



Officer: Brian White

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Department of Communities Tasmania
GPO Box 65
Hobart TAS 7001

Dear Sir/Madam,

RE: Tasmanian Housing Strategy – Discussion Paper

1. Introduction

Brighton Council Officers ('Council Officers') welcome the opportunity to comment on the Tasmanian Housing Strategy ('the Strategy') – Discussion Paper ('the Paper').

Council Officers are encouraged that the State Government is committing to a 20 -year framework aimed at improving housing outcomes for all Tasmanians.

Council Offices are particularly interested in the Strategy, having regard to the Brighton Municipality context ('Brighton'), for reasons such as:

- Unprecedented residential growth experienced in recent times and the physical and social infrastructure required to support such growth.
- Current lack of planning and market mechanisms to require and/or incentivise affordable/ social housing in new residential and mixed-use developments.
- Current lack of flexible and best practice planning controls to encourage good quality residential development which creates liveable and diverse communities and neighbourhoods.
- Lack of 'Liveable Housing Design' and 'Healthy by Design' requirements in planning instruments which incorporate universal design principles into new housing and subdivision.
- Lack of a development contributions framework in Tasmania which would allow Council to recover the costs of private development on Council's assets which could pay for community infrastructure and affordable housing programmes.
- Recognising housing as a human right.
- High housing stress and rental rates, and low rates of home ownership.

- The continuing high demand for, and supply of, social housing and the uneven tenure mix between private and public housing across suburbs.
- Learnings from housing developments under current and previous planning instruments that have delivered poor planning, liveability, and urban design outcomes.

It is considered that the 'Current Housing System Challenges' section of the Paper should include a section on land use planning. This should acknowledge that Tasmania's planning system currently contains no mechanisms that requires or incentivises developers to provide affordable/ social housing in new developments or requires developers to contribute to the costs borne on Council's due to development (apart from payment in lieu of providing public open space in subdivisions).

These issues, along with outdated Regional Settlement Policies in the Regional Land Use Strategies, have undoubtedly impacted on housing in Tasmania.

It is also Council Officers' view that the objectives of the Resource Management and Planning System (RMPS) of Tasmania and the definitions within the *Land Use planning and Approvals Act 1993* (LUPAA) should specifically include affordable and social housing. This way any proposed amendment of a State Planning Provision, Local Provision Schedule, Regional Land Use Strategy, Tasmanian Planning Policy etc. would need to have regard to the objectives. Most other State and Territory planning legislation across Australia references housing choice and affordability housing in their planning legislation.

What follows is a brief response to the discussion questions in the Strategy Discussion Paper.

2. Top Three Priorities for Housing

- Up to date data driving strategic planning decisions to ensure housing supply and social and physical infrastructure is provided in the right locations and in a manner consistent with forecast needs.
- Planning mechanisms to increase supply and quality of social/ affordable housing.
- Promote improved housing diversity to provide choice for people at all stages of life.

3. Towards a Sustainable Housing System

Discussion Questions

- Should the vision for the Strategy include other factors?
- Are there important issues not covered by the focus areas?
- Are there additional objectives that are important for Tasmanians and should be included?
- Are there additional housing outcomes that are important for Tasmanians and should be included?

The Vision

The vision should acknowledge that housing (especially social and affordable) must be in areas with good access to services (e.g., education, employment, transport health, recreation, etc.), in areas with high levels of residential amenity/quality of life and which meets the needs of all people at various stages of their lives, including people with a disability and senior Australians.

Focus Areas

Housing Diversity

The focus areas should include one specifically related to 'housing diversity' rather than it being embedded in the 'supply section'.

It is Council Officers' view that Housing diversity in the Strategy should consider the need to integrate social housing into suburbs and neighbourhoods to achieve greater social mix, as well as encouraging diverse housing types to meet the needs of different household types and in appropriate locations.

The NSW Housing Strategy (Housing 2041) sets out 'four pillars' for its housing system which includes 'diversity'. Likewise, the Queensland Housing Strategy (2017 – 2027) also specifically mentions diversity in its 'Affordable and Innovative Housing Solution – Areas of Action' section.

It is recommended that the Tasmanian Strategy should do the same given (for example) that 40% of all housing is social housing in suburbs such as Gagebrook, Bridgewater and Herdsmans Cove. In these areas the actual form of housing is also relatively uniform with social housing providers preferring 2-to-3-bedroom houses, often with poor design outcomes due to there being no mandatory planning controls or guidelines to guide the development of such housing.¹

In the last 10 years Council Officers have seen community housing providers continue to deliver hundreds more social houses into these areas. Meanwhile, in other suburbs such as Old Beach, there is currently no social housing.

