



BACKGROUND PAPER 7: Housing

What was said during Time to Talk Canberra 2030

The Time to Talk discussions called for more housing diversity in a variety of neighbourhoods, to meet the needs of people of all ages, abilities and lifestyles. Proposed changes included more diversity of housing choice for students, younger and older people. The urgent priority is for sustainable, universal design of apartments, houses and townhouses. People understood that increased housing diversity in existing areas would enable people to continue to live in their familiar area (known as ageing in place) and build a stronger community. They supported well-designed infill housing in locations that would support services and sustainable public transport.

Role of strategic land use planning

In terms of housing, strategic land use planning considers the overall demand for housing associated with the projected population, the possible demand for housing in terms of dwelling type (e.g. detached dwellings, townhouses and apartments) and where the additional housing is best located. The planning strategy can influence the level of housing supply and, to some extent, the cost of housing development.

What issues does the ACT Planning Strategy need to consider?

Likely housing demand

At 2006 there were 131,271 dwellings in the ACT of which 122,813 were occupied. Table 1 indicates the distribution by dwelling type.

Table 1: Dwellings by town, Canberra 2006

District	Separate	Town/row, semi-detachd	Apartment	Other	Unoccupied	Total
North Canberra	9460	2724	5180	81	1670	19115
South Canberra	5809	1054	3491	117	1187	11658
Woden	9001	1975	2165	45	1020	14206
Weston Creek	7346	1056	309	13	521	9245
Belconnen	25798	3883	1771	11	1933	33396
Tuggeranong	26817	3052	541	14	1395	31819
Gungahlin	7840	2878	358	24	732	11832
TOTAL	92071	16622	13815	305	8458	131271

Source: ABS 2006 Census of Population and Housing

Table 2: Dwellings Queanbeyan/ Palerang 2006

District	Separate house	Town,/row, semi-detached	Apartment and flat	Other non-standard	Unoccupied	Total dwellings
Queanbeyan	9493	1830	2571	109	1115	15118
Palerang A	3001	4	12	140	299	3456
Total	12474	1834	2583	249	1414	18574





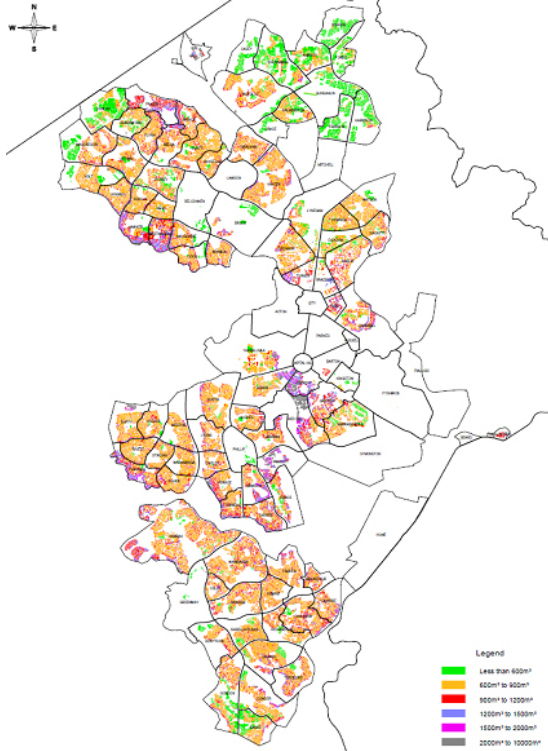
In addition, there were 15,118 dwellings in Queanbeyan and 3,456 dwellings in Palerang. Of these 67% were separate dwellings.

To accommodate the projected ACT population of 453,300 by 2030 and 557,400 by 2059, the number of dwellings in the ACT needs to increase by 65,000 between 2006 and 2030 and by 117,000 by 2059.

Residential density

A feature of Canberra's development has been the progressive reduction in single residential block size over time. Figure 1 indicates the areas most recently settled; south Tuggeranong, west Belconnen and Gungahlin have the smallest block sizes.

Figure 1: Map showing block size, by suburb



Possible demand by dwelling type

There has been a gradual shift towards higher density dwellings (townhouses and flats) in the ACT. In 1991, 80% of occupied dwellings were separate houses. At the 2006 census, some 75% of occupied dwellings were separate houses, as shown in Figure 2. A key issue is the extent to which the demand for 'other' dwellings (townhouses/flats) will increase over the next 20 to 50 years. Since 2001, some 48% of new dwellings have been other dwellings.

