POLICY ONE: POPULATION GROWTH AND CHANGE
Hobsons Bay needs to plan for an increasing and changing population. This includes planning not only for housing but also planning for the supporting community infrastructure and services within the municipality.

**POLICY AREAS:**

1.1 Planning for population growth and change

1.2 Planning for community infrastructure and services

**KEY CHALLENGES:**

- ensuring new housing matches residents’ current and future housing needs based on expected population growth and change
- directing housing growth to appropriate locations whilst balancing the competing demands of residential, environmental, industrial and employment uses
- ensuring the provision of community infrastructure and services that are required by a growing and changing residential population

**1.1 Planning for population growth and change**

It is estimated that over the next 20 years the population will grow by around 19,252 residents, generating demand for an additional 8,849 new homes by 2036.

Population growth will not be uniform across the municipality. The highest growth is being driven by large Strategic Redevelopment Areas in the north and east of the municipality. The remainder of growth will be from smaller scale incremental infill development across the suburbs.

The population is not only growing but also changing. Hobsons Bay has an ageing population and a shrinking household size. It is estimated that by 2036, there will be a 44 per cent increase in the number of residents aged 65 years.

There will also be changes to the household types, whilst family households will remain the most common household type in the municipality, there is expected to be an increase in the smaller household types (couples without children and lone person households). The impact on housing provision is that smaller household sizes (fewer people per dwelling) create an increase in demand for dwellings, even if the population is stable or growing slowly.
It is important that a diversity of housing types is provided to match the changing needs of the population throughout Hobsons Bay.

**New housing required**

In terms of housing growth, it is expected that **443 new dwellings per annum** are required from 2016 to 2036 to provide homes for **8,217 additional households**. This compares to the recent growth rate of around 359 new dwellings per annum in the municipality (2011-16).

The location and scale of new housing is a major consideration in planning for population growth as it influences a number of land use, social, environmental and economic factors as well as impacting on community health and wellbeing (discussed further in Housing Policy Two).

Hobsons Bay has a diverse mix of residential, industrial and commercial areas. One of the key challenges of planning for population growth in the municipality is balancing the competing demands of residential, environmental, industrial and employment uses. It is important that residential amenity and the operations of existing industry and businesses are not adversely impacted by the provision of new homes.

There are a number of land use constraints in the municipality which may impact on new housing provision, these have been identified in the Housing Framework Plan and Housing Capacity Assessment report (Volume Two).

Planning for new homes needs to match residents’ needs now and in the future, for Hobsons Bay this means that new homes should allow for ageing in place and housing diversity to cater for all household types.

**Recommendation**

It is recommended that Council implement the final Housing Strategy including the Housing Framework Plan (in Policy Two), to manage population growth and change in Hobsons Bay.

### 1.2 Planning for community infrastructure and services

A growing population places increased pressure on community infrastructure and services but it also helps to support the provision and upgrade of infrastructure and services.

Whilst there is often resistance to changes in established communities, it is important to recognise that new housing can deliver a number of benefits, such as increasing the choice of housing available, regenerating an area, revitalising an activity centre (with new shops/cafes) and attracting new community services and facilities.

Decisions around directing more growth/density in an area versus improving infrastructure and services need to be weighed up appropriately. Through directing growth to the right areas, Council is better placed to manage and cater for additional residents and the pressures on supporting infrastructure and services.

The Hobsons Bay community has concerns about the effect of population growth on existing services. Council needs to plan ahead for accommodating additional residents over the next 20 years and beyond to make sure that new
infrastructure needed by the community is provided when and where it is needed and that funds are available to provide the infrastructure\(^5\).

Council is preparing a draft Community Services and Infrastructure Plan (CSIP) to provide the strategic framework to understand community service demand, the quality of facilities\(^6\) and what is required in order to meet the needs of the municipality’s changing population.

In the case of infrastructure and services where Council is not the direct service provider, such as public transport, it is recommended that Council continue to advocate to the agencies and state government for improvements/upgrades in line with the Hobsons Bay Advocacy Priorities 2019 (or its successor) and other strategic documents such as the Integrated Transport Plan.

Infrastructure Australia’s report *Planning Liveable Cities: A place-based approach to sequencing infrastructure and growth* identifies common challenges across Australian cities with satisfactorily sequencing infrastructure and housing. It recommends changes to planning systems, governance and funding arrangements to better manage rapid growth.

**Ageing community infrastructure and drainage**

Managing Hobsons Bay’s ageing community infrastructure is a key challenge for Council. In particular, the upgrade of drainage assets vital for stormwater management.

There are known capacity issues of drainage infrastructure across the municipality with substantial costs to upgrade existing assets and cater for future capacity demand.

The expected increase in population and new residential development is likely to exacerbate the frequency of flooding from stormwater events in Hobsons Bay. This is due to an increase in hard surfaces increasing stormwater runoff.

There are numerous ways to manage and help alleviate this issue. One way is to require new multiunit developments to provide onsite stormwater detention measures (to reduce stormwater runoff).

Currently, there is an internal process in place which requires that planning applications of multiunit developments of four or more in Hobsons Bay are required to provide onsite stormwater detention as a condition on a planning permit.

There is an opportunity to investigate lowering the threshold of this trigger to capture all developments of two or more dwellings, and to provide guidelines upfront for developers to consider the requirement of onsite stormwater detention at the early stages of their proposed development.

This issue should be addressed more holistically in conjunction with best practice stormwater management in Hobsons Bay and associated Environmentally Sustainable Design policy.

**Community infrastructure and climate change**

The impacts of climate change will also place increased pressure on community infrastructure and services. Hobsons Bay is particularly vulnerable to the adverse effects of climate change due to its coastal location. As outlined in Council’s Climate Change Policy 2013 these impacts will be diverse, affecting people, infrastructure and the environment.

\(^5\) Development Contributions Guidelines, DTPLI (March 2007).

\(^6\) Community facilities in the CSIP include: Kindergartens, Maternal and Child Health Centres, Childcare Centres, Community Meetings Spaces, Community Centres and Seniors Centres.
Considering Hobsons Bay’s environment, key risks for our community include: flooding, sea level rise and storm surges, heat vulnerability and extreme weather events.

Local impacts of such risks may include: property damage, health implications, increased cost of food, increased infrastructure maintenance and clean-up costs, and loss of biodiversity and habitat.

In order for the municipality to appropriately respond to such changes, Council needs to support and encourage adaptive and resilient communities. This means providing the broad strategic directions and a framework for decision-making.

Effective environmental and land use policy will facilitate a coordinated and co-operative approach to environmentally sustainable development and encourage long-term planning for the benefit of the municipality and the broader environment. Responsible land use planning and infrastructure development will provide opportunities for the community to experience new, more sustainable ways of living, be able to respond quickly and effectively to emergencies and be ready to adapt to further change.

There are a number of ways in which Council can respond and help the community to increase its resilience. One way is ensuring that the built environment is planned and developed sustainably with our natural environment and the community as the primary focus.

Social Impact Assessments

Hobsons Bay requests Social Impact Assessments (SIA) for development applications of 20 or more dwellings. The SIA helps to identify the demand that new developments (additional residents) are placing on existing community infrastructure and services. This can help support financial outcomes via developer contributions.

Development Contributions

It is important that Council has effective mechanisms in place to fund community infrastructure/facilities, particularly in a rate-capping environment. As such, Council may explore a range of innovative approaches to funding community infrastructure/facilities in partnership with stakeholders such as state government and external service providers to ensure that services can continue to meet demand into the future.

The use of Development Contribution Plans (to collect financial contributions for development and community infrastructure) and Open Space Contributions are the key mechanisms to collect contributions for new development.

The Hobsons Bay Open Space Strategy (2018) will help guide open space contributions sought by Council.