Such a situation of lack of diversity is addressed by urban policy concepts such as 'social mix' and 'neighbourhood effects'. Both concepts relate to concentrations of poor households having a possible negative effect upon the opportunities to improve the social conditions of those who are living in these concentrations.

The Strategy needs to look at providing additional social and affordable housing across all suburbs and developments. This could be achieved by clearly articulating a target, such as that 15% of total housing in suburbs and new developments be for social housing

The social housing suburbs already have poor access to social infrastructure and essential services. Continuing to put people with complex problems and needs in existing social housing areas is only exacerbating the problem. The Government could be looking at driving down the percentage of social housing in these areas by selling off social housing stock as

¹ The Department of Communities (Tasmania) does have a 'Design Policy for Social Housing Providers' but it is unclear how often social housing developments meet the standards.

affordable housing and using the proceeds to increase the amount of social housing in other suburbs that are below the 15% threshold.

Lastly, housing diversity in the Strategy should also include a discussion around universal design principles in social/ affordable housing.

It is therefore recommended the Strategy includes housing diversity as a key focus area and that this includes objectives covering the diversity of housing types via legislative reform, amendments to Regional Land Use Strategies (to mandate diverse housing types, new planning codes and best practice guidelines,² and the integration of social housing into suburbs and neighbourhoods.

Housing as a Human Right

The Paper should also consider housing to be more than a supply and demand issue and acknowledge that access to affordable housing is also a health and basic human right issue. The Paper also fails to mention initiatives that focus on enhancing people's capacity to maintain their housing whether it be a privately owned property or a social housing rental.

The Paper should consider the systemic impact of trauma on people's capacity to maintain housing and/ or to access affordable housing. The importance of aligning housing policy and strategy to health and wellbeing policy at the federal, state, and local government level is paramount if we are aiming for the objectives listed in this discussion paper.

The Paper associate's vulnerability with low income; however, this isn't always the case. There is ample evidence to suggest that vulnerabilities that can affect Australians of all ages, socio economic backgrounds and genders (to name a few). The rapid increase in a lack of housing affordability across the Brighton municipality and greater Hobart has demonstrated that people from a much wider range of circumstances are struggling with housing affordability and the cost of living in general. An example of this can be drawn from the recently established Brighton Food Hub.

People from all walks of life including people from neighbouring municipalities have been accessing the affordable food grass roots initiative; as have representative of family's who live in social housing, private rentals, and mortgage holders.

Data and Settlement Planning

The Paper should consider ways to improve housing data collection which can be easily accessed by various parties. This will enable evidence-based decision- making when it comes to housing policy decisions at the state and local level.

This lack of up-to-date data in terms of housing supply and demand data in Tasmania was recently acknowledged by the Tasmanian Planning Commission ('TPC') in its decision on an

² Planning Institute of Australia 2022. *Delivering Housing for All: 20 Actions for the Queensland Housing Summit*. Retrieved from <https://www.planning.org.au/documents/item/12091>

amendment to an interim planning scheme in *Huon Valley Interim Planning Scheme 2015 amendment PSA-2-2019 [2022]*.³

At paragraph 54 of that decision, the TPC acknowledge that the settlement/ housing data, policies, and growth scenarios regarding Cygnet in the Southern Tasmania Regional Land Use Strategy 2010 – 2035 ('STRLUS') are in fact out of date and therefore could not be relied upon to make sound strategic planning decisions when it comes to residential growth:

54. The Commission is satisfied that the residential growth experienced in Cygnet from declaration date to now exceeds the projected moderate growth strategy envisioned in the regional policies in 2011 for the settlement. The Commission accepts that the projected growth strategy for Cygnet is based on now out of date data. This does not align with sound and sustainable strategic planning principles identified in policy SRD1 of the regional strategy or the objectives in Schedule 1 of the Act.

Having such out-of-date data has resulted in uncertainty for the private and public sectors and resulted in Council's in the south of the state seeking to amend the STRLUS via 'ad hoc' applications to the Minister. Such amendments have included amending the Great Hobart Urban Growth boundary to rezone additional greenfield land on the urban periphery to cater for demand that has exceeded that forecast in the STRLUS. However, piece-meal amendments have possible consequences for other policies in the STRLUS such as social and infrastructure planning and activity centre hierarchies.

