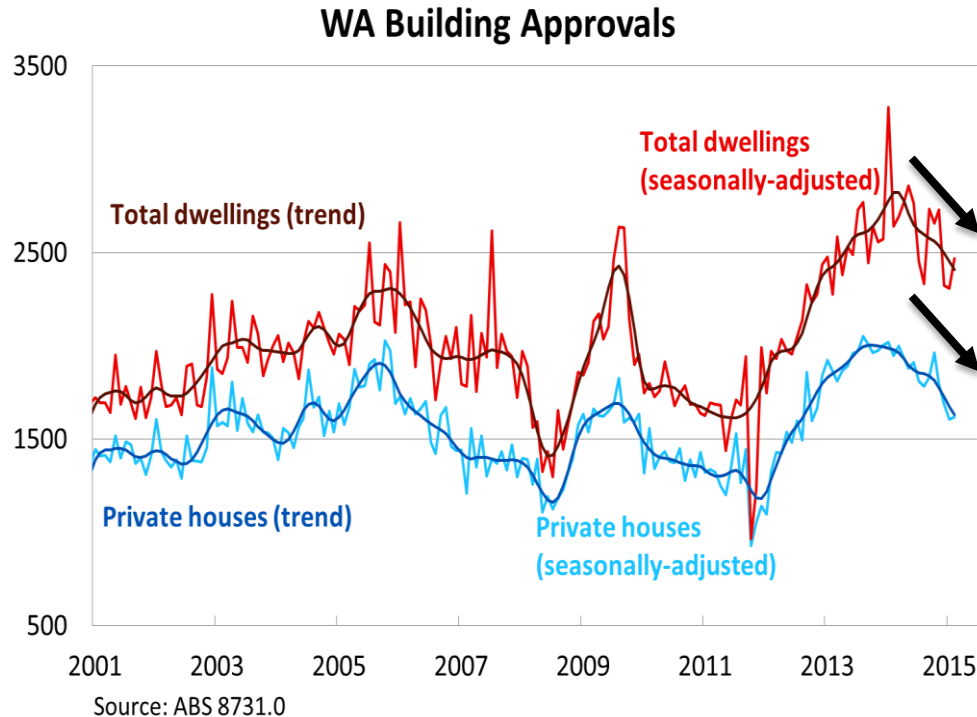
# Economic Migration Flows

- WA has traditionally received about 15% of all migrants to Australia.
- During Mining boom increased to 18-19%.
- Now reducing back towards the long term average



*HIFG October 2015 Report*

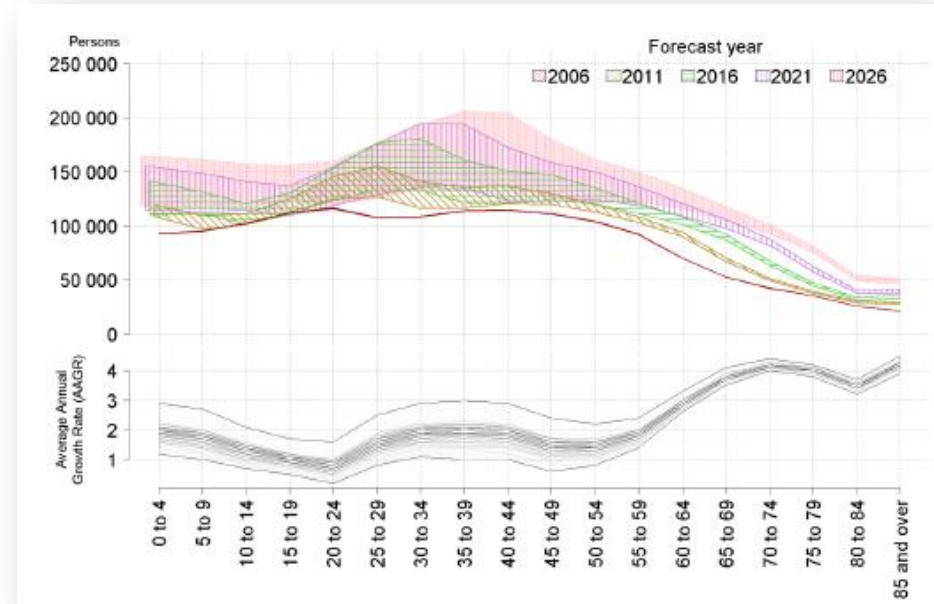
# Building Approvals



- In 2014-15 building approvals reached a record high for the second year in a row, with 32,125 approvals.
- There were 8,935 multi-residential approvals in WA in 2014-15, an increase of 36% on 2013-14. Multi-residential approvals comprised 28% of total approvals, well above the long term average of 20% since 1991-92
- Trend reflects the slowing market, but slowing from record levels. Trending back towards normal levels.