Recommendation

It is recommended that Council:
- review and adopt the Community Services and Infrastructure Plan (CSIP)
- investigate the opportunities to alleviate the pressures on the drainage infrastructure, in particular reducing stormwater runoff through requiring all new multiunit developments to provide onsite stormwater detention
- support and encourage adaptive and resilient communities by adhering to Victoria’s Climate Change Act 2017 and Council’s Climate Change Policy
- undertake the strategic work to prepare Development Contribution Plans for incorporation into the Hobsons Bay Planning Scheme, in accordance with the

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Planning and Environment Act 1987, to secure financial contribution towards development and community infrastructure.
- advocate for improved processes and tools to better deliver and sequence supporting infrastructure at the local level
### Table 6: Recommended Actions – Policy One: Population growth and change

<table>
<thead>
<tr>
<th>POLICY ONE: POPULATION GROWTH AND CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OBJECTIVE:</strong> To understand the levels of population growth and change in the municipality over the next 20 years in order to plan for new housing and supporting community infrastructure and services.</td>
</tr>
<tr>
<td><strong>OVERVIEW:</strong> Around 19,252 residents (8,849 new homes) need to be accommodated over the period 2016-36. Hobsons Bay needs to plan for an increasing and changing population which has consequences on housing and community infrastructure and services.</td>
</tr>
</tbody>
</table>

**Recommended Actions:**

1. **1.1: Planning for population growth and change**
   - implement the Housing Strategy into the Hobsons Bay Planning Scheme, make it a Background Document, and ensure consistency between the key strategies outlined in this objective and the Municipal Planning Statement
   - ensure new housing meets demands of the existing and future population through meeting the objectives of Policies Two, Three and Four in this strategy

2. **1.2: Planning for community infrastructure and services**
   - review and adopt the Community Services Infrastructure Plan (CSIP) for Hobsons Bay
   - investigate the opportunities to alleviate the pressures on the drainage infrastructure, in particular reducing stormwater runoff through requiring all new multiunit developments to provide onsite stormwater detention
   - investigate opportunities to further support and encourage adaptive and resilient communities in Hobsons Bay in line with Victoria’s Climate Change Act 2017 and Council’s Climate Change Policy
   - undertake the strategic work to prepare Development Contribution Plan Overlays (DCPO) for incorporation into the Hobsons Bay planning scheme to ensure new development contributes to the provision of supporting community infrastructure and services (to apply the Developer Infrastructure Levy and the Community Infrastructure Levy)
   - advocate for improved processes and tools to better deliver and sequence supporting infrastructure at the local level
continue to advocate to the State government for transport improvements and other community services/facilities in accordance with the Hobsons Bay Advocacy Strategy (2014-18, as updated/amended), Integrated Transport Plan (2017-30) and other key strategic documents
POLICY TWO: HOUSING LOCATION AND HOUSING TYPE
POLICY TWO: HOUSING LOCATION AND HOUSING TYPE

The location and type of new housing are important considerations in planning for housing as they shape how a suburb functions and the choice of housing available to residents.

Determining where additional housing can go and the type of housing change required, ensures we are putting the right homes in the right places. A Housing Framework Plan has been prepared to guide and manage future housing in Hobsons Bay.

POLICY AREAS:

2.1 Preferred locations for future housing

2.2 Preferred types of housing change

2.1 Preferred locations for future housing

Housing location is one of the most important considerations when planning for future housing as it influences a number of land use, social, environmental and economic factors. These include: the provision of transport services and community infrastructure, residential amenity, access to open space and to retail and employment. The location of housing also contributes to community wellbeing and social cohesion.

Not all areas of Hobsons Bay are suitable to accommodate increased housing growth. Some areas have better access to train stations, shops and services, whereas other areas are located further away from public transport and services or are close to industrial areas with poor amenity.
Identifying preferred locations for additional housing provides the opportunity to better align housing growth in Hobsons Bay in more appropriate areas. This will support a shift in the trend of new medium and high density infill development occurring ad hoc across the municipality.

State planning policy is to encourage infill residential development in areas located within or close to activity centres and at sites that offer good access to transport and services.

However, a balanced approach is required to ensure that other factors are also considered when determining the preferred locations for future housing, for example, whether there is strong heritage or neighbourhood character values in an area or other constraints such as being located in proximity to a Major Hazard Facility.

Four key criteria have been used to help determine the location and type of future housing in Hobsons Bay (see Figure 24). Consideration of this criteria has been applied in a balanced manner to ensure we are putting the right homes in the right places.

Figure 24: Criteria for guiding housing location and change

This criteria has been assessed in more detail in the Housing Framework Plan and Housing Capacity Assessment (Volume Two) along with an understanding of the estimated housing demand based on Hobsons Bay’s growing and changing population.

**Opportunities for new housing**

Hobsons Bay is an established municipality with no greenfield (undeveloped) sites, new housing therefore has to be absorbed into existing suburbs. There are, however, significant ex-industrial brownfield sites (Strategic Redevelopment Areas) that have been identified for potential residential use in the central and eastern areas of the municipality.

Over the past decade, the majority of new dwellings in Hobsons Bay have come from infill development rather than large redevelopment sites. There are key SRAs that are expected to accommodate a significant proportion of new housing supply (e.g. in Altona North and South Kingsville). Some of these redevelopment areas are not ideally located to existing services. In these instances, it is important that the necessary community infrastructure and services are provided to support a new residential population community.

The housing capacity assessment identifies four opportunities for accommodating increased housing growth in the municipality:

Figure 25: Opportunities for new housing
2.2 Preferred types of housing change

The level of housing change will not be uniform for all areas across Hobsons Bay. Some areas are better placed to accommodate more diverse housing types whilst others are more suited to limited change in the housing stock.

In order to accommodate additional new housing and to achieve housing diversity that better matches residents’ needs, three Housing Change Areas have been identified for Hobsons Bay (see Table 7):

- Limited Change Area
- Moderate Change Area
- Substantial Change Area

New Residential Zones

There is a suite of residential zones and planning tools available to help achieve the preferred level of change required to meet housing needs. The three residential zones (New Residential Zones) include:

- Neighbourhood Residential Zone (NRZ)
- General Residential Zone (GRZ)
- Residential Growth Zone (RGZ)

The New Residential Zones were introduced by the Victorian Government to provide more certainty to the community and developers about the type of development that can be expected in an area. The proposed translation of the housing change areas to the New Residential Zones are outlined in Table 7.

The New Residential Zones have different purposes and requirements which impact on built form, this is identified further in Sections 2.4 to 2.6.

The Housing Change Areas have been applied in a balanced way across the suburbs to ensure a diversity of housing stock can be achieved, whilst factoring in any constraints and meeting Hobsons Bay’s housing needs.

The application of the Housing Change Areas are shown in the Housing Framework Plan in Figure 27.

Table 7: Housing Change Areas and the New Residential Zones

<table>
<thead>
<tr>
<th>Limited Change Area</th>
<th>Moderate Change Area</th>
<th>Substantial Change Area</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Example</strong> of Housing Types</td>
<td><strong>Overview</strong></td>
<td><strong>Areas</strong></td>
</tr>
<tr>
<td>Limited Change Area</td>
<td>Areas where housing growth and densities should be limited. This could be where there is strong heritage and/or neighbourhood character which needs protecting, or in locations where increased growth is not desirable because they are located away from services and facilities, or within close proximity to industrial areas.</td>
<td>Areas where future housing growth and increased densities should be encouraged, such as Strategic Redevelopment Areas and areas with good access to a train station and activity centre.</td>
</tr>
<tr>
<td>Moderate Change Area</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Substantial Change Area</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Neighbourhood Residential Zone (NRZ)</th>
<th>General Residential Zone (GRZ)</th>
<th>Residential Growth Zone (RGZ)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Zone Purpose</strong></td>
<td><strong>Clause 32.08:</strong></td>
<td><strong>Clause 32.07:</strong></td>
</tr>
<tr>
<td>Clause 32.09:</td>
<td>To recognise areas of predominantly single and double storey residential development.</td>
<td>To provide housing at increased densities in buildings up to and including four storey buildings.</td>
</tr>
<tr>
<td>To manage and ensure that development respects the identified neighbourhood character, heritage, environmental or landscape characteristics.</td>
<td>To encourage development that respects the neighbourhood character of the area.</td>
<td>To encourage a diversity of housing types and housing growth particularly in locations offering good access to services and transport.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>To encourage a scale of development that provides a transition between areas of more intensive use and development and other residential areas.</td>
</tr>
</tbody>
</table>

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Achieving housing diversity

The three Housing Change Areas/New Residential Zones allow a mix of different housing types to be achieved through a range of densities.

A range of housing options are required to cater for the needs of a diverse and changing resident base in Hobsons Bay.

Housing diversity in our suburbs is important as it helps respond to the changing needs of the community throughout different life stages and helps support ageing in place. Housing diversity also impacts on housing affordability. An area with a mix of housing types also provides a mix of housing at different price points.

Housing diversity is changing in Hobsons Bay, particularly with the increase of medium density development occurring across the suburbs. The increase in density is also coupled with an increase in the number of bedrooms per dwelling.

Whilst there is an expectation and pressure on established neighbourhoods to accommodate higher density infill development, there is also the need to protect against the loss of family sized homes with good sized gardens, particularly in suburbs which are forecast to experience a growth in family households.

Diversity is ensuring there is a good mix of all housing types.

Whilst Council can use the New Residential Zones to assist with delivering housing diversity, there is currently no ability to specify diversity in terms of the number of bedrooms.

Supporting ageing in place

Planning for a diversity of housing types in areas with good access to transport (e.g. around train stations/bus services) and within walking distance to shops/community services is important to support an ageing friendly community.

