

DRAFT

PART FIVE: WHAT ARE OUR HOUSING NEEDS?

PART FIVE: WHAT ARE HOBSONS BAY'S HOUSING NEEDS?

Identifying housing needs is not just about how much housing is required over the next 20 years but also about what type of housing is needed to support Hobsons Bay's growing and changing population.

5.1 How much additional housing do we need?

It is estimated that an additional **8,849 homes** are needed in Hobsons Bay over the next 20 years. This equates to an **extra 443 new homes per annum to 2036**.

Figure 17: Forecast housing demand (2016-36)



Source: forecast.id (2016)

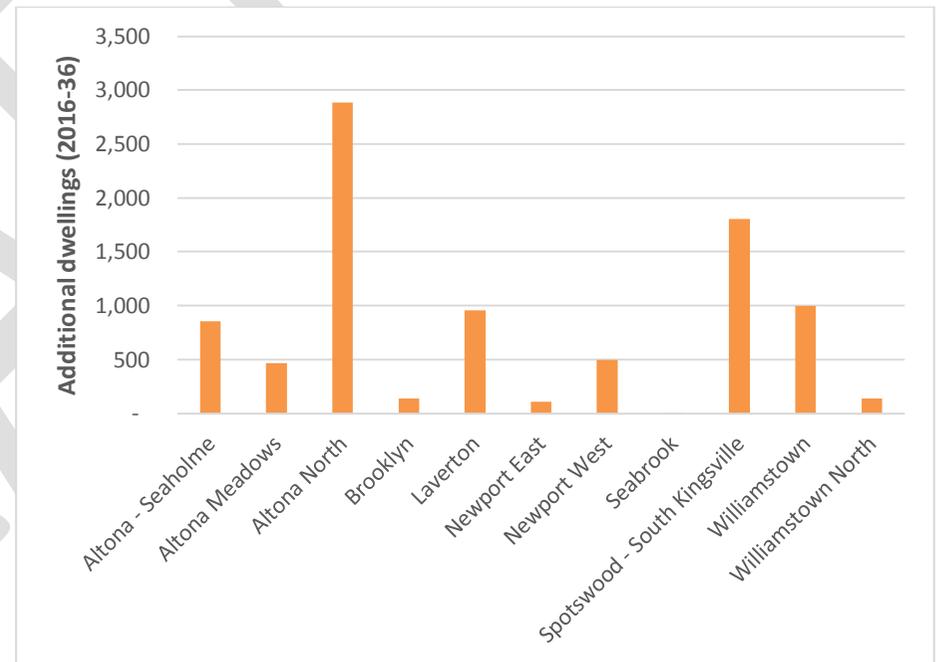
Figure 18 and Table 5 outlines the change in dwellings required in each suburb from 2016 to 2036. The **greatest changes** are in the suburbs of Spotswood-South Kingsville (+86 per cent), Altona North (+58 per cent), Laverton (+49 per cent) and Williamstown (+20 per cent).

Growth is being driven by the Strategic Redevelopment Areas (SRAs) in these suburbs with the exception of Laverton.

It is important to note that 'housing demand' (population growth) is primarily driven by the availability of new housing developments, i.e. if there's a suburb with a large SRA for new residential development then this will show in housing data as a 'housing need' (demand).

The capacity for Hobsons Bay to accommodate this expected demand has been assessed in the Housing Capacity Assessment report (Volume Two).