# Aging population

- 15-20% increase in people aged over 60 in over the next two decades
- Desirability of allowing ageing in the community
- Requires a whole range of housing options and services to cater for this diverse population.
- SWDC Blue Print acknowledges
  - the need to offer *amenity and lifestyle opportunities for people at every stage of life.*
  - The need for the region to remain *an affordable and age-friendly place to live,*



WA Tomorrow Forecasts 2012

# Changing populations and Changing Lifestyles

Its not just about getting more dwellings in built up areas.

- Need to adjust to changing social and demographic patterns
- Changing trends in housing demand
- The needs of baby boomers to down size
- Gen Ys living different lifestyles not using cars but looking for quality places
- Importance of creating environments that give opportunities for active living local amenities and places to walk to.



## Climate Change and Loss of Bio-Diversity



- One of the most vulnerable regions to climate change.
- Impacts- storm events, drying climate, temperature rises, fire and eco-system impacts.
- Climate change and development is resulting in loss of bio-diversity
- Sea level rise puts in danger 20,000-30,000 residential buildings if rise of 1.1 metres.
- Major planning implications for housing supply



# Fire risk in Future Planning

## Bush Fire Risk Mapping



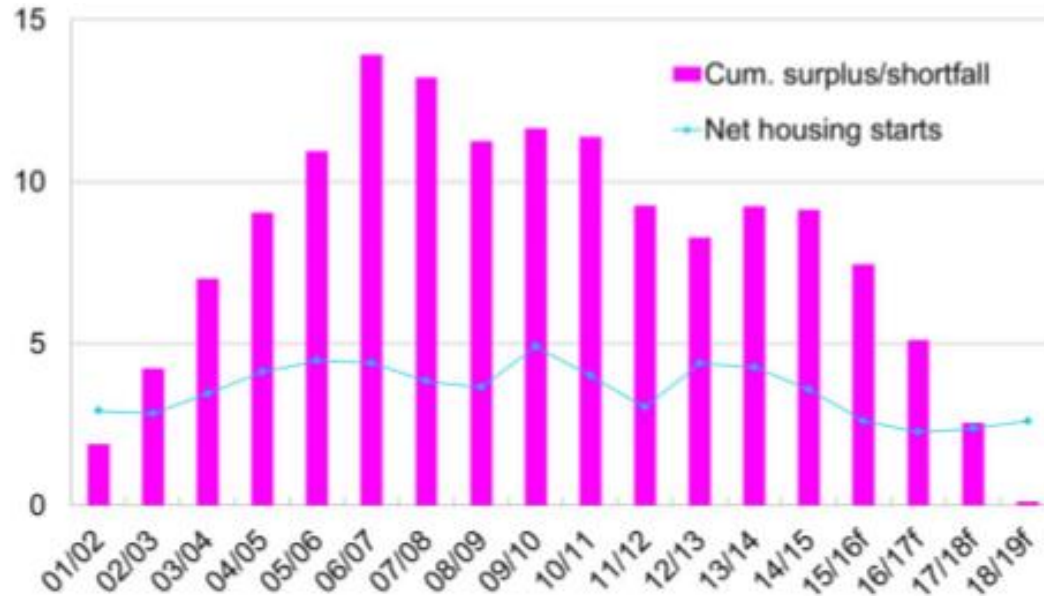
Fire Risk is now a major consideration in planning and will restrict where new housing can be built.

Impact of new bushfire management regulations increasing costs leading to an impact on affordability

Near my house in Margaret

Changing housing demand, products and  
affordability

# Underlying demand for housing for WA Outside Perth Region



For the State other than the Perth Region are shortfalls of 15,800 in June 2015 and 33,100 by June 2019

This outcome is highly sensitive to population growth projections.

*HIFG October 2015 Report*

# Housing Affordability

- Despite some recent improvements home loan repayments  
→ Now 40% less affordable than 1980
- Home purchase → Now 6.8 times average income (3.7 times in 2000)
- Cost to rent → Now 26% of average weekly income (was 18% in 2000) Source: ABS and REIWA

Source: ABS and REIWA

# Housing stress and Homelessness

- High housing prices over a long period have meant that people who previously would have purchased their homes now camp in the rental market, bidding up rents and displacing people on low incomes.
- On any given night in Australia about 105,000 people are homeless for many reasons.
- Across the country there are more than 220,000 people on the social housing waiting list.

