

30 September 2022

Tasmanian Housing Strategy

SUBMISSION TO DISCUSSION PAPER

Thank you for the opportunity to provide comment to the draft Tasmanian Housing Strategy Discussion Paper Strategy). The following response was provided from officers within the Council for consideration.

As you may be aware, Glamorgan Spring Bay Council has significant issues around access to housing. We understand this is caused principally by the following:

- a lack of long term residential accommodation for residents;
- the high rate of second dwelling ownership that is not available to the market for long term residential occupation. GSBC occupancy from 2021 census 46.8% compared to Tasmanian average of 88.2%;
- the desirability of the area as a lifestyle destination for multiple markets;
- a lack of housing availability;
- significant impacts from conversion of former residential properties to short stay visitor accommodation;
- the limitations to existing services to many of the existing main settlements (particularly Swansea) and lack of reticulated services to the smaller settlements in the area; and
- the significant limitations caused by the relative isolation from services, including the availability of trades and materials, and additional costs that result from the location.

Of particular concern, the Strategy reads as though housing affordability is an issue that affects poor people. Within Glamorgan Spring Bay, we understand that housing issues directly affect all economic sectors. The lack of housing provides a significant limitation on the ability of businesses to engage essential staff and make further investments and expansions. Discussion with other Council's suggest that this is a wider issue across Tasmania.

The Strategy needs to clearly recognise the principal housing issue is around availability, not just affordability, affects most socio-economic sectors and appears to be affecting essential workers. Affordability is no longer solely an income based issue but inextricably linked to availability.

A response to relevant issues is provided across the focus areas.

FOCUS AREA 1 – AFFORDABLE HOUSING

The Strategy should address the following:

- an intervention is required around the provision and funding for major infrastructure both in existing areas, such as reticulated sewer, and through the development process;
- Government should review the real term impacts of building bonuses on the cost of housing, following increasing recognition of the problems these programs are creating for the cost to the consumer of new housing products;
- State needs to complete a supply monitoring program that tracks the availability and uptake of lots and the rates of dwelling creations. This data is already available from within State agencies or reported to them by local government;
- The State also needs to recognise the impact of second or holiday homes on residential property supply market, particularly in lifestyle based areas such as the east coast;
- Better coordination and recognition/commitment is required across different government agencies. A whole of Government response is required. As an example, the population trends, different supply and demand studies are being completed across different regimes that should be coordinated and then periodically updates and monitored;
- The impact of short stay accommodation on the cost and availability of dwelling purchases must also be recognised, not just on the rental sector;
- monitoring and reporting of short stay accommodation and its impact on housing availability is required at local, municipal, regional and State levels;
- a review of the impact and operation Planning Directive 6 on the supply, availability and cost of residential housing for rental and purchase needs to be completed; and
- reform is required around the rating of short stay visitor accommodation sites to enable equitable application of financial returns to the local government sector where commercial operations are profiting from local and regional recreation and lifestyle infrastructure.
- Reform is required in the Federal assistance grant (FAG) methodology where GSBC low income residents subsidise, through low general grant attribution, high income LGA's where the FAG general allocation is significantly higher per head of population.