Figure 18: Forecast housing demand (2016-36)



Source: forecast.id (2016)

Table 5: Forecast no. dwellings required (2016-36)

Area	2016	2036	Change (2016-36)		Per annum
			No.	%	
Hobsons Bay	37,542	46,391	8,849	23.6	442.5
Altona-Seaholme	6,039	6,895	856	14.2	42.8
Altona Meadows	7,717	8,185	468	6.1	23.4
Altona North	4,981	7,863	2,882	57.9	144.1
Brooklyn	902	1,042	140	15.5	7.0
Laverton	1,967	2,923	956	48.6	47.8
Newport East	1,748	1,854	106	6.1	5.3
Newport West	3,543	4,040	497	14.0	24.9
Seabrook	1,807	1,815	8	0.4	0.4
Spotswood-South Kingsville	2,100	3,902	1,802	85.8	90.1
Williamstown	4,922	5,919	997	20.3	49.9
Williamstown North	1,816	1,953	137	7.5	6.9

Source: forecast.id (2016)

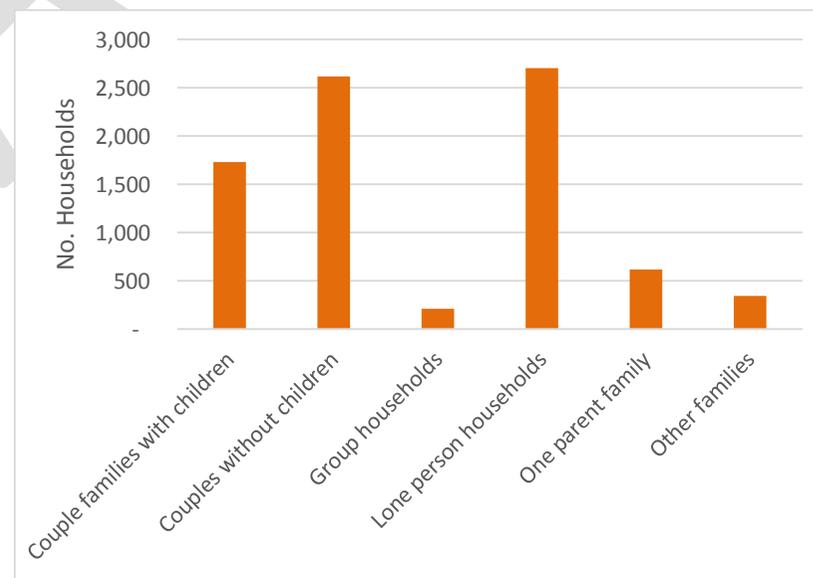
5.2 What household types need to be accommodated?

It is estimated that an additional **8,217 households** (411 households per annum) need to be accommodated in Hobsons Bay by 2036².

Hobsons Bay has a range of household types. Although the dominant household type is 'couples with children' which is expected to continue to be the most common type in the future, the forecasts identify an emergence in smaller household types over the next 20 years (i.e. an increase in lone person and couples without children households), as shown in Figure 19.

In terms of housing needs, there is a continued need for family-sized homes but also an increasing demand for smaller medium and higher density housing formats including one and two bedroom dwellings.

Figure 19: Change in household types in Hobsons Bay (2016-36)



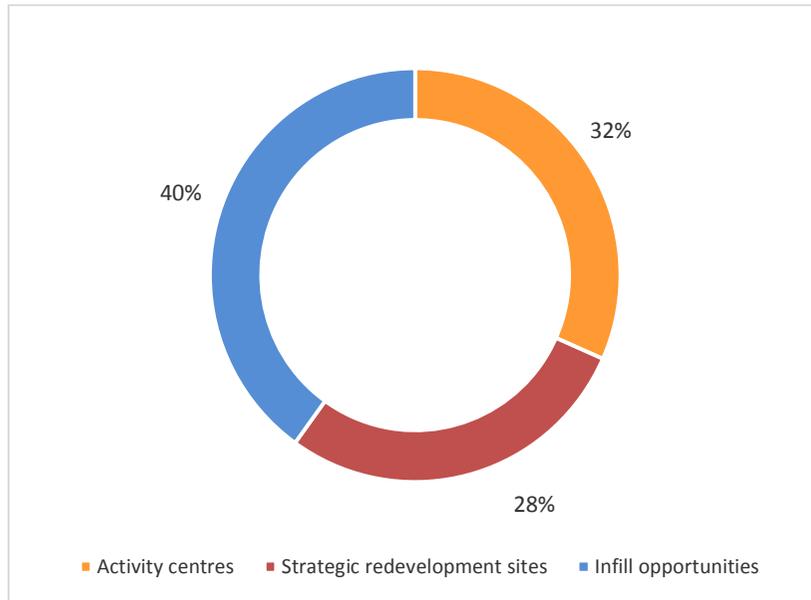
Source: forecast.id (2016)