Ongoing monitoring of supply should be done on an annual basis and should be co-ordinated from the State Government, or at least on a regional basis. This will help better understand housing supply issues and areas that need greater prioritisation. The data is already collected annually through CDC collections by DPAC but not monitored. Better data coupled with up-to-date RLUS' will improve ability to respond to change.

Land Banking

Land banking is often an issue with developers sitting on land until they can maximise profit. There are several levers that could be investigated to bring supply on-line earlier, such as increased rates. Such levers should be co-ordinated at a state level and used on priority areas as identified by regional land use strategies.

³ http://www.austlii.edu.au/cgi-bin/viewdoc/au/cases/tas/TASPCComm/2022/24.html?context=1;query=cygnet;mask_path=au/cases/tas/TASPCComm

a) Focus Area 1 and 2 – Affordable Housing & Housing Supply

Discussion Questions

- What additional interventions could governments consider to improve housing affordability?
- What scope is there to increase the role of the private and community sectors in improving housing affordability?
- What other issues would you like to be considered regarding housing affordability?
- Noting increased rental prices and decreased rental vacancies across Tasmania, what are some of the ways the challenges in the private rental sector, particularly around security of tenure, could be addressed?
- How could the effects of the short-stay accommodation industry on the rental sector be managed into the future?

Figure 1 Affordable Housing

Discussion Questions

- What must be considered to make sure new housing meets diverse needs into the future?
- How can housing supply respond rapidly to changing social and economic environments?
- What additional interventions could governments consider to improve housing supply?
- What other interventions could improve housing supply?
- What can be done to further improve planning processes in Tasmania, particularly in the context of the delivery of social and affordable housing and increased density via infill development?
- What scope is there to increase the role of private developers and local government in improving housing supply?
- How can we bring whole communities along to promote the benefits of social and affordable housing in local areas?

Figure 2 Housing Supply

Comment

Improving the supply of social and affordable housing will require Governments to be bold and proactive. There are a range of policy interventions the government could consider in improving housing affordability and housing supply.

Council Officers response will focus primarily on planning policy responses which typically include voluntary planning incentives and mandatory requirements (such inclusionary zoning/ developer contributions).⁴

Voluntary Planning Incentives

Voluntary planning incentives are contained in planning instruments and include measures that make it easier to be granted planning approvals for higher density affordable housing developments in suitable locations. A developer is rewarded with more yield if they can

⁴ N. Gurrán. Australian Urban Land Use Planning: Principles, Systems and Practice. 2nd Ed. Sydney University Press, 2011.

provide affordable/ social housing that meets a specific set of standards, and which still provides a high level of liveability.

In Tasmania, this could be in the form of a social/ affordable housing Code in the State Planning Provisions (SPPs) which contains use and development standards that apply to social/ affordable housing in certain locations.

The NSW State Environmental Planning Policy (Housing) 2021 (SEPP) contains additional 'non-discretionary development standards' for certain types of housing which, if complied with, prevent a planning authority from requiring 'more onerous standards for the matter'. The SEPP has been specifically designed to give incentives to supply affordable and diverse housing in the right places and for every stage of life.

Examples of the types of standards for 'infill affordable housing' in the SEPP relate to a reduction in need for car parking requirements, landscaping, and total floor area of dwellings, which are less than those required in a corresponding planning instrument. However, the dwellings still need to meet a design guideline which includes universal design principles.

Those types of housing for which there are additional development standards are as follows:

- Caravan parks and manufactured home estates
- Group homes
- Retention of existing affordable rental housing
- Secondary dwellings (sometimes known as granny flats)
- Social and affordable housing
- Short term rental accommodation (sometimes known as STRA).

It is considered that such an approach should be considered in the Tasmanian Planning system whereby there are definitions and use/ development standards for a range of housing types where they are located nearby to activity centres etc.

The Paper contains no real plans to provide any (planning) incentives for private developers to provide affordable and diverse housing in ideal locations.