Figure 3 highlights the variability of housing demand in the ACT in terms of total demand and demand by dwelling type. There is likely to be a gradual increase in the demand for higher density housing given the ageing of the population, the accompanying change in household structure and rising energy costs.

Figure 4 indicates the type of dwelling in which people of different ages lived in 2006.

Figure 2: Dwelling type by district 2006

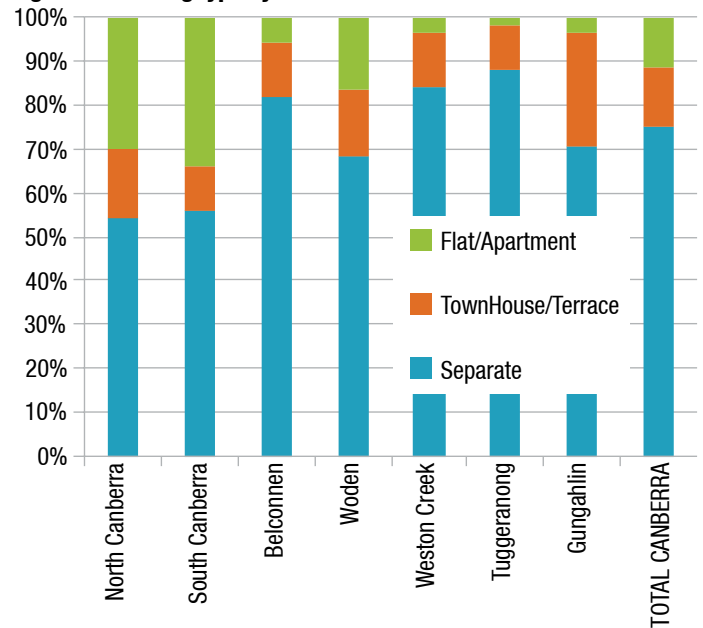


Figure 3: Dwelling commencements 1991-2011

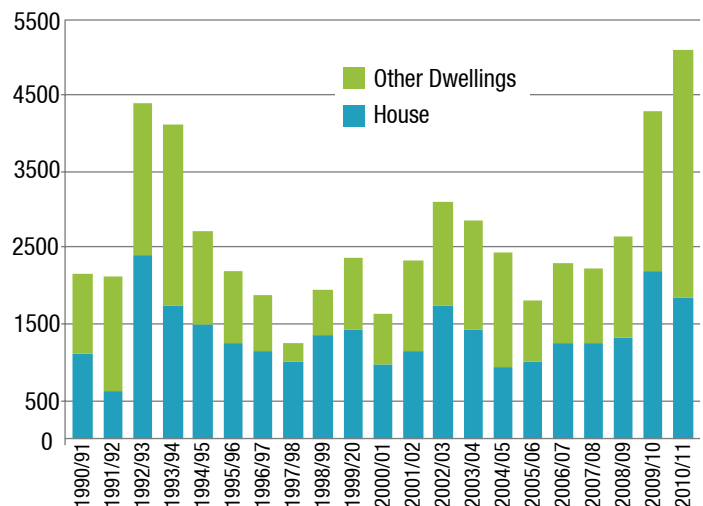
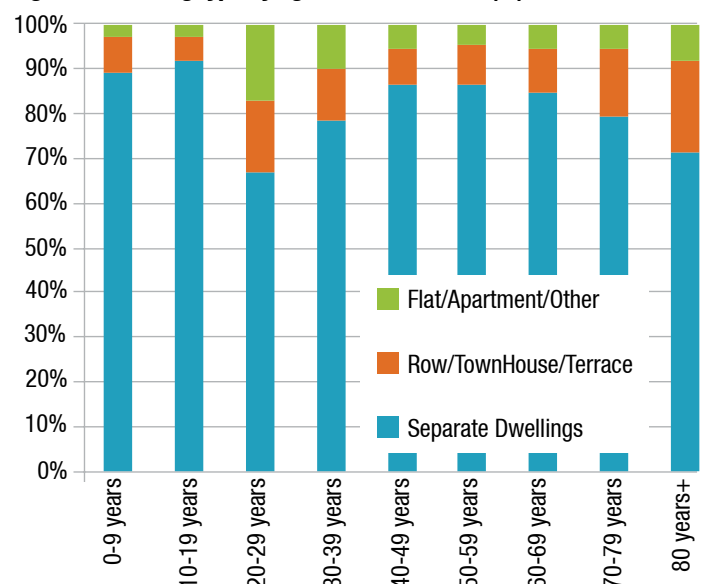