*Sydney Morning Herald July 2015*



# Affordable Housing Provisions in Town Planning

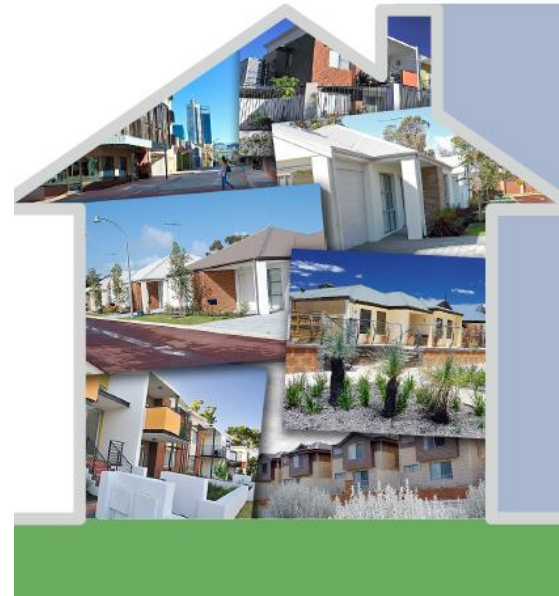
- Encourage the development of affordable housing through measures that promote the efficient supply of well-located diverse housing;
- Promote the development of affordable housing with specific incentives for affordable housing enabled through planning schemes and policies; or
- Require the development of affordable housing with the use of mandatory provisions in appropriate locations.



## Planning Provisions for Affordable Housing

Discussion Paper

October 2013



# Comparing House Sizes in the 1970's and Today





# Smaller Dwellings 'affordability by modesty'

'We are seeing people looking much more for value for money and that doesn't mean large anymore.'

It means well designed spaces with quality fittings.'

Peter Cotton, National Practice Director, Mirvac Design

Source: The Australian, Mon 7 Feb 2011





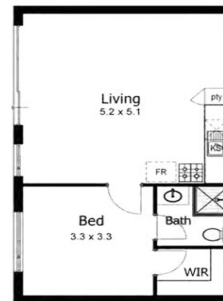
# Increasing housing choice and affordability - Lifestyle villages

- Affordable retirement housing
- Potential for development in more locations in the SW
- Issues with zoning and location criteria



# Ancillary Accommodation Granny Flats

- Marketed as providing independent living for active seniors, older children, a home office or a guest house.
- Planning laws have been freed up to allow private rental



# Universal Housing

- Ramsey Rebuild  
Adelaide Case Study
- The homes are accessible, environmentally sustainable and affordable.



# Increasing the range of housing choice

- Councils need to acknowledge need for housing diversity and provide well located sites for medium density housing
- Need to engage the community on why choice is needed
- Innovation and style



Town houses



Walk up units

# Modular and Off site Construction

- Significant growth in the development and use of off-site construction methods over the next 5-20 years with the potential for significant cost savings.
- Use of Building Information Modelling (BIM) processes, enabling more sophisticated building techniques, including modular and pre-fabricated construction.
- This trend is becoming standardised as manufacturing plants are being retrofitted to produce modular building materials.

## My House in Margaret River





# Affordability by Using Different Housing Materials

Revolutionary Road, City of Armadale



# Alternative Construction Methods

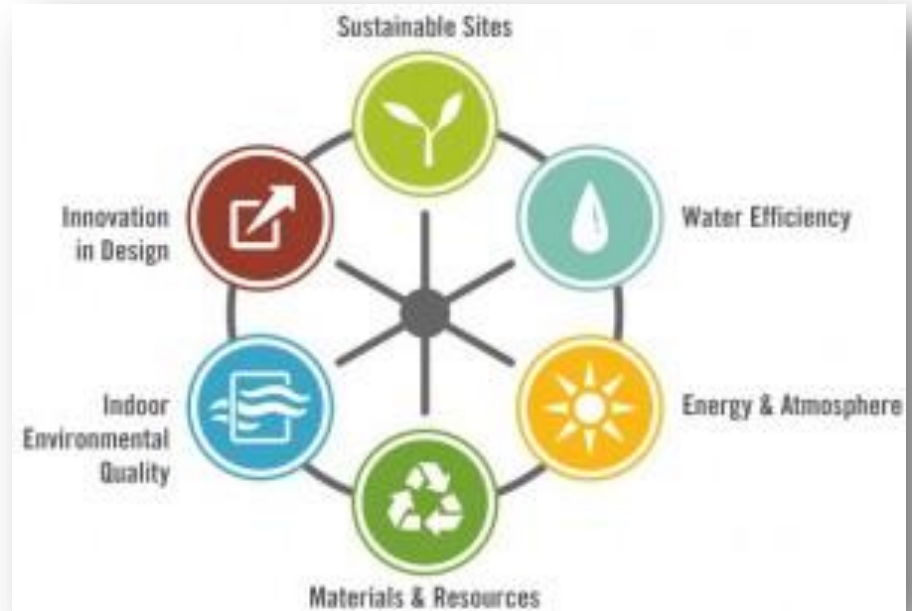
- As of 1st May 2016 new 'deemed to satisfy' provisions of Building Code allow timber buildings to 25 meters or 8 stories if fire sprinklers and fire resistant cladding
- 30% lighter than concrete and steel could save 25% on foundation costs.
- Market acceptance?