Housing which enables residents to age in place will support an ageing population. This can be achieved through providing:

- housing types which match the preferences of older people e.g. single level living, smaller homes (for lower maintenance) with good access to transport and community services
- housing diversity which enables opportunities for older residents to downsize within their community
- housing which incorporates accessible/universal design (see Section 4.2)

Consultation on housing needs for the Housing Strategy identified that there is an unmet demand for these housing types in Hobsons Bay.

Managing the impacts of housing change in our suburbs

All suburbs experience change over time. Changes in housing development can be a contentious issue within communities with concern about the impact on character within streetscapes and the pressure on existing services and facilities.

Council cannot prevent change from occurring but can guide the preferred level of housing change and plan for an increasing number of residents.

Community concerns around the impact of new housing in their suburbs have been considered and factored into the decision-making process when determining where future housing can be accommodated.

The Hobsons Bay Neighbourhood Character Study along with the Schedules to the New Residential Zones have an important role in protecting neighbourhood character and in shaping the preferred built form outcomes for new residential development across the suburbs.

Further guidance on managing residential built form is provided in Policy Four: Housing design, functionality and sustainability.
2.3 Housing Framework Plan

A Housing Framework Plan has been prepared which identifies the location for future housing growth and the level of change that is appropriate (see Figure 27).

The Housing Framework Plan is one of the key outputs of the Housing Strategy as it determines how housing growth and change will be managed in Hobsons Bay over the next 20 years.

Directing housing growth to key activity centres and train stations is the overarching principle guiding the application of the Housing Change Areas. The preference for future housing is to concentrate new development in areas closest to activity centres to make better use of existing community infrastructure and services.

The Limited Change Areas have been applied to areas with the least potential to accommodate housing growth or where growth is not encouraged, whilst the Substantial Change Areas show where higher levels of housing growth are supported.

The Moderate Change Areas strike a balance between allowing increased housing densities whilst also respecting neighbourhood character.

There are some activity centres identified on the Housing Framework Plan as being subject to the preparation of a structure plan or urban design framework, which may further inform the application of the New Residential Zones in these locations. These include:

- Altona North (Millers Road)
- Newport
- Spotswood (being drafted)
- Williamstown North/Williamstown

Potential capacity for new housing

Based on the Housing Framework Plan provided in Figure 27, the housing capacity assessment conservatively estimates a total of **16,281 new dwelling opportunities** (37 years of supply based on estimated housing demand of 443 new dwellings per annum to 2036) in the municipality (refer Figure 26).

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15 of Hobsons Bay’s activity centres are expected to provide around one third of the total new housing supply

Other infill development (from areas outside of SRA and activity centres) could potentially deliver around 6,466 new homes – estimates suggest that there is still a lot of suburban infill development that can occur within the Limited and Moderate Change Areas in Hobsons Bay.

There are further opportunities to increase dwelling supply within activity centres in the Commercial 1 Zone in the form of shop top housing (would need to be investigated as part of a more detailed study e.g. a Structure Plan).

2.3.1 How will the Housing Framework Plan be implemented?

The Housing Framework Plan will be used to apply the three New Residential Zones in Hobsons Bay and will be included in the local planning scheme.

A more detailed overview of the recommended level of housing change for each suburb is provided in Appendix B.

Recommendation

It is recommended that Council directs future housing growth and densities in accordance with the preferred locations and housing change areas identified in the Housing Framework Plan and in accordance with the Neighbourhood Character Study guidelines.
POLICY THREE: HOUSING AFFORDABILITY AND AFFORDABLE HOUSING
POLICY THREE: HOUSING AFFORDABILITY AND AFFORDABLE HOUSING

Housing affordability is a key determinant in the role and function of housing in the community. Housing affordability not only impacts on households but also has major implications on the wider economy and social cohesion within communities.

**POLICY AREAS:**
3.1 Housing affordability
3.2 Affordable housing
3.3 Homelessness
3.4 Empty homes

Hobsons Bay, like many areas around Melbourne, has experienced an increase in housing prices and rents in recent years. The decline in housing affordability has placed increased pressure on the need for more affordable housing and affordable living.

Hobsons Bay is reasonably desirable given its proximity to the CBD, access to freeways, open space and the coast. Hobsons Bay has been a relatively affordable location for housing although this has changed over the years, particularly with the gentrification of the eastern and central parts of the municipality. Household incomes have struggled to keep up with this increase in market house prices and private rentals, thus decreasing housing affordability in Hobsons Bay.

While the rising cost of houses has shown signs of abating in the broader metropolitan Melbourne market, house prices are not affected equally across the metropolitan area. With the forecasted increase in population over the next 20 years it remains important to be attentive to levels of housing stress and increasing demand for affordable housing, which may be influenced by other economic factors such as low wage growth and tighter lending conditions.

**KEY CHALLENGES:**
- declining housing affordability for purchasing and renting
- the cost of living is increasing which impacts on housing stress
- increasing the supply of affordable housing in the absence of mandatory requirements in State policy
- reducing the levels of homelessness through increasing the supply of affordable housing
- reducing the number of long-term empty homes

To improve housing affordability in Hobsons Bay and increase the supply of affordable housing in the municipality, many residents in the municipality are experiencing issues with housing affordability and potential opportunities and actions are required to help improve housing affordability and to match housing to residents’ needs.
Housing affordability refers to the relationship between expenditure on housing (prices, mortgage payments or rents) and household incomes, whereas affordable housing refers to housing which is affordable to particular income groups (e.g. low and moderate incomes). Hobsons Bay Affordable Housing definitions are explained in Figure 31.

3.1 Housing affordability

Housing affordability is important as it impacts on households, the economy (national, regional and local), social equity and social cohesion within communities.

The key housing affordability issues in Hobsons Bay include:

- residents/households in housing stress and declining rental affordability
- residents/households that are vulnerable in the housing market
- economic implications and impacts on key workers
- rates of homelessness and issues with rooming houses
- high proportion of empty homes in the municipality

Residents in housing stress

Around 9.4 per cent (3,221) of households in Hobsons Bay were experiencing housing stress (in 2016), with more than 23.9 per cent of renting households in housing stress and 8.4 per cent in mortgage stress.

Mortgage stress

- mortgage stress in Hobsons Bay was most common amongst couples with children and single parent households

Rental stress

- rental stress in Hobsons Bay was most common amongst lone person and single parent households
- the lone person households in rental stress were mostly those aged over 45 years – this is of some concern as the effects of rental stress will be harder felt if these households age and move onto the aged pension
- the highest level was in Laverton where around 28 per cent of rental households were in stress – while Laverton is often seen to be the most affordable suburb in the municipality, it attracts a high proportion of low income households

Housing affordability affects everybody who needs to rent or purchase a home but there are groups/household types more impacted by affordability than others.

The Background Report identified the vulnerable groups/households that are considered more ‘at risk’ to housing affordability in Hobsons Bay, including:

- low income households
- people with a disability
- older people (aged 60 years and above who do not fully own their own home)
- single parent families (particularly women escaping Family Violence)

9 As identified in the Housing Strategy Background Report (Volume One), Section 7.4.6.

10 This reflects ABS 2016 Census data, noting the Housing Strategy Background Report (Volume One) was completed in 2016, using 2011 data.
Generally, high rent and high mortgage households are located in the eastern part of Hobsons Bay. Most of the dwellings which are affordable are confined to the western suburbs of Altona Meadows and Laverton.

A key issue in Hobsons Bay is the decline in rental affordability. There are around 2,309 low income households in the rental stress (2016), paying near median rents who will be struggling to afford to stay in Hobsons Bay. A significant component of low income renters were single parent families\(^{11}\).

Affordable living

There is a link between housing affordability and affordable living. Households experiencing housing stress usually need to make compromises on areas of expenditure in order to meet housing costs. Severe housing stress leads to a constant juggle of household expenditure in order to meet mortgage/rent payments. Failure to make these housing payments can lead to homelessness.

If the cost of living is reduced so that a household has less expenditure on transport and utility costs such as gas and electricity, then this can assist with the capacity to meet housing costs.

The broader planning and built form considerations that have a role in affordable living include:

- reducing the cost of living by increasing housing supply near services, jobs and public transport\(^ {12}\)
- improving the environmental performance of buildings through incorporating ESD into new homes

Economic implications

Housing affordability also impacts on the local economy, particularly on employment. If employees are unable to afford to live close to work then there are a number of impacts including:

- local industries facing additional costs and impacts on competitiveness (e.g. job retention, recruitment costs, etc.)
- workers facing additional costs in the form of transport or housing, resulting in a fall of disposable income
- workers may change their place of work to be closer to home, further reducing the labour force pool available

Hobsons Bay plays an important regional role, providing a range of job opportunities for the wider western subregion. This issue is most pressing for Hobsons Bay strategic industries which are expected to drive employment growth, these include:

- transport, postal and warehousing
- construction
- health care and assistance
- manufacturing

The ability to attract skills and labour in these industries will be a key requirement for the Hobsons Bay economy. Housing affordability is one consideration to attract and retain skills.

