To the Major Cities Unit, Department of Infrastructure and Transport

1 March 2011

Our Cities: Building a productive, sustainable and liveable future

A response from National Shelter

Our Aspirations

National shelter is the peak non-government organisation representing the interests of low-income housing consumers, and has been in operation since 1976. It comprises of Shelter bodies on all states and Territories, and also includes representation from such national bodies as Homelessness Australia, Community Housing Federation of Australia and The National Association of Tenant Organisations. National Shelter cooperates closely with other national bodies such as the Australian Council of Social Services and is a member of the National Affordable Housing Summit Group

Shelter supports the overall vision of *Our Cities* to improve productivity, sustainability and liveability of our cities. The availability of appropriate, affordable housing is a key component to the health and vitality of our growing cities.

Long term residents, families and generations who remain stable in a location over a long period of time have many benefits for our cities. Benefits include a sense of pride, connection and inclusion, personal investment and 'ownership' in the region, and a willingness to contribute and participate in community activities and initiatives. In order to meet the needs of our growing population we will need diverse dwelling forms and sufficient affordable housing options across all tenures including home-ownership, private rentals, social housing and crisis accommodation to accommodate people for short or longer periods at different points in their lives or 'housing careers'.

1.   What is your vision for Australian cities? What should our cities look like in 2030 or even 2050?

National Shelter desires that by 2030, Australian cities will have adequate housing for the population and there will be an integrated housing system that ensures every person in Australia has access to affordable, appropriate, safe and secure housing which enhances people's health, dignity and life opportunities.

This housing will be:

- Affordable – people on low and moderate incomes paying less than 30% of their income on housing costs;
- Adequate – housing that meets acceptable community standards of decency and their own needs;
- Secure- people living without the threat of loss of home and shelter. A secure base enabling people to form constructive relations; grow families and seek employment and community engagement;
- Accessible – most housing built using universal housing design principles and people informed about housing options and free from discrimination;;
- In the right place – located close to services and support networks, job opportunities, transport networks and social and leisure activities and encourage inclusion of people in community life; and
- Meet's people's life-cycle needs – sufficient diverse mix of dwellings available to match these needs.

2.   What do you think may be the differing challenges and opportunities faced by regional cities and cities of different sizes and stages of development?

- Attracting and retaining workforce, especially for lower paid workers due to a lack of affordable housing.
- Need to build infrastructure ahead of growth – current investment programs not catering to future or projected growth of areas.
- Industry reliance on car based development on urban fringes
- Population growth and the impact on housing and competition for affordable rental accommodation
- Economic opportunities of mining based in rural and remote areas that require large amounts of infrastructure and housing to match workforce demand. In some locations major services and infrastructure of water and power need to be considered early in the expansion proposal.
- Dwindling aspiration of home-ownership for future generations – may affect where people choose to locate, reducing social mixing and intensifying socio-economic divide.

Harnessing our productivity

3.   What would you consider to be the biggest productivity challenges for our cities and what approaches would you encourage government and businesses to pursue?

Challenges – attracting and retaining staff in low paid industries, creating employment opportunities for people, lack of skilled tradespeople.

- Develop affordable housing to match opportunities
  - Work
  - Education
  - Training

Mining areas e.g. report the prospect of losing lower paid workforces within established communities as they struggle to compete with resource influenced prices. Communities risk losing child care workers, health workers and other lower paid industries reducing the liveability and potential growth of the areas.

- We would encourage the development of residential areas which combine mixed lot size, rental and ownership for a range of household incomes.
- We would encourage the development of affordable housing within Transit Oriented Developments and along transport corridors to enable lower income renters access to opportunities and capacities.

4.   To what extent can infrastructure planning and investment guide more efficient use of existing infrastructure and resources?

- Planning measures – inclusionary zoning, density bonuses, car parking relaxation
- Developer incentives for affordable housing
- Design to include innovative use of low cost materials, manufactured housing to get scale production of housing
- Design in energy efficiency to provide long term cost benefit

Develop infrastructure to be in line with projected growth and use. Consider the critical tipping point of infrastructure prior to additional development in these areas.

Encourage planning in areas that are already serviced by existing infrastructure. Development costs are higher in infill locations however this can be defrayed by offering incentives to developers. Some incentives currently being used by the Queensland's Urban Land Development Authority include:

- Reduced car parking and buildings without extensive underground parking structures significantly reducing the costs of development.
- Inclusionary zoning with 15 per cent affordable housing being delivered in return for sites with infrastructure.
- Mixed use of design and lot size – reducing the land component of the development and offering a range of housing to suit budget and household size.

Requiring a social return for reduced infrastructure costs would encourage development of communities that are well located and connected to other communities.

5.   How do we better plan for and protect the infrastructure corridors, strategic sites and buffers we need for the future operation of our cities?