Figure 4: Dwelling type by age of resident 2006 (%)





A survey of future housing preference by Winton (2008) found that 87% of survey respondents currently lived in a separate house and that in 10 years, their dwelling preference for a separate house would be 63%. However, the 10 year dwelling preference for 18 to 39 year olds remained strongly for houses (87%). Of people aged over 70 years, 32% preferred a separate house but over 29% were unsure.

The attractiveness of higher density housing may have been limited by the limited availability (by price, type and location) of higher density dwellings. One indicator of this is the limited availability of higher density houses with three or more bedrooms. In 2006, 97% of detached dwellings had three or more bedrooms compared to 21% of flats and 11% of townhouses.

Figure 5: Proportion of dwellings occupied by age

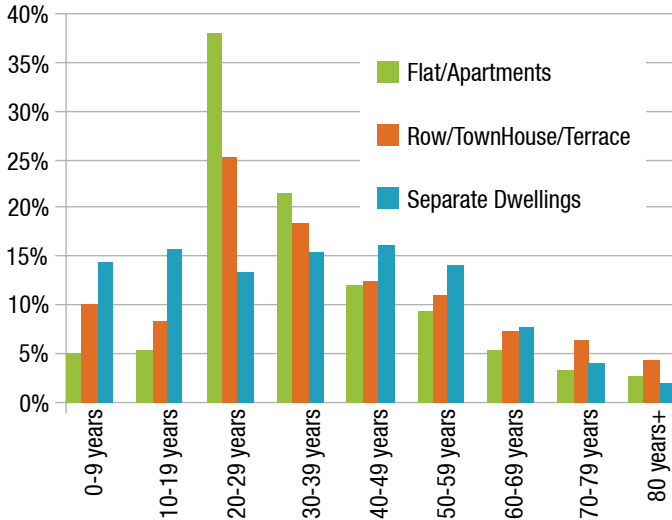
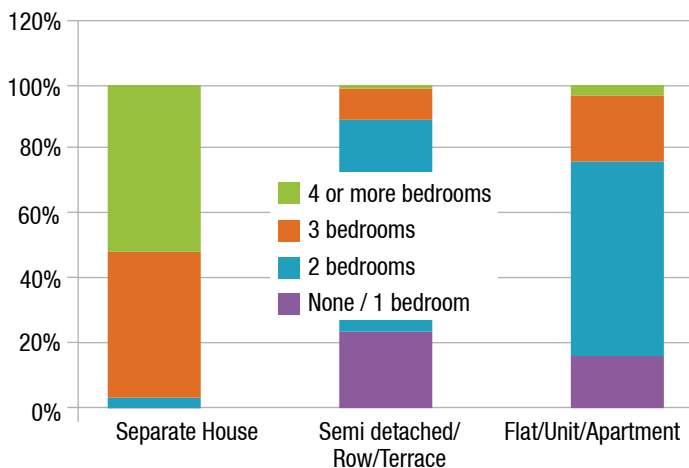
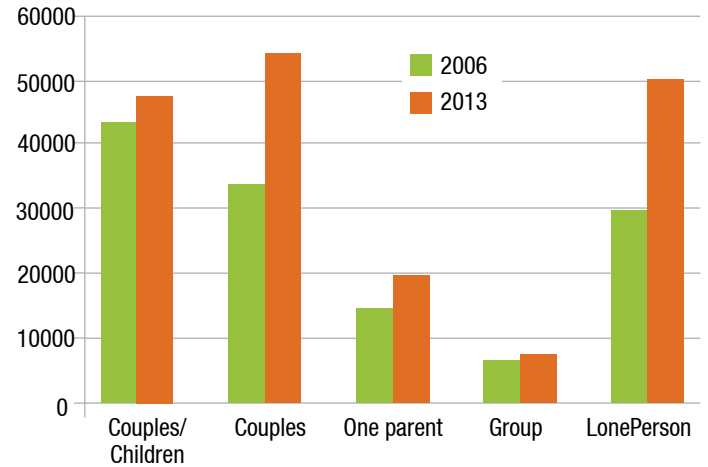


Figure 6: Number of bedrooms by dwelling type



Household and family projections from the Australian Bureau of Statistics (see Figure 7) indicate that between 2006 and 2031 there could be a substantial growth in couple and single person households and limited growth in the number of couple households with children.