\(^{11}\) This reflects ABS 2016 Census data, noting the Housing Strategy Background Report (Volume One) was completed in 2016, using 2011 data

\(^{12}\) Direction 5.1, Plan Melbourne (2017).
In 2016 29.6 per cent of Hobsons Bay City’s workforce were local residents. This means **70.4 per cent of the Hobson’s Bay workforce live outside of Hobsons Bay**.

In terms of the strategic industries, Health Care and Social Assistance and Safety has a relatively high share of workers who live in Hobsons Bay. This highlights the preference of workers to live locally, meaning that they will be more impacted by changes to house prices and rents in Hobsons Bay.

Transport, Postal and Warehousing however has a very low self-sufficiency (the proportion of workers who live and work in the municipality) meaning that the Transport sector in Hobsons Bay relies on labour from other areas of Melbourne.

**Key workers**

Another key consideration in regards to the local workforce and housing is the impact on key workers. Key workers can be defined as employees providing an essential service (e.g. teachers, police, nurses). As key workers find themselves unable to buy housing, further demand is placed on providing private rental and this demand translates to higher rents.

**Opportunities to address housing affordability**

At the State level, there is assistance for first home buyers to enter the property market with the First Home Owners Grant\(^\text{13}\). At the local government level, there is little opportunity to directly influence private market housing (private purchases and rentals). The opportunities that have been identified in this strategy are outlined in Table 14.

**Table 14: Opportunities to address housing affordability for market (private) housing**

<table>
<thead>
<tr>
<th>Opportunity</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Increase housing diversity (housing types) across the municipality</strong></td>
<td>Increasing housing diversity across the municipality in terms of housing types and the number of bedrooms is important as it encourages the supply of housing at different price points, this allows opportunities for first home buyers and low-middle income households to access private market housing.</td>
</tr>
<tr>
<td><strong>Encourage infill development in well located areas</strong></td>
<td>New housing which is well located to public transport facilities and existing services and community infrastructure promotes active transport and reduces the expenditure associated with owning a car.</td>
</tr>
<tr>
<td><strong>Encourage environmentally sustainable design within new dwellings</strong></td>
<td>Housing which incorporates environmentally sustainable design reduces household expenditure on utility bills, promoting affordable living.</td>
</tr>
<tr>
<td><strong>Increasing the supply of houses through reducing the number of empty homes</strong></td>
<td>Empty homes are a wasted resource and can negatively impact on housing affordability as they fuel an ‘under supply’ of housing. It is estimated that around nine per cent (3,417 homes) in Hobsons Bay are empty or underutilised. Whilst the Victorian Government recently introduced a Vacant Residential Land Tax, it is not known at this stage how effective this mechanism will be. There is an opportunity for Council to advocate to the Victorian Government for increased monitoring of the extent of empty homes and how it is being tackled.</td>
</tr>
</tbody>
</table>

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\(^{13}\) In 2018 the FHOG was $10,000 in metropolitan areas for homes valued up to $750,000.
Advocate for mechanisms to reduce private market rents

The National Rental Affordability Scheme (NRAS) was a mechanism introduced by the Federal and State governments to address the shortage of affordable private rental housing to allow low and moderate income households to rent at a rate at least 20 per cent below the market value rent. The scheme played an important role in preventing homelessness by providing secure housing to many people at risk. The scheme was abolished in 2014. Council should advocate to the Federal government to reintroduce a similar tool to reduce market rents for those at risk to prevent homelessness and take the pressure off the demand for social housing.

Recommendation

It is recommended that Council implement the opportunities identified in Table 14 to assist housing affordability in Hobsons Bay.

3.2 Affordable housing

A definition of affordable housing was introduced into the Planning and Environment Act 1987 on the 1 June 2018 as follows:

‘...affordable housing is housing, including social housing, that is appropriate for the housing needs of any of the following-

(a) very low income households;
(b) low income households;
(c) moderate income households.’

The thresholds for the income ranges are specified by a Governor in Council Order.

There was previously no single definition of affordable housing prior to the introduction of the new definition into the Act. In the absence of an agreed definition, Hobsons Bay adopted its own in the Affordable Housing Policy Statement (2016), as provided in Figure 31. This policy statement calls for 10 per cent affordable housing within Strategic Redevelopment Sites and encourages affordable housing in activity centres and established suburbs.

Affordable housing consistent with this definition refers to both market (private) housing and non-market (social) housing. Council’s Affordable Housing Policy Statement is primarily concerned with increasing the provision of social (non-market) housing in the municipality given the limited legislation within Victoria to support market affordable housing.

Social housing in Hobsons Bay

There are around 1,250 social housing dwellings in Hobsons Bay with the highest proportions of households in social housing occurring in Williamstown, Altona North and Williamstown North. Social housing properties are dispersed across the rest of the suburbs.

In 2011, 991 households in Hobsons Bay were living in social housing, accounting for around 2.9 per cent of total households, this is the same as the Greater Melbourne average. Victoria has a massive undersupply of affordable housing dwellings with over 30,000 of people on the housing waitlist.

Opportunities to increase affordable housing

There are no mandatory mechanisms within the planning framework in Victoria (pursuant to the Planning and Environment Act 1987) to directly increase the supply of affordable housing stock. There are a number of policies within the SPP that relate to the provision of affordable housing, namely in Clause 16 (Housing) and Clause 11 (Settlement).

Whilst these State policies set the intention for planning to address affordable housing, the Victorian Planning Provisions do not explicitly provide for the use of...
specific planning mechanisms to protect existing supplies of affordable housing, or require contributions to or inclusion of affordable housing or social housing stock. Council has been successful in negotiating the provision of affordable housing in Strategic Redevelopment Areas, notably the Precinct 15, Altona North Strategic Site, Precinct 13 (former Hobsons Bay Caravan Park) and Precinct 16 (the former Caltex site).

There are however opportunities emerging for local government to explore to increase the provision of non-market housing (social housing). The new amendments to the Act to facilitate the provision of affordable housing as part of new development applications (based on voluntary agreements), have been introduced to formalise the voluntary agreement arrangements that a number of councils have been using (with varying success) to secure new affordable housing. Hobsons Bay has achieved this within a number of development sites across the municipality.

Council is a strong advocate of affordable housing and has been successful in securing a number of affordable housing outcomes within developments.

As per Council’s Affordable Housing Policy Statement, Council is also investigating the development of an Affordable Housing Trust to further support the implementation and perpetuity of affordable housing within Hobsons Bay, as well as looking at innovating opportunities for increasing affordable housing on Council-owned land.

**Recommendation**

In the absence of Statewide Inclusionary Zoning to support the implementation of affordable housing, Council has adopted an updated Affordable Housing Policy Statement (2016) and is committed to its implementation. It is recommended that Council continue to review the opportunities available at the local level to increase the supply of social housing in the municipality and review the affordable housing policy statement as required.

It is recommended that Council continue to advocate to the Victorian government for Inclusionary Zoning to increase affordable housing supply rather than relying on voluntary agreements.
Figure 31: Hobsons Bay Affordable Housing definition

**Affordable housing definition (Hobsons Bay Affordable Housing Policy Statement):**

Market and non-market affordable housing that is occupied by households in the lower 40 per cent of the income distribution scale including key workers.

**Affordable market housing (private housing)**

Private home ownership where the purchasers mortgage costs do not exceed 30 per cent of the gross income of the occupant.

Rental housing that is owned and managed by private individuals or corporations and where rent does not exceed 30 per cent of the gross income of the household.

**Non-market housing (social housing)**

Rental housing that is owned and managed by the Director of Housing.

Rental housing that is owned and managed by a not for profit housing organisation.

**Affordable market and non-market housing provide**

housing choices, which are of appropriate size, liveable, accessible and incorporating the principles of universal design, secure in tenure and located in good proximity to employment services and critical infrastructure such as transport are managed under tenant selection and rent setting policies that ensure occupants do not pay more than 30 per cent of their income on rent and are delivered and managed by not for profit organisations in a manner intended to implement the aims of Council’s Municipal Public Health and Wellbeing Plan as amended from time to time.

3.3 Homelessness

It is inherently difficult to accurately determine the number of people experiencing homelessness. The 2016 census identified an estimated total of 3,987 people experiencing homelessness in Melbourne’s Wester Region\(^\text{14}\). This constitutes 16 per cent of Victoria’s homeless population. Around eight per cent of those experiencing homelessness in Melbourne’s West were in Hobsons Bay in 2016.