Mandatory Requirements – Inclusionary Zoning

Inclusionary zoning is the most known mandatory mechanism for generating dedicated affordable housing stock through the planning process and is currently being effectively used in South Australia.⁵ Inclusionary zoning consists of a process where legally enforceable

⁵ Gurrán, N., Gilbert, C., Gibb, K., van den Nouwelant, R., James, A. and Phibbs, P. (2018) "Supporting affordable housing supply: inclusionary planning in new and renewing communities." AHURI Final Report No. 297, Australian Housing and Urban Research Institute Limited, Melbourne, <http://www.ahuri.edu.au/research/final-reports/297>, doi: 10.18408/ahuri-7313201.

planning controls require a set proportion of specified new development within a defined area (or zone) to be dedicated for affordable housing.⁶

There are 'operational variations' in how inclusionary zoning is applied through the planning process, such as:

- The amount of affordable housing that must be provided within a project/development.
- Whether the housing required is to be provided on the subject site (of a development) or elsewhere.
- Whether the housing is required to be affordable for a specified timeframe or in perpetuity.
- Whether financial payment levy in lieu is acceptable (such as is the case in Tasmania with a public open space contribution).⁷ Such a levy would typically be passed as grant aid to an affordable housing provider.

In the South Australian model, there is a 15 per cent inclusionary zoning policy for affordable housing for significant development sites. The target has been progressively introduced through local plan amendments and on major development sites when areas are rezoned for residential or higher density homes.

A spatial 'Affordable Housing Overlay' is applied to local development plans (i.e., a planning scheme) in areas subject to the inclusionary target. The overlay applies to all projects incorporating residential components of 20 dwellings or more, including mixed use developments, aged/ retirement living, multi-unit, and detached housing.

Importantly, the model applies to 'growth areas' where rezonings significantly affect housing potential (including greenfield sites), residential developments on surplus government land and in local areas where potential dwelling yield is increased due to a zoning change.⁸

The South Australia model also contains voluntary incentives (like NSW) where local authorities can add additional local incentives to encourage affordable housing which also requires that affordable housing is integrated/ located to avoid concentrations of social housing and that the housing itself meets a minimum liveability standard.

Between 2005- 2015 South Australia delivered 5, 485 affordable homes between 2005 -15 through its 15 percent inclusionary zoning target which equates to around 17 per cent of total housing supply in the state.

The State Government should consider inclusionary zoning and include it in the Strategy and consider utilising something similar to the South Australia model

⁶ N. Gurrán. *Australian Urban Land Use Planning: Principles, Systems and Practice*. 2nd Ed. Sydney University Press, 2011.

⁷ Ibid.

Mandatory Requirements – Development Contributions

Development contributions for affordable housing requires a developer, for example, to pay a certain levy where a development will contribute to a need for affordable housing or when a planning regulation allows increased development (via a rezoning). This is sometimes paid in lieu of providing actual affordable housing in a development (when required to via tools such as inclusionary zoning). A system of affordable housing contributions is currently in place in NSW and is legislated under the *Environmental Planning and Assessment Act 1979* and implemented via the *State Environmental Planning Policy (Housing) 2021*.

It is recommended that the Paper also discusses development contributions broadly in terms of all development types as recommended recently by the Local Government Association of Tasmania (LGAT) in its discussion paper on the topic.

In Tasmania, the provision of enabling infrastructure such as water and sewer has become a significant barrier to development. This could be improved as follows:

- The TasWater headworks holiday has pushed the costs of development on to the first mover. The cost is often excessive and then other developers can ‘piggyback’ off the infrastructure. Headworks charges should be reintroduced to address this.
- Lack of a coordinated infrastructure contributions framework. The State Government should look at delivering an infrastructure contributions framework like what operates in other states.

Greater investment in growth planning for infrastructure bodies such as Taswater, TasNetworks, etc and a regular review of STRLUS will help these authorities understand where growth is expected, and these authorities should be budgeting to facilitate growth in these areas.

Universal Housing Design

The State Government should consider revisiting the ‘Design Policy for Social Housing – Policy for Social Housing Providers’ document and make it applicable for other affordable housing. This could form part of a planning instrument specific to affordable housing as was discussed previously.

Short Term Accommodation and Housing Supply

Much has been said in recent time about the impact that platforms such as Airbnb are having on the housing market. Councils across the country are looking at ways to regulate short stay platforms as a way of encouraging owners to make their properties available to renters. Randwick City Council in Sydney and Hobart City Council in Tasmania have both floated the

idea of using their powers to vary ratings for properties containing dwellings that are being used for Airbnb as a means of freeing up supply of housing.⁹¹⁰

Hobart City Council has also recently initiated an amendment to their Local Provisions Schedules (LPS) to insert a new qualification under the definition of 'Visitor accommodation' in the use table of the General Residential Zone, the Inner Residential Zone, and the Low-Density Residential Zone which will essentially prohibit entire home short stay accommodation in single dwellings and dwellings apart from 'secondary residences'.