Figure 7: Projected household types 2006 and 2031



Source: ABS Household and Family Projections Australia 2006-2031 (Cat No 3236.0)

Greenfield share of housing demand

Between 1996 and 2006, some 60% of new dwellings were developed in greenfield areas. Between 1986 and 1996, almost 70% of new housing had been accommodated in greenfield areas. Given the changing housing demand outlined above, the proportion on new houses being built in greenfield areas could be expected to continue to reduce.

Some 65,000 additional dwellings could be required between 2006 and 2030. At June 2006, the supply of greenfield land in Gungahlin, Molonglo and west Belconnen/Lawson could accommodate approximately 55,000 dwellings.

Table 3: Projected no. of dwellings required at different greenfield/infill development ratios

	60% Greenfield	50% Greenfield	40% Greenfield
2030	39,000 dwellings	32,500 dwellings	26,000 dwellings
2059	70,200 dwellings	58,500 dwellings	46,800 dwellings

Redevelopment and infill

In 1993, the Territory Plan extended the areas where redevelopment could occur. Areas of inner North Canberra close to Northbourne Avenue were selected because of their central location and good access to facilities, employment and public transport. Prior to 1993, redevelopment had only been permitted in the Kingston/Griffith redevelopment area.

The redevelopment policies made provision for higher density residential redevelopment to encourage housing diversity, contain urban expansion, conserve energy and resources and provide opportunities for increased dwelling densities to reduce population losses in established areas. The policies widened the available housing choices.

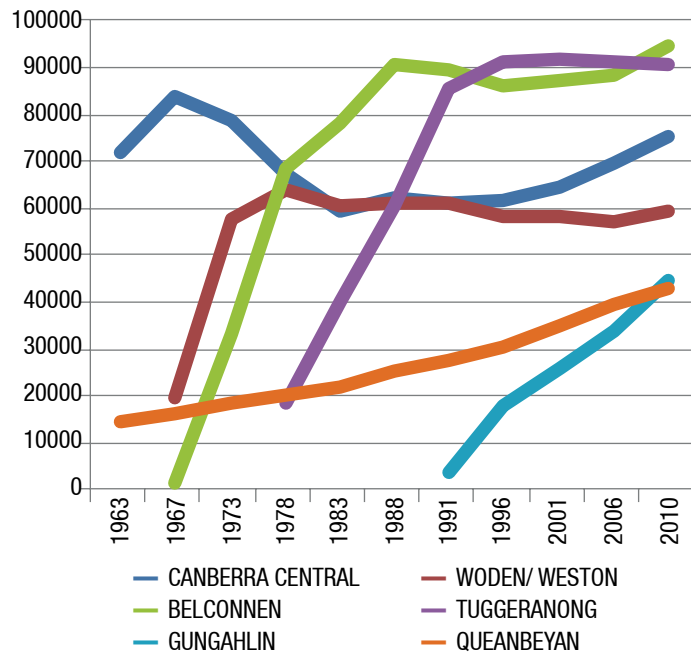


A major argument for urban consolidation is to address population decline and consequent underutilisation of social and physical infrastructure. In North Canberra, for example, the population fell from 53,100 in 1971 to 38,500 in 2001 in response to an ageing population, lower fertility and increased separation and divorce. This decline was associated with lower school enrolments, reduced levels of support for local shops and lower utilisation of physical and social infrastructure.

Between 2001 and 2006 the population of North Canberra increased from 38,500 to 43,900. The most recent ABS data indicated a 2010 population of 48,000. The population increase is primarily a result of the increase in dwellings in Turner, Watson, Braddon and City.