Homelessness is an issue which needs to be addressed at the broader level with proactive measures that prevent homelessness in the first place.

**Recommendation**

Council should address homelessness as part of the affordable housing agenda including exploring the actions and opportunities in the Affordable Housing Policy Statement to increase the supply of social housing.

Rooming Houses

Rooming houses are classed as a form of homelessness due to their insecure tenure\(^\text{15}\). Council has a regulatory role in the operation of rooming houses. It is a legal requirement (under the provision of the *Public Health and Wellbeing Act 2008*) that operators of rooming houses need to register the rooming house with the local council and they must meet various building regulations and health and safety regulations (such as overcrowding, cleanliness and hygiene).

There are 11 registered rooming houses within Hobsons Bay (2016).

Whilst rooming houses have traditionally accommodated disadvantaged and vulnerable people, there is evidence that this profile is changing with other sections of the community such as international and domestic students.

\(^{14}\) Based on Plan Melbourne Metropolitan Melbourne regions

\(^{15}\) Based on ABS classifications of homelessness.
travellers, low-income earners and some type of key workers\textsuperscript{16}, turning to rooming houses as a cheaper accommodation option as private rental costs rise.

Tenancy mix can be an issue in rooming houses as they house some of society’s most excluded and vulnerable individuals, often on a legally insecure or ‘non-tenured’ basis. There is often a high turnover of tenants and some neighbourhood disturbance and complaints to local councils\textsuperscript{17}. Councils have a responsibility to carry out inspections of any properties to make sure they are safe, properly registered and meeting the minimum standards\textsuperscript{18}.

Whilst the current number of registered rooming houses in the municipality is relatively low in Hobsons Bay, there has been a rather high proportion of prosecutions which have been a burden to Council’s resources. There has also been a number of unsuccessful prosecutions primarily due to the existing legal framework which makes it difficult to get powers of entry to the property to collect the necessary evidence.

Recommendation

It is recommended that the number of rooming houses in the municipality are monitored as well as any enforcement incidents. Council should explore the opportunities to advocate for changes to legislation on rooming houses which could alleviate some of the identified issues.

3.4 Empty Homes

Empty homes is an issue which can impact on affordable housing. Hobsons Bay has around 1,000 homes (almost three per cent) that are empty\textsuperscript{19} and a further 2,390 homes that were underutilised in 2013.\textsuperscript{19}

There are many disadvantages to empty homes, not only do they create more housing demand, fuel the ‘under supply’ of housing and impact on affordability but they also impact on an area. Homes left vacant for a long period of time can become unsightly if not maintained and attract crime/vandalism which impacts on the neighbourhood.

The Victorian Government introduced a Vacant Residential Land Tax\textsuperscript{20} which came into effect on 1 January 2018. The Vacant Residential Land Tax is a tax on residential properties in Melbourne’s inner and middle suburbs (including Hobsons Bay) which are unoccupied for more than six months a year.

Whilst the introduction of the tax marks a step in the right direction to help alleviate the issue of empty homes, it is unknown how effective the tax will be as there are a number of exemptions and employs a self-reporting model (so owners of vacant residential property will be required to notify the State Revenue Office of any vacant properties that they own).

\textsuperscript{16} AHURI, Victoria Discussion Paper Rooming house futures: governing for growth, transparency and fairness (Feb 2015).

\textsuperscript{17} ibid

\textsuperscript{18} The Minimum Standards were introduced under the Residential Tenancies Act 1997.

\textsuperscript{19} As identified in Background Report (Volume One).

\textsuperscript{20} Also referred to as the Vacant Residential Land Tax.
**Recommendation**

There is an opportunity to address the empty homes issue as part of the housing affordability agenda, in particular to monitor the rates of empty homes in Hobsons Bay and the effectiveness of the new Vacant Residential Land Tax.

**Table 15: Recommended Actions – Policy Three: Housing affordability & affordable housing**

<table>
<thead>
<tr>
<th>POLICY THREE: HOUSING AFFORDABILITY &amp; AFFORDABLE HOUSING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OBJECTIVE:</strong> To improve housing affordability in Hobsons Bay and increase the supply of affordable housing in the municipality.</td>
</tr>
</tbody>
</table>

**Recommended Actions:**

<table>
<thead>
<tr>
<th>3.1: Housing affordability - Market (private) housing</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ update the Hobsons Bay Planning Scheme to include the key strategies and objectives regarding housing affordability (where appropriate)</td>
</tr>
<tr>
<td>▪ support the increase in housing diversity (housing types) across the municipality to encourage the supply of housing at different price points</td>
</tr>
<tr>
<td>▪ monitor housing affordability to understand the levels of housing stress (for both renters and purchasers) in the municipality</td>
</tr>
<tr>
<td>▪ assist in reducing the levels of housing stress through reducing the cost of living for households by directing housing growth to areas with access to good public transport and community facilities in order to reduce car dependency</td>
</tr>
<tr>
<td>▪ assist in reducing the levels of housing stress through reducing the cost of living for households through incorporating ESD measures into new dwellings to reduce ongoing utility costs</td>
</tr>
<tr>
<td>▪ advocate to the Federal and Victorian government for the introduction of schemes and/or taxation tools to reduce market rents for households at the risk of homelessness and take the pressure off the demand for social housing</td>
</tr>
</tbody>
</table>

**Rooming Houses**
- monitor the number of rooming houses and any enforcement incidents in the municipality and explore opportunities to advocate for changes to legislation which could alleviate some of the identified issues

### 3.2: Affordable housing – Non market (social) housing

- update the Hobsons Bay Planning Scheme to include the key strategies and objectives regarding affordable housing (where appropriate)
- review the Hobsons Bay Affordable Housing Policy Statement (2016) when required to adapt to best practice and legislatives changes
- include the Hobsons Bay Affordable Housing Policy Statement as a Background Document in the Hobsons Bay Planning Scheme
- support the implementation of affordable housing in the municipality through exploring the actions as recommended in the Affordable Housing Policy Statement (2016) including actions relating to: land use planning, service provision, establishing a Housing Trust, advocacy and leadership and partnering to maintain existing public housing stock

### 3.3: Homelessness

- reduce levels of homelessness through implementation of the Hobsons Bay Affordable Housing Policy Statement to increase the supply of affordable housing

### 3.4: Empty Homes

- monitor the rates of empty homes to gauge the effectiveness of the new Vacant Residential Land Tax and advocate to the Victorian government for further mechanisms to tackle this issue if required
POLICY FOUR: HOUSING DESIGN, FUNCTIONALITY AND SUSTAINABILITY
POLICY FOUR: HOUSING DESIGN, FUNCTIONALITY AND SUSTAINABILITY

Housing design, functionality and sustainability considers the built form aspects of housing. Built form considerations are an important part of the Housing Strategy as they impact on neighbourhood character, residential amenity, functionality, liveability and environmental sustainability associated with residential land uses.

POLICY AREAS:

4.1 Housing design, heritage and neighbourhood character
4.2 Housing design and functionality
4.3 Housing and sustainability

Consideration of both the external and internal areas of housing design is important. Three key areas of housing design have been identified in the Housing Strategy which new housing should consider, these include:

1) Housing design, heritage and neighbourhood character
2) Housing design and functionality
3) Housing and sustainability

POLICY FOUR: HOUSING DESIGN, FUNCTIONALITY AND SUSTAINABILITY

To encourage housing that fits in with the preferred neighbourhood character, is designed to meet the needs of residents throughout all stages of life and to increase the energy efficiency of homes to reduce greenhouse gas emissions and promote sustainable living.

KEY CHALLENGES:

- respecting existing heritage areas and preserving neighbourhood character whilst also planning for increased housing growth
- having clear planning controls that shape and protect neighbourhood character
- achieving good design outcomes for high density residential development
- managing internal amenity in residential development, particularly for medium and high density housing
- managing amenity issues associated with non-residential uses in residential areas
- designing homes which can meet the changing needs of occupants over their lifetimes
- reducing the environmental impacts associated with residential development and uses including reducing greenhouse gas emissions and enhancing community resilience
- promoting more sustainable living and affordable living through reducing household utility costs and car ownership
4.1 Housing design, heritage and neighbourhood character

Hobsons Bay is a diverse municipality with housing stock representing all eras. The eastern side of the municipality has older housing stock than the western side.

The community values the character of their neighbourhoods and there is some concern regarding inappropriate development impacting on existing character, particularly in the eastern parts of the municipality where there are higher development pressures and significant heritage areas.

One of the key challenges of the Housing Strategy is to respect existing heritage areas and preserve neighbourhood character whilst also planning for housing to accommodate an increasing population.

What is neighbourhood character?