² There is a difference between the estimated additional number of households and the additional number of dwellings forecast over the next 20 years as the forecast factors in the expected vacancy rate of dwellings estimated to be around five per cent.

5.3 What is our forecast housing supply?

The housing capacity assessment conservatively estimates that there are potential development opportunities for an **additional 16,958 dwellings** across Hobsons Bay (refer Figure 20).

Figure 20: Potential housing opportunities in Hobsons Bay



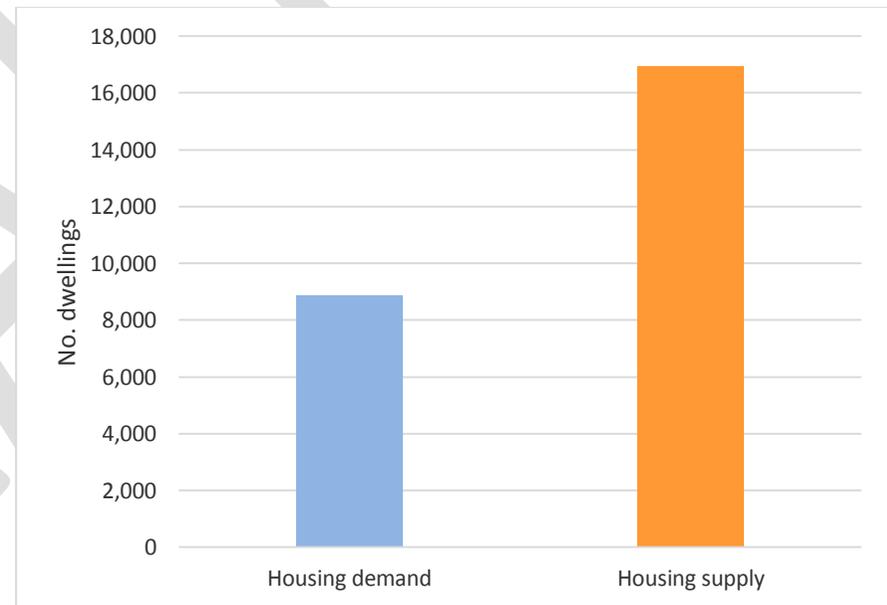
Around 60 per cent of housing opportunities have been identified within activity centres and key opportunity sites with the remainder (40 per cent) potentially available from other infill opportunities.

5.4 Housing supply vs demand

Based on the housing capacity assessment identified in this report, there is enough capacity/housing opportunities in Hobsons Bay to comfortably meet the forecasted housing demand (refer Figure 21).

It is expected that the strategic redevelopment areas and sites alone could accommodate more than half the total forecasted dwelling demand by 2036.

Figure 21: Housing demand (2016-36) vs supply



5.5 Community feedback on housing needs and issues

The community values Hobsons Bay for its access to the coast, proximity to the central business district, freeways, natural open spaces, heritage and sense of community. There are a diverse range of suburbs in the municipality and each suburb has its own appeal valued by residents.

Consultation on housing needs

Community engagement on housing needs undertaken in preparation of the Housing Strategy Background Report (late 2014) provided some insight into how residents' housing needs might change in the next 10 years.

The main reasons for people needing to move in the future are to either upsize, downsize or move to a different location.

How might residents' housing needs change in the next 10 years?

Respondents from the Round One consultation on Housing Needs noted the following key requirements:

Property

- lower maintenance
- more bedrooms
- cheaper household costs
- less bedrooms

Location

- stay in the same location
- closer to the train station
- quieter location
- closer to shops/services

The consultation identified key issues in relation to affordability and ageing in place.