Light Weight Building Construction

# Green building

- The green building trend continues to be driven by technological improvements and customer expectations. Current Trends in the green building industry include:
  - Use of sustainable, reusable construction materials;
  - Use of energy efficient construction materials especially for roofs and windows;
  - Green outcomes through architecture and design;
  - Zero emissions buildings;
  - Water reuse and generation; and,
  - Storm water management





# Digital Impacts and opportunities

- New technologies influencing the way we develop social networks, understand places, live and work
- Having increasing numbers of remote and virtual employees, has important benefits to the SW Region if excellent internet services are available.
- Employers are seeking to retain hard-to-find skill sets where employees who want to spend more time in the Region.



# Local Government and housing

- Importance of a strategic planning led agenda
- Having a statutory planning alignment
- Direct intervention

# Strategic planning process must inform the development and interpretation of regulatory planning policies

- Critical that strategic planning leads as shown
- Regulatory policies must not be developed without an understanding of the 'bigger picture' and the desired strategic direction of the local government.
- If this occurs regulatory policy development then tends to be ad hoc and reactionary, rather than proactive and targeted.



# Strategic Land Use Planning

- A proactive exercise to set a framework for future development.
- Embeds the community vision into plans that guide development.
- Happens at different levels in an integrated with a hierarchy of priorities
- An engaging process- with all stakeholders



Community engagement in development of strategic community plans and local planning strategies

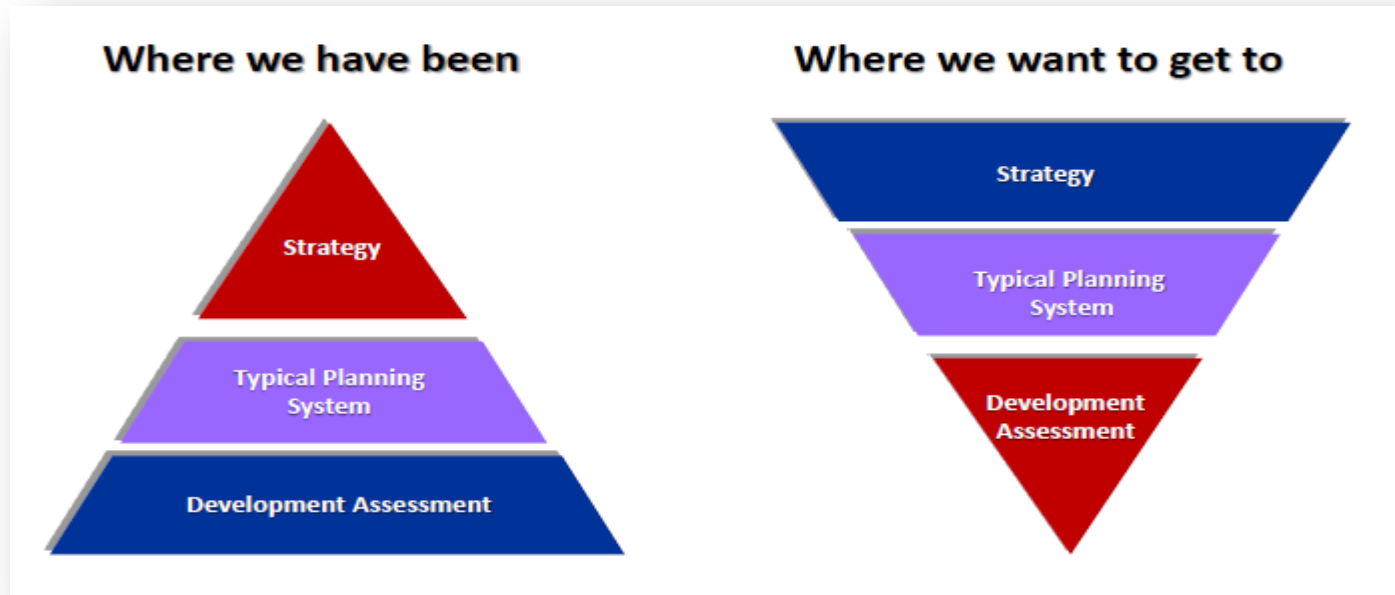
# A strategic vision should tell a story about our place

Key elements in the process are;