In South Canberra the development of Kingston Foreshore and redevelopments in Barton have widened housing choice and contributed to the reversal of population decline.

Figure 8: Population by town 1966-2010



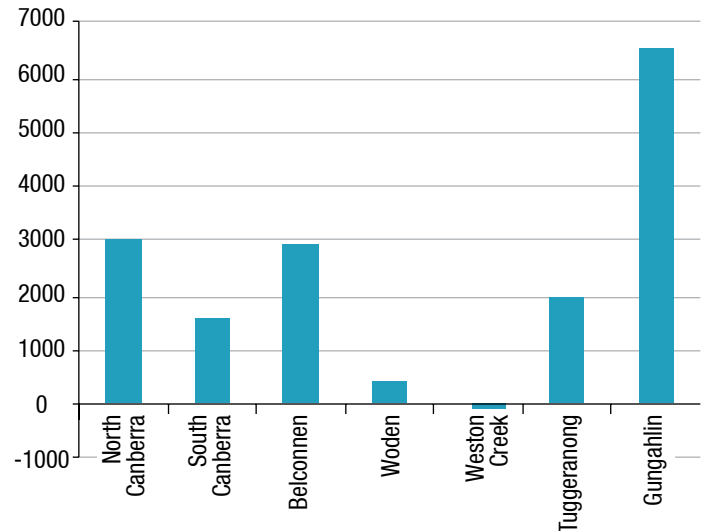
Source: ABS (various censuses)

The redevelopment policies are contributing to a more compact city. Between 1996 and 2006, 18% of the increase in new dwellings in Canberra occurred in North Canberra and 9% in South Canberra. Some 60% of the increase in dwellings occurred in the greenfield areas of Gungahlin, south Tuggeranong and west Belconnen (see Figure 9).

The extent to which the share of dwelling supply increases in established areas will depend on the supply opportunities, the price and quality of the dwellings and community acceptance of additional dwellings in their communities.

Existing communities often oppose redevelopment and infill proposals as they are seen to reduce residential amenity.

Figure 9: Share of dwelling supply 1996-2006



Source: ABS 1996 and 2006 censuses of population and housing

A key issue raised through Time to Talk was that Canberrans want increased certainty about the location and quality of higher density development. This highlights several areas the planning strategy needs to consider:

- Clear and effective communication to the community of the proposed areas for increased density. Development proposals often attract objections from the public stating this was the first they knew this type of development was possible in their street.
- The need for post occupancy evaluation of infill development, particularly the impact on the existing community. While some development proposals attract many objections and even media attention, concern appears to fade when the development is complete. There needs to be a better understanding of whether infill development offers diversity, allows integration of occupants into the community and is accepted by the community.
- While possibly beyond the scope of the planning strategy, the design quality of infill development is a major issue. If infill is to be accepted by the community, the planning system must ensure development is of a high design standard, while still meeting affordability requirements.

There is a need to prioritise the alternative sources of future land supply to maximise benefits to the community. Criteria to determine the priority/merits of alternative supply sources include:

- whether there is a demand for housing in the location in terms of price and dwelling type
- the relative travel time and cost from the location to employment and other major destinations
- whether the site can use and/or provide support to existing social and physical infrastructure and services



- the cost of augmenting/providing infrastructure
- ease of development – for example, whether the site has residential zoning, the number of stakeholders involved, political acceptability
- environmental impact including the impact on biodiversity, greenhouse emissions, air quality, water quality and the amenity of established residential areas
- the return to government from the sale of land.

Using the criteria above, priority locations for infill/redevelopment could be:

- Civic and adjacent areas including Constitution Avenue and East Basin – given the employment and other urban opportunities available, ease of development, potential travel savings, likely modest infrastructure upgrades, returns to government
- in and around town centres – given the employment and other urban opportunities available, ease of development, potential travel savings, likely modest infrastructure upgrades, returns to government
- along major transport corridors, particularly within an 800 metre walk of stops along the high frequency transport route identified in the draft Transport Network Plan, which includes Northbourne Avenue, Adelaide Avenue and Athllon Drive given their areas high accessibility
- at Kingston Foreshore and East Lake.