Neighbourhood character is about the look and feel of the streets in a neighbourhood. Many features contribute to neighbourhood character including building height and form, vegetation and materials.

With the expectation for established neighbourhoods to accommodate more medium and higher density infill development, it is imperative that new housing is designed to a high quality and appropriately responds to neighbourhood character.

The key housing design elements are in relation to the external built form include building setbacks, building height, front fence height and private open space.

Neighbourhood character and amenity are often the major factors in determining whether a permit should be granted, and they are often the main points of contention in the community.

Key design issues

The Background Report identified the following key design issues for new housing in Hobsons Bay:

- domination of frontages by garages, hard surfaces and driveways
- intrusions into the ‘backyard zone’
- inadequate space for canopy trees and unsympathetic landscaping
- unenforceable provisions on side setbacks

Other design issues adversely impacting on neighbourhood character in Hobsons Bay include:

- use of colour and materials
- the way pitched roofs and semi-basement car parking are accommodated
- interfaces with parks and laneways

This strategy considers the outcomes of the revised Neighbourhood Character Study (2019) which identifies 28 precincts and six neighbourhood character types.

New residential development must meet the Neighbourhood Character Precinct Guidelines and the proposed schedules to the New Residential Zones.

The Neighbourhood Character Precinct Guidelines and proposed schedules play an important role in shaping the residential built form and give better guidance.

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to the community and developers as to the expected design response of new housing in an area.

It is anticipated that Hobsons Bay will experience the addition of more high density development (i.e. three or more storey apartments) over the next 20 years. Achieving quality design outcomes for these development types is highly important due to the visual prominence on existing streetscapes.

**Recommendation**

To address housing design and character issues through the use of the New Residential Zone schedules and Neighbourhood Character Precinct Guidelines (as recommended by the Neighbourhood Character Study 2019) and the Better Apartment Design Standards (for higher density dwellings).

The preparation of future structure plans and urban design frameworks should also provide further guidance for high density built form.

### 4.2 Housing design and functionality

Housing design and functionality is an important aspect of housing. Homes should not be built as a short term provision but with consideration of occupants needs within the community.

Homes that are well-designed provide good internal and external amenity and are versatile to meet the changing needs of occupants over their lifetimes (‘lifetime homes’) and contribute to health and wellbeing.

Another key area of housing design which needs to be considered based on the fact that Hobsons Bay has an ageing population, is older persons housing (e.g. aged care facilities).

The key issues regarding housing design and functionality in Hobsons Bay include:

- residential amenity
- waste management and resource recovery
- lifetime homes (accessible for all, adaptable and universal design)
- older persons housing

**Residential amenity**

There is no formal definition of ‘residential amenity’ but in basic terms, it is about the pleasantness of a place or area.

The current planning controls in place to manage amenity impacts are contained in Clause 54.04 (one dwelling), Clause 55.04 (two or more dwellings) and Clause 58.04 (apartment developments) are primarily concerned with addressing access to daylight, restricting overshadowing and protecting overlooking/privacy to the private open space areas and habitable room windows.

Residential amenity however also includes other factors such as the internal layout of a dwelling and the size of the rooms, as well as environmental conditions such as noise and odour/air quality. These matters go beyond the remit of ResCode.

The increase in medium and high density infill development is impacting on residential amenity as some developments are pushing the boundary to accommodate the maximum number of dwellings on a lot.

The internal amenity of a residential dwelling is often compromised when lot yield, size or site constraints apply, impacting on outlook, access to daylight, privacy, noise and room sizes. This is an issue with apartments (particularly high rise) leading to the development of apartments which provide poor residential amenity for the occupants.
This issue has been acknowledged by the Victorian Government with the release of the Better Apartments Design Standards\(^{22}\) with new guidelines around internal design, amenity and functionality to address these issues.

Internal amenity issues however are not just related to apartment developments, other housing types can also be subject to poor internal amenity and there is currently no planning controls to guide this.

**Reverse living**

Within Hobsons Bay, there has been an increase in the number of applications for new housing with ‘reverse living’ arrangements (where the kitchen and living areas are located on the upper floor(s) and the bedrooms are on the ground floor).

These types of developments are adopting ‘balcony open space’ which under the planning scheme is a lower area requirement and generally an indication that the developer is pushing the limit resulting in an overdevelopment of the site. The introduction of the minimum Garden Area requirements in the Neighbourhood and General Residential Zones should help alleviate this issue.

Whilst reverse living arrangements can be acceptable in some instances for example where there is a view, or an opportunity for greater surveillance adjacent to open space and parkland, these types of dwellings do not support accessible homes/universal design requirements or allow ageing place and should be discouraged.

**Internal layout**

The internal layout and size of rooms should provide sufficient space, storage and amenity for the housing type and size and for the intended occupant. For example, a new house which is proposed to have three bedrooms and be targeted towards families should have appropriately sized living areas and private open space and storage areas to provide amenity and functionality for the reasonable requirements of a family.

In some instances, households which lack appropriate storage space (either in the home or through a garden shed) use the garage space for storage, forfeiting a place to park the car. The result of this is that more cars end up parked on the street which were not originally accounted for when the dwelling was planned and constructed.

Minimum internal room dimensions for bedrooms and living areas in apartments have been introduced through the Better Apartment Guidelines Design Standards, but there are no equivalent standards or guidelines for other dwelling types. The *Building Regulations 2018* (which adopts the National Construction Code) contains minimum standards for the design and construction of buildings including requirements for ceiling heights for habitable and non-habitable rooms, natural light, ventilation and some sound insulation but not for room sizes.

As demand for housing continues to increase within established suburbs like Hobsons Bay and land values increase, there is likely to be more applications for dwellings with reduced internal spaces. This could compromise the amenity and functionality of dwellings.

**Recommendation**

It is recommended that council explore opportunities (which may include an advocacy role to the Victorian Government) to introduce guidelines/internal space standards into the planning system to better manage internal amenity for key parts of new homes (excluding apartments), notably bedrooms, storage and floor to ceiling heights\(^{23}\).

**Non-residential uses in residential areas**

\(^{22}\) Better Apartments Design Standards (December 2016).

\(^{23}\) Similar to the Space Standards used in the UK planning system.
Within residential areas, there are a range of non-residential uses that do not require a planning permit that can be accommodated, which provide services to the local community (e.g. medical facilities, place of worship).

In some areas of the municipality, the encroachment of non-residential uses in residential areas has raised some amenity issues, for example, traffic and parking issues and noise on neighbouring properties. In addition, the issues can also impact on neighbourhood character.

There are opportunities to address potential adverse amenity impacts (for example, through the preparation of a local planning policy), however this would only be useful where a permit is triggered for the use.

**Recommendation**

It is recommended that Council continue to monitor the impacts of the encroachment of non-residential uses in residential areas and investigate options to manage such impacts if required.

Waste management and resource recovery

An important area of housing design and residential amenity which is often given little consideration is how waste management and recycling services (resource recovery) are incorporated into new housing design and development, particularly for apartments and mixed use developments.

The issues with the provision of waste management and resource recovery services in higher density developments include the appropriate number of bins and collections, on-site bin storage space, kerbside bin presentation space and access to roads and buildings by collectors. Access to and knowledge of the waste systems by occupants is also a significant issue.

The location of street furniture and trees, on street parking, power and light poles and overhead wires may also affect waste and resource recovery collections.

Assessments of waste and resource recovery provisions in a development are most often provided prior to a planning permit being issued. This includes an assessment of a Waste Management Plan for the development proposal.

In Hobsons Bay, there has been an increase in the number of planning applications requiring a review of waste and resource recovery provisions for proposed residential developments, particularly for higher density housing.

Along with the increasing growth in the number of planning applications, there is an increasing number of developments that Council is unable to service because access arrangements, bin sizes and collection frequencies that are suitable for higher density development are often not compatible with Council collection services. In these instances private waste and resource recovery operators are required to service the developments.

There is potential that the increasing number of high density developments and the number of private waste and resource recovery operators may have a detrimental effect on particular neighbourhoods due to an increase in truck movements, noise from the use and collection of bins, and bins in public thoroughfares and streets. The extent of this impact is unknown and currently being managed through reviews of Waste Management Plans for proposed developments.

**Existing policy and guidance**

The following provides an overview of state planning policy and guidance material and local planning processes that address waste management in housing:

- the Victorian Governments’ Better Apartments Design Standards[^24] require councils to consider Waste Management Plans when assessing...
planning approvals for higher density developments of four storeys and above (Clause 55.07-11 and Clause 58.06-3). There are no formal requirements for developers to prepare a Waste Management Plan for higher density developments below four storeys (unless there is an application requirement in local policy).