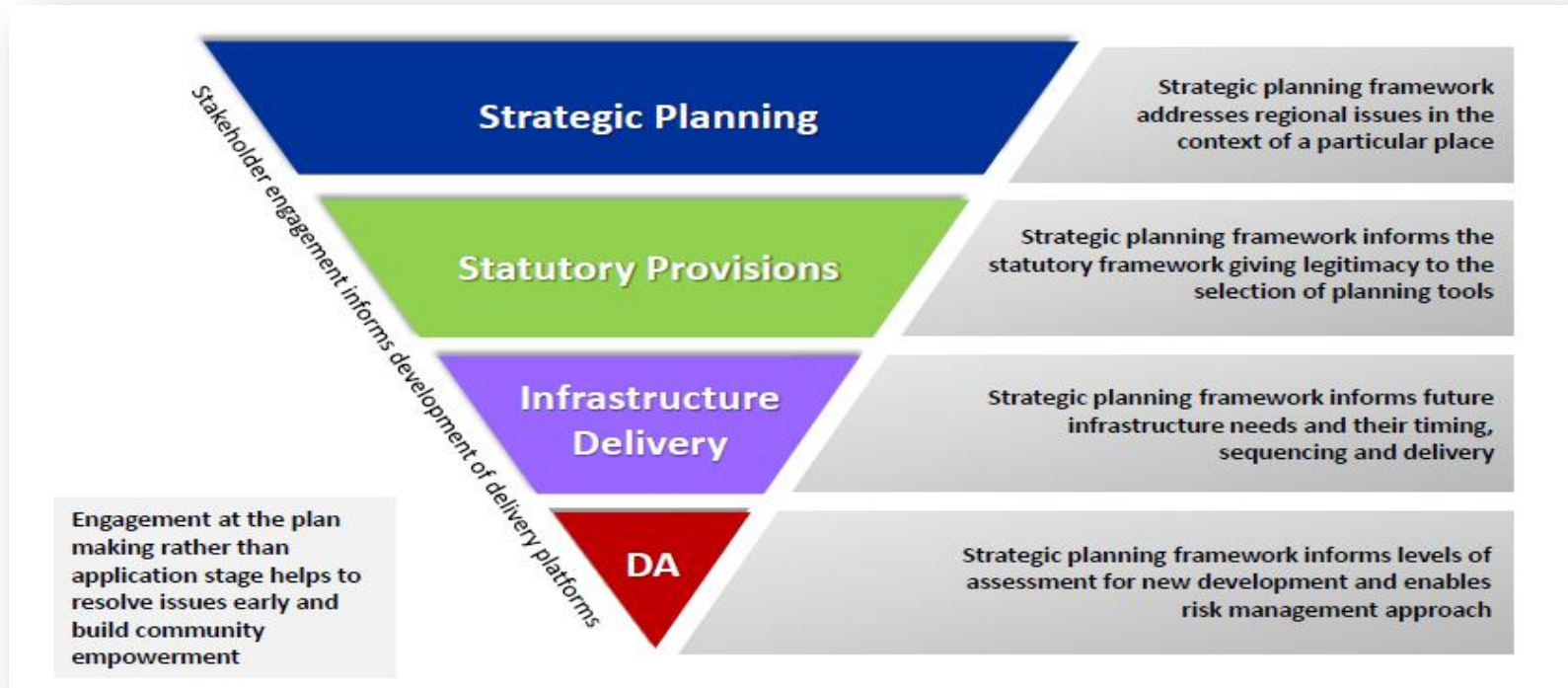
- Engagement of the community up front- to rally around a shared future vision.
- An ongoing conversation is needed about the forces that are changing our cities and regions
- An agreed shared vision can mean that less consultation is needed around individual development proposals.



# Strategy led planning rather than development assessment led

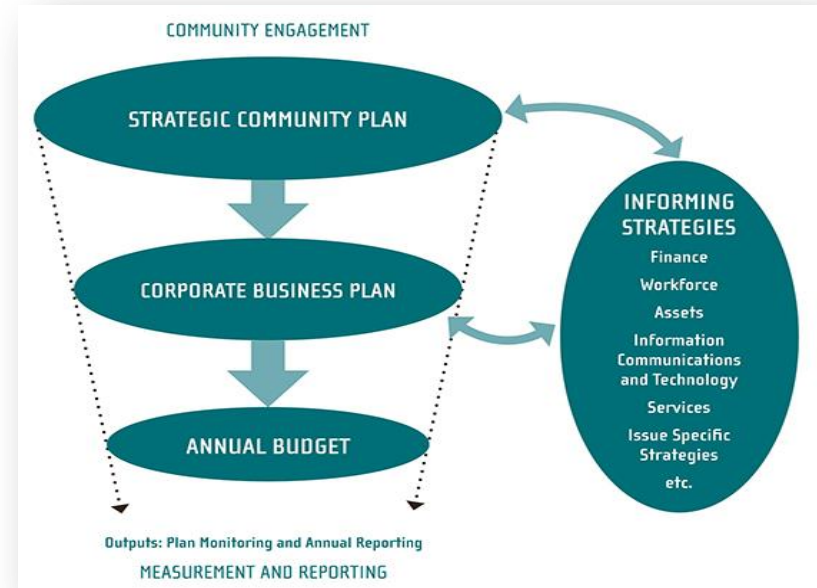


# Strategic led planning



# Integrated strategic planning frameworks for local governments

- Local Government Act regulations require councils to develop a *Strategic Community Plan*, to connect community aspirations with their local government long term strategies,
- A *Corporate Business Plan*, which will link the strategic plan to council operations, long term financial planning, asset management and workforce planning.
- Councils need to consider how this requirement can be linked to that of the Planning Act regulations relating to the preparation of a Local planning Strategy