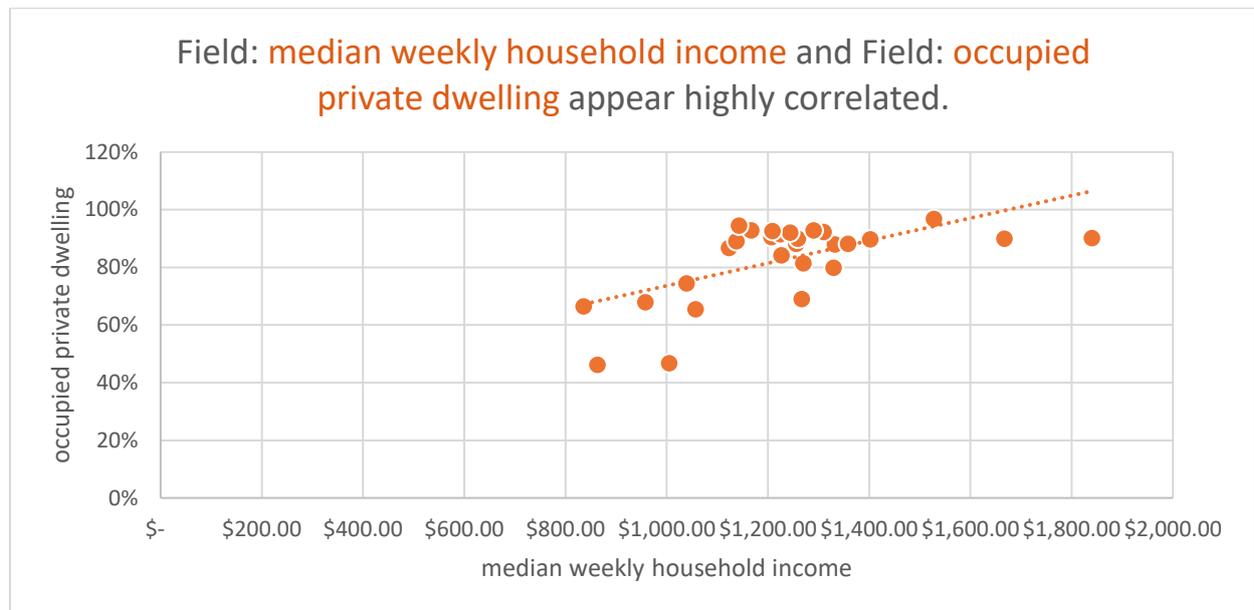
FOCUS AREA 2 – HOUSING SUPPLY

There are trends within the GSBC housing market that identify two-layered economic strata. High income house owners are predominantly non-resident with resident homeowners predominantly low income.

Housing supply for purposes which promote community resilience are restricted by high income earners from outside the municipality of GSB owning multiple properties and using them for either commercial purposes or leisure. Local resident populations bear the associated costs of living in a high property value locality while enduring low income impacts,

and low income workers with no property ownership are not able to enter the property market due to supply and price circumstances. This also impacts labour supply for low income work where the lack of vacant property for long-term residential use prevents residential population growth in the area.

The graph below plots all Tasmanian LGA's by median income and resident population. Tasman and GSBC are the two low points with 46% resident population, and both are in the lowest income range.



The nature of the housing market requires recognition of the availability crisis and decoupling of the underlying association with single tiered lower socio-economic grounds suggested within the Strategy.

Glamorgan has experienced unprecedented growth, while also being frustrated by the lack of up to date and coordinated strategic responses to emerging housing issues across various sectors of Government (such as the impacts of dated statistics and growth strategies in regional land use strategies and the impact they have on rezoning applications). This situation needs to be addressed across Government to remove these blockages to the supply system.

It may be appropriate to consider increasing the threshold for resident purchase assistance programs in communities with significant availability issues in areas such as the east coast. This may improve accessibility for some communities where essential workers and locals are competing with the second dwelling and visitor accommodation markets.

FOCUS AREA 3 – SUSTAINABLE HOUSING

Glamorgan Spring Bay has supply and availability issues that overwhelm the sustainability of housing stocks.

We suggest that issues that require consideration include:

- Measures to improve the energy efficiency of the existing dwelling stock need to be considered;
- Emergency responses to crises and events need to reflect the changing nature of natural and man-made risks to areas and dwellings so that any responses improve the safety of dwellings and locations; and
- The Strategy and related programs need to recognise that some areas are unlikely to remain safe in the longer term and a policy and a basis needs to be established to support the ongoing monitoring in areas subject to risks or hazards and then enable staged retreat from such areas as hazards increase and begin to affect land.

If you wish to discuss this submission, please contact me on 6256 4777.

Yours sincerely,



Greg Ingham
GENERAL MANAGER