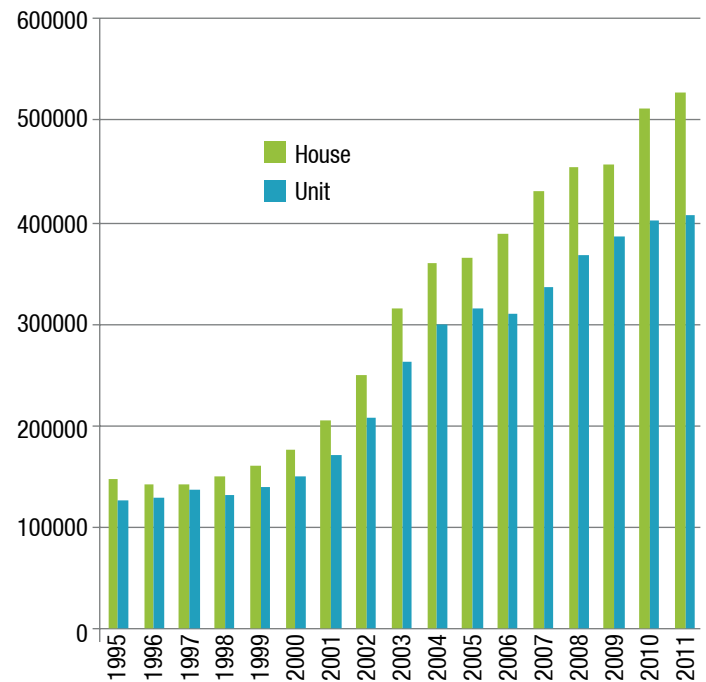
Housing affordability

Figure 10 indicates the rapid increase in median house prices in the ACT since 2001, reflecting price increases in all Australian capital cities. The rise in house prices has reduced housing affordability. Factors influencing residential land values of an area include accessibility, the environmental amenity and social factors. Land in inner city areas carries an initial premium due to proximity to services. Other factors being equal, land values typically decline with distance from the city centre to compensate for relative poorer accessibility¹. House prices are also influenced by factors such as taxation policies, the level of household income, the level of employment and unemployment, and issues associated with housing supply.

House prices can be moderated by increasing the supply of well-located properties either through urban consolidation, by increasing the accessibility of properties throughout the metropolitan area by improving transport infrastructure or by the decentralisation or provision of employment and other services.

The supply of accessible properties would also be increased if the residential amenity of fringe areas was improved through strategies that minimise travel to work, school, shopping and leisure activities and increase the provision of employment, community services and recreational opportunities.

Figure 10: ACT median house and unit prices



Source: All Homes 2011 Property Report

Planning strategies based on the decentralisation of employment and services to major sub-centres, such as Canberra's town centres, should help moderate house and land prices because they increase the overall accessibility of properties to services and facilities. Increased investment in transport infrastructure can also increase the supply of properties with good accessibility.

Urban consolidation policies contribute to increased land values and can lead to a reduced supply of low income rental properties. In Canberra, urban consolidation policies resulted in the supply of rental accommodation in central Canberra increasing by 1,400 dwellings to 12,700 dwellings between 1996 and 2006². However, the supply of low income rental properties decreased. The change generated by redevelopment is demonstrated in Turner and Braddon. These suburbs experienced significant redevelopment, with the number of dwellings increasing by 1,500 between 1996 and 2006. Between 1996 and 2006, however, the number of government tenanted dwellings and single parent households fell. While in 1996 both suburbs had median rents below the Canberra median, by 2006 median rents were above the Canberra median. However, inner city house prices would have been higher if no increase in dwelling stock had occurred.

Government ownership of land in the ACT enables a more interventionist role in the housing market. To address affordability concerns, the ACT Government prepared and implemented the Affordable Housing Action Plan to help residents at all points on the accommodation spectrum, from home-buyers and private renters to those in public and community housing. The plan's key initiatives include ensuring an adequate supply of land, facilitating the development of small blocks, 20% of the total dwellings in the estate sold for affordable house and land packages.



Housing choice

The greater availability of dwelling types throughout neighbourhoods and districts would widen the housing choices of people of all ages, abilities and lifestyles. The universal design of dwellings would enable ageing in place and build a stronger, more resilient community. Universal housing design requires Australian homes to meet the changing needs of home occupants across their lifetime. It recommends including key easy living features that aim to make homes easier and safer to use for all occupants including people with disability, ageing Australians, people with temporary injuries, and families with young children. The concept of universal design is important because it enables the same house to be adapted to a wide range of social needs with minimal structural changes.