Both measures are 'reactive' to a problem created by an initial *lack* of planning regulation. Given planning approvals are difficult to 'cancel' under planning law, the option of increasing rates in places like Hobart (where most people already have a permit) may well be the only mechanism available to compel those landowners with approvals to revert their property back to being used for rentals.

However, in places like Brighton, a better policy response could be that the Regional Land Use Strategies, once updated, specifies those areas where visitor accommodation uses for holiday rentals should be discretionary and that discretion be based on consideration of housing market outcomes.

Another measure used in NSW is that the maximum number of nights a property can be used for short term accommodation must be capped.¹¹

However, any such measures are fiercely opposed by the platforms themselves as well as industry lobby groups making it a contentious area of public policy.

Social Value

There is an opportunity to impose regulatory requirements for generating social value when social housing providers/ developers submit applications for large scale new developments could possibly have social impacts.

Examples include the introduction of initiatives like creating employment, training, and internship opportunities for people in the most vulnerable group, the use of a local supply chain, and investment in local community groups/volunteer schemes.

⁹ Taylor, Andrew. "Airbnb owners targeted by council to tackle Sydney's housing crisis." The Sydney Morning Herald, October 2, 2022. <https://www.smh.com.au/national/nsw/airbnb-owners-targeted-by-council-to-tackle-sydney-s-housing-crisis-20220928-p5blmy.html>

¹⁰ Langenberg, Adam. "Tax Airbnb, short-stay accommodation at higher rates to help ease Hobart rental crisis, Deputy Mayor says." ABC News, March 15, 2022. <https://www.abc.net.au/news/2022-03-15/airbnb-tax-proposed-to-address-rental-housing-shortage/100910080>

¹¹ Byron Shire Council is currently progressing an amendment to their planning instrument that would limit short stay accommodation in existing dwellings to 90 days.

b) Focus Area 3 – Sustainable Housing

Discussion Questions

- What actions are needed to improve sustainability of housing?
- What Government assistance programs could help young people and people with changed life circumstances access affordable home ownership?
- What can be done to improve the energy efficiency of existing and new homes?
- What else can be done by stakeholders to improve sustainability?

Comment

Council Officers consider that the Tasmanian Housing Strategy should discuss climate change and that the key areas for improvement from an emission reduction perspective are:

- Increase the National Construction Code requirements further for new builds.
- Provide climate change and emission objectives in subdivision standards within the State Planning Provisions. This would include healthy by design principles to encourage greater active transport use, increase solar access, and block sizes that allows the building to be solar passive design orientated. Other criteria should include waterwise treatment on site, energy efficient streetlighting and points for putting on solar.
- A program for helping householders with upgrading existing homes – this requires a peak body with the right advice and regulations to set out minimum standards that suppliers must adhere to in, for example, the insulation industry.
- There needs to be better planning amongst local, state and Australian Government as well as Tas Networks for greater solar. This is the common complaint by Tasnetworks: that we haven't planned for the unprecedented uptake which is expected to continue.
- Life cycle analysis calculators are required so householders, builders, developers can check for local suppliers and lower carbon lifecycle footprints.
- A list of credible local or other suppliers is helpful for the public to build trust.
- Greater awareness raising and marketing to the public is required as they often get confused that local governments can change building standards.

The key areas for improvement from a responding to the impacts of climate change perspective are:

- Improve planning scheme review for low-risk areas and guidance to councils - Properties should also be appropriately located with good planning to ensure they do not pose a risk to heritage or the environment.
- NCC building regulations should include provisions for fire retardant products in bushfire prone areas, for example

- All new builds should use NATHERS software or equivalent instead of a checklist to ensure that the best window selection and design orientation for the location is selected – improving the performance of the home, reducing over heating or underheating issues and the resulting health impacts from either heat stress or cold and wet environments (high asthma and Chronic obstructive pulmonary disease).

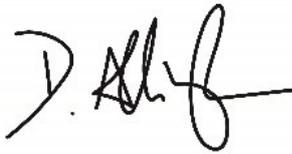
Regarding stakeholders' ability to improve sustainability, we consider that local guidelines around invasive weed management, water sensitive urban design, active transport (healthy by design) and setting up infrastructure for later changes (e.g., conduits in the road for electricity upgrades to self-contained local generation units) are all measures that could assist.

4. Conclusion

Council Officers thank the Department of Communities for the opportunity to comment on the Paper. Overall, the Paper is a good starting place; however, we feel as if improvements are needed if many of the current housing issues in Tasmania are to be addressed.

If you have any queries about this submission,

Yours faithfully,



David Allingham
Manager Development Services