# Local Planning Strategies(LPS)

- LPS is required prior to completion of local planning scheme review but can be done concurrently .
- LPS sets out objectives for the future planning and development
- Should demonstrate an integrated approach to planning.
- Requires WAPC approval before advertising and prior to finalisation
- Process exists for amending the LPS



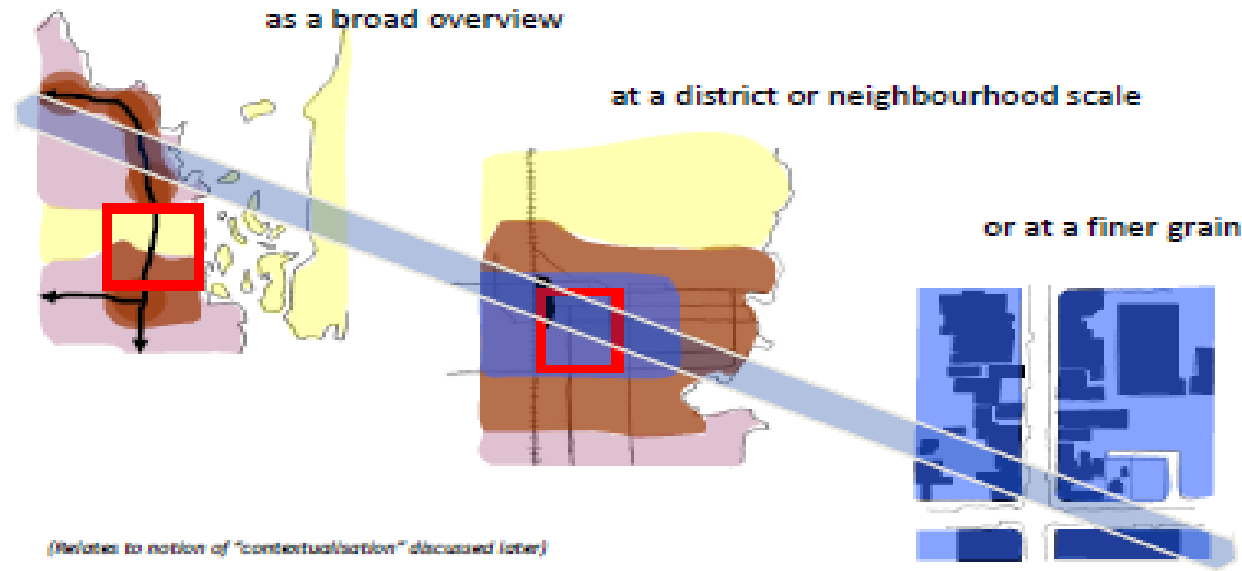
Critical role of public engagement

# Local Planning Strategies

An LPS should include;

- An investigation and analysis of issues, trends and current and future community needs
- Links to the Strategic Community Plan and it's Vision and Objectives
- The long term planning direction for the local government
- The application of State and regional planning strategies and policies
- Provide a rationale for the zones, reserves and development control provisions in the local planning scheme.
- Maybe a single document or a framework linking several strategies
  - Housing Strategy
  - Economic Development Strategy
  - Bio-diversity Strategy
  - Transport Strategy
  - Commercial Centres Strategy
  - Public Open Space strategy

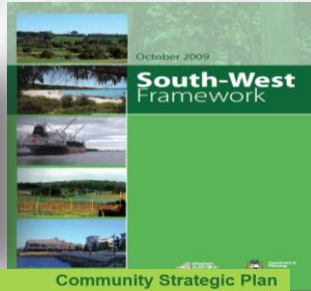
# The Story and vision needs to be told at different levels.





# Shire of Augusta Margaret River 'Line of sight' in planning

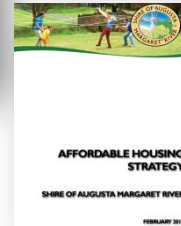
State Planning Strategy 2015



South West Planning Framework WAPC 2009  
South West Regional Blueprint SWDC 2014



Strategic Community Plan  
Local Planning Strategy



Affordable Housing Strategy

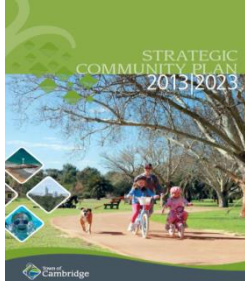
Local Planning Scheme



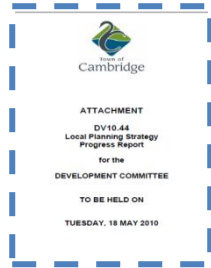
Augusta Townsite Strategy



# Town of Cambridge Housing Choices Scheme Amendment



2013 Strategic Community Plan includes increased housing choice as an objective



2010 Draft local planning strategy was never proceeded with

Town  
Housing  
Strategy

Promised but never prepared and said that it would follow Housing options Amendment

Proposed housing choices options Amendment (allowing strata and green title subdivision in City Beach and Floreat) highly controversial.