The ACT population is ageing, with the number of people aged 65 and over projected to increase from 35,800 (10.4% of the population) in 2010 to 75,800 (16.5%) by 2030. Finding suitable accommodation to meet the specific needs of the aged is an important challenge for the ACT Government and community. The Territory Plan requires each development to provide one adaptable housing dwelling for every 10 dwellings. Adaptable housing, which is specifically designed to enable easy modification, is based on the principle that homes should be accessible to all (children, older people and people with disabilities), making dwellings more suitable for people at all stages of their lives.

The housing needs of the more vulnerable in the community, including those experiencing mental or physical ill health and the unemployed, need to be addressed. While much can be done through support programs through government or community organisations, planning can support land release, quality design and alternative tenures for social housing and housing cooperatives.

Housing and sustainability

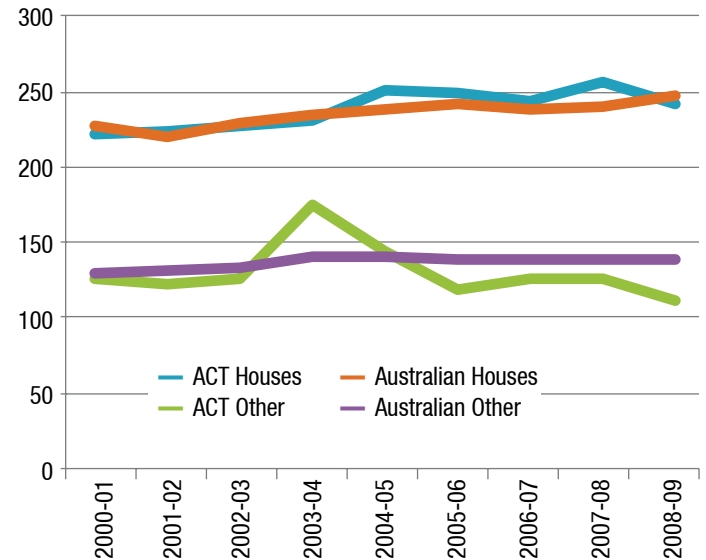
Most of Canberra's existing houses were built before the introduction of environmental performance standards. They are often poorly designed – hot in summer and cold in winter. Better designed dwellings provide thermal comfort and decreased running costs.

If materials are selected with their environmental impact in mind, they can make a broader contribution to reducing resource consumption for example, solvent free paints, and recycled content or plant-based dyes for furnishing fabrics all contribute to a lowered environmental impact.

Larger dwellings consume more resources in their construction, cost more to build and generally have higher operating energy costs.

Between 1984–85 and 2007–08 the average dwelling size of new houses in the ACT increased from 149m² to 257m². In 2008–09 the average floor area of new houses fell to 243m² and that of other dwellings to 115m².

Figure 11: Average floor area new dwellings 2001-2009



The importance of making houses and land use more efficient must be balanced against the need for garden space in both homes and the public realm. Green space is particularly important for a range of health and wellbeing outcomes, but will become even more important under changed climates. Gardens with mature trees help to mitigate heatwaves; planning must therefore seek a balance between the need for increasing the density in residential areas and the need to have sustainable public and private gardens.

ACT Planning Strategy response to the issues

The ACT Planning Strategy sees merit in increasing development in the existing towns. It appreciates that the preference of most households in 2006 was for a detached dwelling; however, trends in dwelling commencements indicate there is growing demand for higher density dwellings. Changes in the age structure of the population, the growth in one and two person households, high housing costs and rising home energy costs will all contribute to a shift in demand towards higher density dwellings. This demand is already apparent in North and South Canberra and in and around town centres. All these areas have good access to employment, facilities and services. These locations also offer the opportunity to reduce the level of travel in the city and are well served by public transport.

The doubling of the population aged 65 years and over suggests there would be merit in increasing housing opportunities in established areas so this portion of the population has the opportunity to move to a lower maintenance dwelling in a familiar neighbourhood. This change in demographics also highlights the need for universal and adaptable housing standards and the provision of services to older people who choose to continue to live in the family home. Additional aged persons' housing will also be required for the less mobile aged. Housing that reflects the needs of disadvantaged groups needs to be provided close to facilities and services and well served by public transport.