- Developments utilising Transit Oriented Developments can achieve transport cost efficiency, good proximity to services and opportunities and green space by maximising the densities along and around infrastructure corridors.

6.   What do you consider to be the most significant transport issues affecting our cities, and what approaches would you encourage government to pursue?

Time lost in commuting and the stress placed on households with people travelling large distances could be addressed through the development of affordable housing in locations offering work opportunities. Alternately offering incentives for industries to relocate to other areas close to public transport would encourage use of public transport; reduce people's travel times and road congestion. The Queensland Government has stated its intention to decentralise some departments from the centre of Brisbane to neighbouring Ipswich based on these principles.

Encouraging the development of excellent public transport systems in all cities reduces the communities need for fossil fuels, reduces cost of running private vehicles for low income households and delivers a higher quality of life for people who do not have access to a private vehicle. Young people, people with a disability and older people can remain socially connected to services and support networks, without an efficient, well connected public transport system, people face social isolation.

Transport Oriented Developments (TOD) encourages increased density in areas that are well serviced by public transport. The inclusion of affordable housing in these developments ensures a socially mixed community, with low income households able to live cost effectively through lower living costs. These living costs include cost of housing and transport and accessibility to services and support networks which are greatly enhanced in areas that are well located. The financial and social costs of fringe area living are well documented and add to the traffic congestion and environmental issues that face Australia's cities.

9.   How do we best promote and harness private investment in the infrastructure need of our cities?

- Recognise housing as essential infrastructure
- NRAS
- Incentives for development of affordable housing

It is imperative that housing is recognised as essential infrastructure within our cities. Housing is a basic human right and remains unrecognised as such by the government.

The National Rental Affordability Scheme (NRAS) encourages private investment in housing through incentives offered by the Commonwealth and State governments. This private and public partnership offers reduced market rents for low to moderate income households and increases the supply of affordable housing.

Another mechanism for increasing private investment in infrastructure is to offer incentives. This may be tied to increasing the density allowed to be developed on the site, this would produce an increase in community benefit in return for positive financial gain for the developer at a neutral cost to the city.

11.   What performance targets should government set for our public transport systems? How would these be applied and what would their effect be?

As a general comment we believe there is a minimum standard of public transport that should be available to all urban communities.

- Targets should be based on uptake, use, community's ability to live without car, reduction in congestion, and maintenance of roads.
- Public Transport in conjunction with a reduction in car use can free up underutilised road spaces for gardens, parks, recreation spaces and green areas. Measures could include special efficiency in terms of the amount of space used for specific purposes or freed by alternative land use.
- Measures should include not profit or most efficient time system should include measurements of liveability and improvement of public life.
- Happiness indicators can be a useful alternative measurement

Enhancing our liveability

18.   What do you think of the concept of more compact development using a variety of building types (such as townhouses and apartments) rather than primarily expanding on the urban fringes?

National Shelter supports the concept of more compact development which will reduce the overall living costs for residents, present greater employment opportunities and reduce the environmental footprint.

In line with the regional plans across Australia calling for the majority of development to be within the existing urban areas we would like to highlight the ULDA approach to encouraging innovation in the development. The authority delivers diverse housing solutions by using a mixture of land sizes and dwelling types e.g. 'Fonzie' flats.

Within the ULDA strategy are components which call for

- Mixing affordable housing throughout the community, not clustering together or segregating from other dwellings in the UDAs

- Providing high quality design outcomes for affordable dwellings to avoid identifying them or setting them apart from the community

- Designing affordable housing to contribute to the safety, wellbeing, and the quality of life of the community and neighbourhood

- A target of 10% across each UDA, including the affordable housing, to conform to universal and sustainable design principles to meet the changing needs of people and households over time and

- Locating affordable housing close to centres, employment, transport and services.

When considering increased density in housing National Shelter supports the Australian Governments Liveable Housing Design guidelines and supports the target of all new homes to be of an agreed universal housing design by 2020.

National Shelter supports the growth of compact development, particularly near transportation corridors. Governments can use specific planning mechanisms to facilitate the development of such accommodation. Judith Stubbs in her December 2010 draft paper *Achieving Affordable and Diverse Housing in Regeneration Areas in Western Australia,* prepared for the Western Australia Planning Commission identifies a number of preliminary state-level, metropolitan-wide and local–level strategies that could be adopted. Key common aspects of these potential strategies include:

- strengthening legislation to include clear statements of purpose, objectives and targets for affordable housing provision
- the development and addition to the Planning and Development Act 2005 (WA) definitions and benchmarks related to affordable housing, in relevant schedules and State Planning Policies
- development and provision of Model Scheme Text
- including specific reference to affordable housing as a form of 'public infrastructure', 'amenity', 'service' or 'facility'

19. What is the best way to balance density with urban amenity and renewal?

- Affordable housing
- See Shelter NSW work on this area

The need for additional dwellings in cities may be met by increasing density in inner suburbs, however even in outer suburbs changes will need to be made regarding housing size and form to provide for greater affordability (i.e. smaller dwelling sizes, energy efficient construction).
In October 2010, local councillors, mayors and planning staff from across the Perth metropolitan region gathered to discuss the need for affordable housing in inner suburbs as well as outer suburban areas. Several themes emerged from the workshop, including the following:

- Participants recognised the need for affordable housing in their jurisdictions, particularly for existing members of the community who were experiencing housing stress.