Attacked for not been backed up by a Local Planning Strategy and Housing Strategy



## SW Councils

- All Councils have Strategic Community Plans
- Three Councils have Local Planning Strategies less than 5 years old
- Six Councils are in the progress of preparing an LPS
- One Council has an Affordable Housing Strategy
- Some Councils include housing as part of other strategies

	Strategic Community Plan	Local Planning Strategy	Housing Strategy
City of Bunbury	Strategic Community Plan 2030 March 2015	Different strategies but no LPS	Strategy for Activity Centres and Neighbourhoods March 2011
City of Busselton	Strategic Community Plan 2013	Different strategies.  Draft LPS being prepared.	
Shire of Augusta-Margaret River	Strategic Community Plan 2033 (reviewed 2015)	Local Planning Strategy Endorsed by WAPC 2011	Affordable Housing Strategy 2015
Shire of Boyup Brook	Strategic Community Plan 2013-2023	No LPS Local Rural Strategy 2010	Referenced in in Local Rural Strategy
Shire of Bridgetown-Greenbushes	Strategic Community Plan 2013	Draft LPS in progress,	
Shire of Capel	Strategic Community Plan 2013 – 2031	Resolved Sept 2015 to prepare Strategy and new Scheme	
Shire of Collie	Strategic Community Plan 2013-2022	Local Planning Strategy 2009	
Shire of Dardanup	Strategic Community Plan 2013-2023	Local Planning Strategy 2015	
Shire of Donnybrook-Balingup	Strategic Community Plan 2015	Local Planning Strategy 2014	
Shire of Harvey	Strategic Community Plan 2013	Draft in progress	
Shire of Manjimup	Strategic Community Plan 2015-2025	Local Planning Strategy 2003	
Shire of Nannup	Strategic Community Plan 2013-2023	Local Planning Strategy 2007 and Draft Local Planning Strategy 2014	Referenced in Nannup Townsite Strategy

# An Important link exists between Strategic Planning and Statutory Planning

Delivery frameworks assessment levels should be “calibrated” to enable the strategic intent of the plan to be achieved.

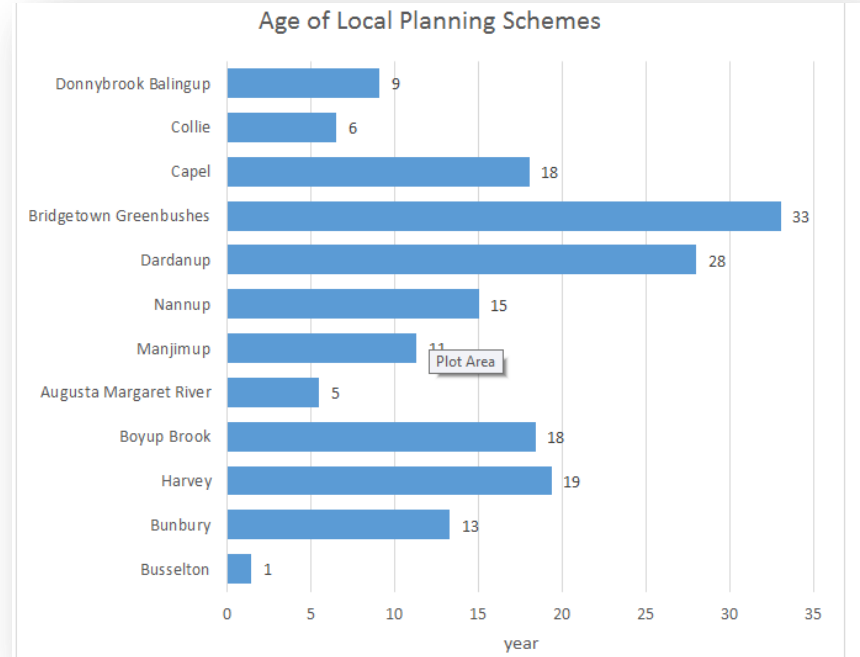
Then if proposals align with a local government’s strategic direction then getting planning approvals should be much easier.

Proposals that align should be seen to be no or low risk and others streamed into more rigorous assessment.



# Age of SW Planning Schemes

- Only two Councils have planning schemes that are less than 5 years old
- Some have been amended more than 100 times
- Planning and Development (Local Planning Schemes) Regulations 2015 Existing Scheme needs to be reviewed in:
  - 2020 – If the Scheme is less than five years old (i.e. Gazetted from 19 October 2010 to present).
  - 2017 – If the Scheme is more than five years old (i.e. Gazetted prior to 18 October 2010).