The growth in the number of 0-14 year olds highlights the need for social infrastructure sites, including schools and child care centres, in newly developing areas. In North Canberra, planners need to consider how to meet the needs of a growing school age population. Suburban planning will continue to provide schools, shops and other facilities to reduce dependence on cars.

The difficulty in locating substantial employment in newly developing areas reinforces the benefits of increasing housing close to existing employment centres. Of course, opportunities for employment in the new towns should be accommodated when possible. Increased employment outside central Canberra remains highly desirable to reduce travel, moderate housing prices across the metropolitan area and provide the opportunity to walk and cycle to facilities rather than driving.

Infrastructure cost savings are likely because the net cost of physical and social infrastructure is reduced when more people can use existing infrastructure. Some augmentation will be necessary, but the costs are lower than providing new infrastructure in greenfield areas.

The strategy will allow government to work with existing communities to facilitate the development of additional housing in existing suburbs, particularly where non-car modes of transport are viable and the increased population can support local facilities and services. Community concerns, generally around residential amenity, often make it difficult to increase the supply of housing in existing areas. Therefore, development will initially focus on the existing town centres, East Lake, group centres on major transport routes (e.g. Mawson, Curtin), Athllon Drive, north Watson, the mixed use area flanking Northbourne Avenue, and the RZ3 and RZ4 areas in North Canberra.

The strategy will be a vehicle for educating the community of the economic, social and environmental benefits of a more compact city form.

Further reading

Infrastructure Australia (2010): Our Cities, Our Future – A National policy for a productive, sustainable and liveable future

http://www.infrastructure.gov.au/infrastructure/mcu/files/Our_Cities_National_Urban_Policy_Paper_2011.pdf

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<http://www.socsci.flinders.edu.au/ahuri.src/docs/MythBustedSeminarPaper.pdf>

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Griffith University (2011) Matthews: Climate Change adaption in Urban Systems: Strategies for Planning Regimes:

http://www.griffith.edu.au/_data/assets/pdf_file/0004/275107/urp-rp32-matthews-2011.pdf

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Australian Housing and Urban Research Institute research and policy bulletins: - Planning, Government charges and the costs of land and housing

<http://www.ahuri.edu.au/publications/projects/p70393>

- Planning reform, land release and the supply of housing

http://www.ahuri.edu.au/publications/download/30590_pp

- How do housing and housing assistance relate to social cohesion?.

http://www.ahuri.edu.au/publications/download/rap_issue_92

- Long-term housing futures for Australia: using 'foresight' to explore alternative visions and choices

http://www.ahuri.edu.au/publications/download/rap_issue_76

ACT Planning and Land Authority (2007) Canberra at the 2006 Census: Population and Housing

http://www.actpla.act.gov.au/_data/assets/pdf_file/0007/7675/Canberra_at_2006_Census.pdf

Australia Bureau of Statistics (2008) Canberra: A Social Atlas. 2006 Census of Population and Housing. Cat. 2030.8

[http://www.ausstats.abs.gov.au/Ausstats/subscriber.nsf/0/F084CC2518A2F7C3CA25740E0079DE65/\\$File/20308_2006.pdf](http://www.ausstats.abs.gov.au/Ausstats/subscriber.nsf/0/F084CC2518A2F7C3CA25740E0079DE65/$File/20308_2006.pdf)

ACT Government (2007) Affordable Housing Action Plan.

<http://actaffordablehousing.com.au/>

Bedzed development link.

<http://www.zedfactory.com/>

Green building products and links:

<http://www.thegreenpages.com.au/>

sustainable home design:

<http://www.yourhome.gov.au/index.html>

energy and water ratings for the home

<http://www.energyrating.gov.au/> and http://www.environment.gov.au/wels_public/searchPublic.do

national peak body for housing for the disadvantaged

<http://www.shelter.org.au/>

Endnotes

Need a reference for Winton 2008. Mike.

- 1 SGS report for ACTPLA 2001 and report by Allen Consulting Group for ESDD 2011
- 2 ABS 2006