- Some participants expressed challenges they face in balancing the need for affordable housing with resistance from ratepayers. Local community backlash against social housing (whatever the targeted or generic profile of potential tenants may be) is a regular phenomena and public misperception of the profile characteristics of a vast majority of social housing tenants causes sensational, divisive and heated exchanges. In particular, participants mentioned competing interests in changing zoning to provide for personal discretion (outside the legal jurisdiction of governments) in a home-owner's choice to allow the use of ancillary units for non-family members, and in the approvals process for building and development applications for multi-unit and multiple storey dwellings.

- Participants mentioned the need to educate the public about affordable housing and the need to de-stigmatise social and affordable housing, and the tenants that are housed in this system.

- Several participants expressed the need for clear guidelines from WAPC and the Department of Planning, especially for small localities without dedicated planning staff, to articulate affordable housing strategies, targets and planning mechanisms. Several councillors and planning staff said they needed specific tools to help guide them when working with developers.

20.   What do you think about the suggestion that transport, housing and social infrastructure should be concentrated in and around activity centres and along transport corridors so that hobs and services are located near where people live? How could this be done most effectively?

An example is South East Queensland's Regional Plan 2009-2031 which aims for interconnected communities.

The vision for SEQ is a region of interconnected communities, with excellent accessibility and an extensive and efficient public transport system that contributes to reducing greenhouse gas emissions.

National Shelter and our State members encourage the Commonwealth, State and local governments to work together to encourage development in and around activity centres and along transport corridors.   Planning mechanisms will be needed to ensure that this growth includes housing for low and moderate income households. This could be achieved through the same mechanisms mentioned by Judith Stubbs in her December 2010 draft paper *Achieving Affordable and Diverse Housing in Regeneration Areas in Western Australia.*

National Shelter encourages participation of low and moderate income housing consumers in all levels of policy development. When local governments are developing plans to implement their housing targets, it is imperative to include the active participation of people in a wide range of housing types and tenures. This includes soliciting input from low income housing consumers in public housing and community housing, as well as the private rental market. Such households are often less visible and less vocal in local government planning.

21.   How do we achieve a greater diversity of dwelling type and range of affordable, appropriate housing to meet the needs of occupants across their life stages?

As discussed earlier Queensland's ULDA strategy contains mechanisms that encourage diversity in dwelling type and need.   Elements within the strategy are:

- Mixing affordable housing throughout the community, not clustering together or segregating from other dwellings in the UDAs

- Providing high quality design outcomes for affordable dwellings to avoid identifying them or setting them apart from the community

- Designing affordable housing to contribute to the safety, wellbeing, and the quality of life of the community and neighbourhood

- A target of 10% across each UDA, including the affordable housing, to conform to universal and sustainable design principles to meet the changing needs of people and households over time and

- Locating affordable housing close to centres, employment, transport and services.

Other areas that could be examined are existing planning regulations and covenants within development areas that restrict what dwelling may be built.

22. What actions, incentives and disincentives do we need to reduce people's dependency on private vehicles in urban areas?

- Develop well integrated public transport systems that present better value and faster times than private vehicles.
- Encourage well located housing to be developed and place disincentives for car based housing developments.
- Incentives for infill development tied to social infrastructure and affordable housing outcomes
- Incentives for employment centres to be located to nominated urban growth areas. Match the need for housing to the economic drivers.

Improving the governance and planning of cities

25. How could the planning arrangements (across all three levels of government) operate differently to improve outcomes for Australian cities?

- Amend planning legislation to require all major developments to include 15% affordable housing, one third of which for high need households, as used by the South Australian Land Management Corporation.

26. Do you think that COAG's current review of capital city planning systems should be expanded to incorporate more of Australia's cities?

- Yes
- Major regional cities like Newcastle, Gold Coast, Sunshine Coast and Wollongong have more people living in them than Hobart and Darwin. These and many others are major economic hubs requiring similar planning considerations as the major cities.

- Moreover satellite cities serve as dormitory suburbs for the major cities and have the same issues that need to be addressed.
- Major economic centres of mining are located outside nominated areas attracting large amounts of investment, and creating increased housing stress for local communities and new people to the areas. Similar planning system consideration should be applied to these areas.
- Consistent planning policies would ease cross regional planning and integration and encourage large scale housing development by national organisations.

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