# Shire of Augusta Margaret Local Planning Strategy

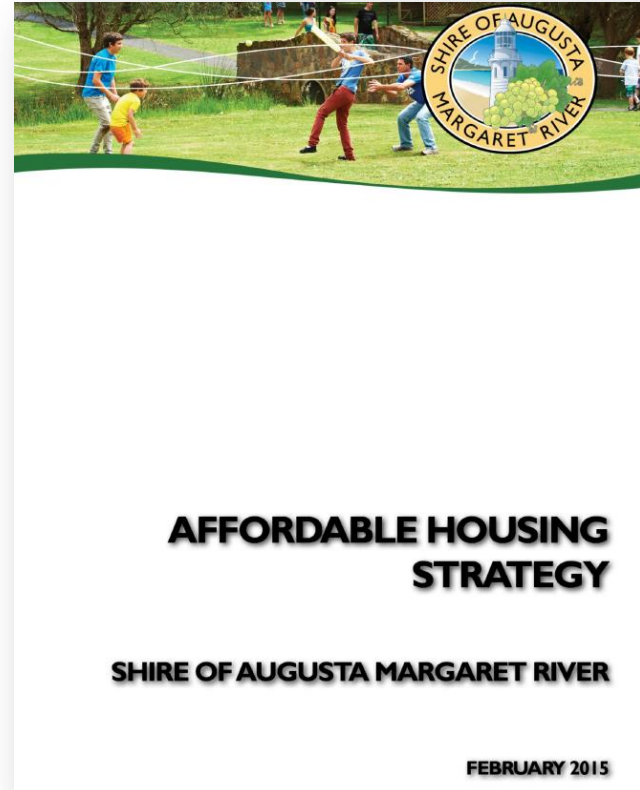
- Natural population growth and migration with major factor of baby boomers retiring to the area for lifestyle purposes;
- Whilst substantial greenfield development of the periphery of the Shire's principal centre may be seen as one possible solution to housing affordability, excessive green field development could be seriously detrimental to town centre consolidation and renewal objectives.
- Overall, there is the potential for 16,700 new residential lots to be created in the future.



## **LOCAL PLANNING STRATEGY**

# Shire of Augusta Margaret Affordable Housing Strategy

- Whilst an efficient and properly administered planning framework and plentiful land available for housing will mitigate against 'spikes' in housing prices, it will do nothing for those who are unable to enter the private housing market.
- In terms of home purchase, only 15% of the population could affordably purchase the median home (435,000) as at 2011.
- Clearly some greater form of intervention is required.
- The private housing market does not adequately deliver appropriate product for households earning low to middle incomes.
- Wide variety of factors which contribute to the high cost of housing relative to incomes, however many of those factors are not within the Shire's sphere of influence.



# Affordable Housing Strategy Recommendations

## Short term

- Partnership Strategy with the DoH to **grow the amount of social housing available**. Use of DoH land with no mention of Council land.
- Consider applications for '**aged and dependant persons dwellings**' which do not comply with deemed to comply standards
- Voluntary agreements with land developers for developments over 50 lots. to include an **affordable housing component**

## Intermediate term

- Require future housing projects whereby the Shire is a project partner to include an **affordable housing component of at least 10% of the dwelling units**.
- Engage with the community to minimise energy and water use in the home and thus reduce the cost of living.

## Long Term

- Monitor the release of land to determine whether there is a need for the Shire to **intervene to facilitate its early release**.
- Work with the WAPC and WALGA to support legislative change to enable the **mandatory provision of a component of affordable housing within new housing developments**.

# Need to consider this type of policy in context with other Council initiatives

- The Shire is progressing a Developer Contribution Scheme for Margaret River through Amendment 35 which adds additional costs to development
- This is combined with other infrastructure upgrades.
- Introduction of affordable housing requirements with new developments would also increase overall building costs.

# Summary of what Government can do to help provide more housing

- **LAND** – utilising land efficiently to ensure a reasonable density is achieved
- **BUILDING** – efficiently planned dwellings
- **LIVING** – Linking housing to public transit, employment, education, town centres
- **DIVERSITY** – delivering housing that meets the needs of the diverse range of households that make up our community

Help facilitate the provision of well located public housing and housing provided by the non profit sector

## Public private partnerships for local government in the provision of housing

- Public private partnership (P3) are increasingly becoming a delivery model of choice for State Governments and perhaps local government
- PPPs, can involve design, finance, build, operation and sales
- The key to success of such operations is to understand the strengths and weaknesses of the entities involved, and to understand leverage points of reward versus risk.

# Partnerships with community housing providers

- Partnerships between local governments and community providers are rare in WA
- The City of Perth has provided land for a community housing project incorporating 48 apartments



Goderich Street, East Perth

# Local Government –A collaborative partner in achieving housing outcomes?

- Aspirational target population of the Region is 500,000 by 2050 requiring a focus on housing supply (150,000 extra Dwellings) with a focus on affordability.
- To achieve we must have a strategic planning led agenda to guide housing delivery and regulatory planning policies
- Need to have a clear line of site between regional and local planning
- Delivery frameworks assessment levels should be “calibrated” to enable the strategic intent of housing strategies to be achieved.
- Local housing strategies can help focus on housing diversity and affordable housing issues but need to be seen in relation to the cost impacts of other council initiatives.
- Direct local government intervention through partnerships should be considered in addition to regulating the private sector.