- the Apartment Design Guidelines for Victoria (Design Guidelines) support the Better Apartments Design Standards. In addition, Clauses 11.03-2 (Activity Centre Planning) and 15.01-2 (Urban Design Principles) of the State Planning Policy Framework (SPPF) require planning to consider the Apartment Design Guidelines for Victoria.

- the Metropolitan Waste and Resource Recovery Group (MWRRG) established a toolkit to assist councils to adopt and implement waste management planning considerations for residential developments that are three storeys and below, into their planning approvals process.

- Sustainability Victoria’s Better Practice Guide for Waste Management and Recycling in Multi-unit Developments (Better Practice Guide) assists those involved in designing, planning, developing, building and managing all types of developments to incorporate better practice waste management and recycling into all stages of a development’s life. It also includes design options for residential developments that are up to four storey.
  - the Better Apartments Design Standards requires waste and recycling management facilities to be designed to be consistent with Sustainability Victoria’s Better Practice Guide. The MWRRG toolkit and Better Practice Guide are very similar in terms of the guidance material, checklists and Waste Management Plan templates.

**Internal review processes**

- Council reviews waste management proposals for developments, particularly for higher density housing and mixed use developments. Currently developers are required to provide a Waste Management Plan for developments of 10 dwellings and above. This trigger aims to address servicing issues associated with a large number of bins placed out on a kerb at any one time and that there are appropriate internal storage facilities for these number of bins. Standard conditions of permit provide guidance on elements of a Waste Management Plan that an applicant must consider.

- Clause 22.13 of the Hobsons Bay Planning Scheme - Environmentally Sustainable Development, sets out a number of policy objectives under key sustainability categories, including waste management. This local policy applies to new residential or mixed use development with two or more dwellings and requires a Sustainable Design Assessment (SDA) or Sustainability Management Plan (SMP) and that the policy objectives should be met. Applicants can use the Built Environment Sustainability Scorecard (BESS) tool to assess development applications at the planning permit stage. Waste is identified as one of the nine environmental categories BESS assesses and provides actions regarding building re-use, food and garden waste and convenience of recycling. Generally an SDA/SMP will refer to basic waste and recycling provisions of the building and its operations with less detail that a Waste Management Plan will provide. A SDA/SMP will often refer to further details provided in a Waste Management Plan if one is required.


26 Improving resource recovery in multiunit developments toolkit (September 2017).

There is some existing state policy relevant to planning for waste and resource recovery in high density housing. However, a key issue is that there are a number of planning tools available to guide waste management in housing and potentially unclear local triggers and processes. This may cause confusion with applicants and Council’s statutory planning team.

Therefore it is recommended that the Sustainability Victoria’s Better Practice Guide and/or the MWRGG toolkit including guidelines and templates are integrated into Hobsons Bay’s planning processes.

There is also an opportunity for Council to explore extending its waste and recycling collection services to cater for high density and mixed use developments with smaller trucks, onsite collections and varied bin sizes and collection frequencies. This would require further assessment and a business case for consideration by Council.

**Recommendation**

It is recommended that Sustainability Victoria’s Better Practice Guide and/or the MWRGG toolkit including guidelines and templates are integrated into Hobsons Bay’s planning processes.

Council should explore extending its waste and recycling collection services suitable to high density and mixed use developments.

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**Lifetime homes**

Homes should be designed as a long term provision i.e. designed to meet the changing needs of occupants over their life stages (‘lifetime homes’).

There is a 60 per cent chance that a house will be occupied by a person with a disability at some point over its life. Longer life spans and higher proportions of older people in our community make it more likely that every home will be required to respond to the needs of a person with a physical limitation whether they are the primary resident or a visitor.

As the needs of individuals are specific to their personal circumstances there is no single solution to designing a home to meet changing needs, however several approaches exist:

- accessible homes
- adaptable homes
- universal homes

The terms accessible, adaptable and universal design are often used interchangeably but there are differences between the three meanings as outlined in Table 16.

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### Table 16: Definitions of accessible, adaptable and universal design

<table>
<thead>
<tr>
<th>Design</th>
<th>Definition</th>
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<tbody>
<tr>
<td><strong>Accessible home</strong></td>
<td>Designed to meet the needs of people requiring higher level of access from the outset, and usually designed and built with a specific person’s needs in mind. An accessible house meets Australian Standard AS1428.1-2001 (Design for access and mobility) and is able to accommodate wheelchair users in all areas of the dwelling. The Standards only apply to public buildings and common areas and not private housing.</td>
</tr>
<tr>
<td><strong>Adaptable homes</strong></td>
<td>Designed to meet the changing needs of most home occupants throughout their lifetime but are not initially accessible however, can be easily adapted to become an accessible house if needed. For example, ensuring that there is the scope in a multi-level house to allow for the future installation of vertical lifts or staircase lift should they be required. Other modifications include for example, introducing grab rails in bathrooms and increasing lighting levels in response to vision impairment. An adaptable home meets Australian Standard AS4299-1995 (Adaptable housing).</td>
</tr>
<tr>
<td><strong>Universal homes</strong></td>
<td>Designed to meet the changing needs of most home occupants throughout their lifetime without the need for specialisation. This is based on principles not rules through technical standards. They are built to meet the changing needs of residents across their lifecycle and allows people to age in place.</td>
</tr>
</tbody>
</table>

Hobsons Bay has an ageing population and around 18 per cent of the population has a disability, this creates a demand for housing which can cater for residents of all abilities.

The Hobsons Bay Disability, Access and Inclusion Strategy includes a key direction to improve access of housing beyond minimum accessibility compliance requirements\\(^{31}\). Housing should therefore be encouraged to incorporate universal design principles.

Although there are several approaches to designing homes to meet residents’ changing needs, the universal design approach is the one that benefits the majority of residents over their lifetime and can deliver ‘lifetime homes’.

**Universal homes**

There is a misconception that universal housing is obtrusive and unattractive only benefitting a minority of the population and that it will increase costs and impact on affordability.

> However, universal housing has many benefits. Homes which are designed with comfort, safety and ease of access as core design features benefit everyone, including people with disabilities, an ageing population, people with temporary injuries and families with young children. Universal housing also promotes social cohesion as it provides lifetime homes within communities.

There are also cost benefits – incorporating universal design features and fittings during construction reduces the need for later retrofitting. It is estimated that it is 22 times cheaper to incorporate liveable design principles into new housing than retrofitting later\\(^{32}\).

There is currently no universal design regulation for private housing in Victoria. The lack of universal design requirements in the Victorian Building Codes means

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the majority of private residents are not ‘liveable homes’ and do not support ageing in place.

There are however ‘Livable Housing Design Guidelines’ prepared by Livable Housing Australia in 2012, as a way to encourage developers to incorporate inexpensive universal design elements in to new homes in Australia. The guidelines provide technical advice and guidance on the key living features that make a home easier and safer to live in for all people of all ages and abilities.

Given that there is no requirement in the VPP for private housing to comply with universal design standards, local Councils can only encourage developments to include universal design.

There is an opportunity for Council to work with developers at the early stages of a development application to encourage universal design to be incorporated into new homes.

Council can play a greater role in educating and informing developers of the benefits of universal design within new private residential development based on the Livable Housing Design Guidelines.

There is also an opportunity to strengthen this requirement in the local planning scheme and require that a proportion of dwellings in a multi-unit development incorporate the guidelines into the design.

Recommendation

It is recommended that Council prepare information and guidance material for applicants of residential developments to educate and encourage the benefits of incorporating universal design principles based on the ‘Livable Housing Design Guidelines’.

The option to include a local policy in the Hobsons Bay Planning Scheme should also be investigated.

The Hobsons Bay SIA Applicant Guidelines (2011) should be updated to include reference to any guidance material/factsheets and any local policies in relation to universal design requirements.

Older Persons Housing

Hobsons Bay has an ageing population (like many other municipalities in Melbourne), it is estimated that the number of residents aged 55 years and over will be 44 per cent higher in 2036 compared to 2016.

Older persons housing has different needs to conventional housing (e.g. aged care facilities). There is concern that there is a mismatch (shortfall) in the type of homes suited to older persons (aged 55 years and over), as the majority of the existing housing stock would require significant modification and cost to be made accessible and useable to ageing residents.

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33 Livable Housing Australia is a partnership between community and consumer groups, government and industry.
34 The Guidelines should only be applied to the parts of the building classes not covered by Disability Standards and the Building Code of Australia (Volume 1 and 2).
35 Council currently requests a Social Impact Assessment (SIA) for applications of 20 or more dwellings. However, the SIA guidelines (Preparing Social Impact Assessments Applicant Guidelines, 2011) are concerned with the accessibility of the proposed development i.e. for people with a disability, rather than the broader requirements of universal design for all occupants.
36 Example: Clause 21.06 (Built Environment), Objective 4 – Housing Change of the Banyule Planning Scheme.
Whilst the preference for many older residents is to age in place within their own home, this may not be an option for the older residents requiring some form of care or assistance. This can range from:

- minimal care/assistance with a high degree of independence of residents such as independent living units and retirement villages
- accommodation which offer some level of care/assistance such as serviced apartments, retirement villages and low care hostels
- accommodation providing maximum care/assistance to residents such as nursing homes

The location and design of older persons housing is particularly important.

New housing intended for older/ageing residents should be located in residential areas which are within reasonable walking distance to public transport, shops, community facilities and open space/recreational areas to encourage social cohesion within the community. The design of this housing type should be catered towards the needs of this demographic profile.

The Housing Strategy identifies three key components in terms of supporting an age friendly municipality, these include:

1) **Housing diversity** – ensuring there is a diversity of housing across Hobsons Bay to enable residents to downsize to a more suitable type of home within their community

2) **Housing location** – ensuring that housing is well located with access to community services and infrastructure including public transport

3) **Housing design** - encouraging housing that is accessibly and universally designed to accommodate residents as they age in place

There is currently no specific guidelines or standards in relation to the siting (location), internal layout and design of aged persons housing.

In response to the need to accommodate an ageing population, a number of Councils in Victoria have prepared individual local policies and guidelines to guide the provision of older persons housing, including objectives around preferred locations, amenity, design and car parking requirements for aged persons housing.

The purpose of the policy is to guide applicants at the earliest stage of the planning application process and to assist planners with assessing such applications.

**Recommendation**

Given that there still remains a lack of information/guidance available at the state level on the development of older persons housing and that Hobsons Bay has an ageing population, it is recommended that Council considers preparing an Older Persons Housing policy for inclusion in the local planning scheme.
Sustainable design and sustainable living

Residential buildings are a major contributor of greenhouse gas emissions. Greenhouse gases contribute to climate change – this change is evident in events such as incidents of extreme flooding, fire, heat and drought events and sea level rise. Typical sources of these greenhouse gas emissions include the generation of electricity and the use of fuel for private vehicles.

Hobsons Bay is a low lying coastal municipality and is vulnerable to climate change-induced sea level rise. There is a need to address potential mitigation measures, such as sustainable housing and promoting sustainable living, that reduce the likelihood of adverse climate change impacts.

The municipality is also experiencing an increase in infill development. This not only increases the demand for water supply but also increases the coverage of hard surfaces, reducing permeability and resulting in more stormwater run-off, and increasing the risk of flooding.

Responding to climate change can lead to reductions in the burden of ill-health, enhance community resilience, and improve air quality by reducing pollution.37

In Hobsons Bay, it is estimated that around nine per cent of total greenhouse gas emissions are from residential buildings and a further 11 per cent from residential transport38.

With around 20 per cent of total greenhouse gas emissions attributed to residential activity, there is a significant opportunity to reduce these harmful emissions from these uses through improving the energy efficiency of homes, and through reducing car dependency.

Sustainably designed homes improve the energy efficiency of buildings which not only assists in reducing greenhouse gas emissions but also helps reduce utility bills, promoting affordable living. The benefits of environmentally sustainably designed buildings are not just confined to the environment, but also have a wider range of health, social and economic benefits39.

The location of housing can also influence sustainable outcomes, for example, locating housing near to a train station and other community services can reduce car dependency.

The Background Report (Volume One) identifies that opportunities to improve sustainable design and promote more sustainable living exist at three main levels in planning:

1) planning for land uses and settlement patterns which integrate with existing infrastructure and services to achieve sustainable outcomes
2) incorporating Environmental Sustainable Design (ESD) into residential buildings
3) promoting the inclusion of integrated water planning in new developments

37 DELWP, Climate Change and Victoria.
38 Data from Low Carbon West Strategy, Arup (2012).
Housing location and sustainability

Locating housing and future population growth to areas with suitable access to existing public transport infrastructure and community services is a key policy basis for the Housing Strategy.

This opportunity aligns with Plan Melbourne (Direction 2.1) which reinforces sustainable outcomes through managing the supply of new housing in the right locations to create a sustainable city.

The Hobsons Bay Community Greenhouse Strategy (2013-30) identifies opportunities and actions to reduce greenhouse gas emissions arising from residential travel (primarily through the promotion of active transport, travel behaviour change programs and the development of an Integrated Transport Plan). There is scope for the Community Greenhouse Strategy to be reviewed to recognise the importance of locating new residential development in proximity to existing public transport infrastructure and services.

While directing future housing growth to areas with existing infrastructure and services is a key policy basis for the Housing Strategy, it is important that those infrastructure and services are maintained or upgraded to ensure capacity to serve a growing population.

There is scope to align broader sustainability planning in Hobsons Bay with planning the Housing Strategy. For example, constraint mapping from electricity providers may identify areas where the electrical grid is at capacity. There is an opportunity in these areas to promote solar panels/energy to reduce the peak load in summer and avoid black outs.

ESD and new housing

Environmentally Sustainable Design (ESD) in residential development is about reducing the environmental impacts associated with the construction and operation of dwellings and holistically about minimising the environmental footprint.

The Background Report (Volume One) identified that Council has an opportunity to influence the design of new developments to be more sustainable in its role as a planning and building regulator. Up to 70 per cent of the energy efficiency of a building is determined by its design.

With the forecasted increase in the construction of new housing, the opportunity to incorporate ESD into residential buildings is significant.

As the VPP currently plays a limited role in achieving sustainable development for new housing, many councils have prepared a local ESD policy to effectively influence ESD in new housing. Council has followed suit by implementing an ESD policy at Clause 22.13 of the Hobsons Bay Planning Scheme, with the overarching objective that development should achieve best practice in environmentally sustainable development from the design stage through to construction and operation. The policy provides objectives and application requirements for specified types of development, including new residential or mixed use development with two or more dwellings, to demonstrate performance across areas of environmental sustainability.

Planning and building systems

There is some overlap between the role that planning and the building systems play in ESD. The building system plays a significant role in implementing sustainability through the building approval process to ensure that developments achieve a minimum energy rating. The building system role is particularly important as a building permit is required for all new dwellings where a planning permit is not always required.
The building regulations however do not cover the wider area of environmental sustainability (e.g. indoor environment quality). They only deal with the thermal energy rating of the building envelope.

The Building Code of Australia (BCA) contains energy efficiency provisions that are to be met in satisfying legislated energy ratings. This means that new homes must be built to a minimum six star energy rating. Single dwellings (Class 1) must also either have a rainwater tank connected to all sanitary flushing systems, or a solar water heater system installed.

However, the building regulatory system is generally not involved at the initial design stage of development where many of the key opportunities of incorporating ESD into buildings occur. This is why ESD policies through the planning system are important as they influence the design stage at the start of the process.

In addition to including an ESD policy in the local planning scheme, there is also an opportunity to advocate for a review of the Building Regulations to determine how they can achieve more in terms of sustainability.

Integrated water planning

The Background Report (Volume One) identified that Council also has a prominent role in promoting the inclusion of integrated water planning in new developments to help improve the management of water. Plan Melbourne includes a direction (Direction 6.3) to ‘Integrate urban development and water cycle management to support a resilient and liveable city’.

New housing development should have consideration of best practice stormwater management in accordance with Council’s Integrated Water Management Plan including the use of rainwater tanks, stormwater harvesting systems or passive irrigation systems to reduce stormwater run-off and better manage water resources.

ESD in existing housing

The majority of homes in the municipality were constructed prior to any ESD or minimum energy rating requirements. With sustainable technologies becoming more accessible to households (e.g. solar panels), there are opportunities for existing homes to minimise greenhouse gas emissions and to minimise the environmental footprint.

As part of Council’s commitment to assist the community to reduce carbon emissions to zero by 2030, Hobsons Bay has participated in a number of initiatives and programs to assist households including the solar panel buy program and offering energy advice.

Council should continue to explore opportunities to assist existing households to maximise the energy efficiency and environmental sustainability of their homes and to reduce their energy bills and living costs.

Recommendation

There are significant opportunities in Hobsons Bay to reduce greenhouse gas emissions associated with residential buildings and residential transport to promote sustainable living. Given the wider environmental, economic and social benefits of incorporating ESD, it is a key policy area which Council should be strengthening and including within goals and objectives relating to sustainability.

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40 In line with the findings from the Environmentally Efficient Design Local Policies Advisory Committee (p.74).

41 Integrated Water Management Plan, Hobsons Bay City Council (2014-19).
In terms of achieving more sustainable outcomes through managing the locations of housing growth, it is recommended that the Housing Framework Plan be implemented to guide future housing densities and location.

Council should monitor the effectiveness of the ESD policy that has been introduced into the local planning scheme to influence ESD in new housing.