Subsequent community engagement undertaken in 2016 as part of the Hobsons Bay 2030 Community Vision and the Council Plan (2017-21) also identified these issues, in addition to: no over development/overcrowding and having improved transport options and more services and facilities.

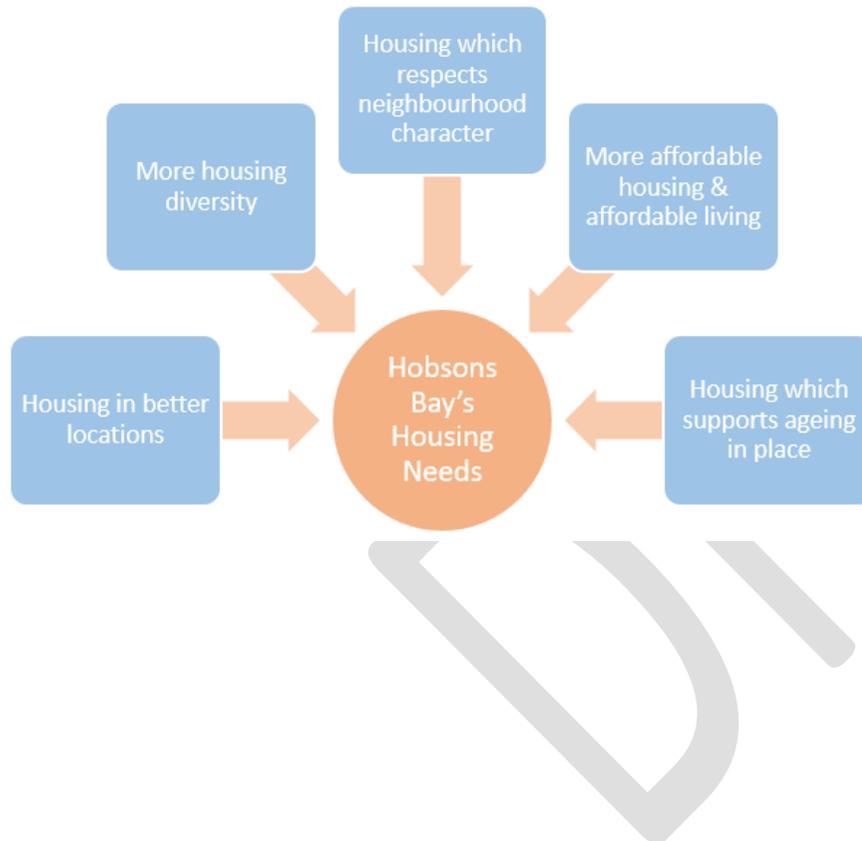
The community concerns are summarised below.

Figure 22: Summary of community concerns



5.6 What type of housing do we need?

Based on the analysis of the changes to the resident profile, the housing profile and feedback from community consultation, the expected future housing needs for Hobsons Bay are outlined below.



Housing in better locations

New housing within Hobsons Bay has generally been developed in an ad-hoc manner as and when infill development opportunities arise across the suburbs.

Whilst new high density apartment buildings have generally been developed in locations close to existing train stations and/or within activity centres, the majority of new medium density housing has been provided in locations outside of areas where increased densities should be encouraged, such as within walkable catchments to existing transport and services.

Future housing growth needs to be directed to areas which maximise access to existing community infrastructure and services and away from areas susceptible to flooding and in close proximity to industry. This means encouraging medium and higher density residential development within accessible areas where appropriate.

Over the past decade, the majority of new dwellings have come from infill development rather than large redevelopment sites (urban renewal sites). A major source of future housing supply in Hobsons Bay is expected to come from key SRAs which in some cases are not ideally located to existing services.

For new housing expected to be accommodated in these key sites that are not within walkable catchments to public transport, there is a need to ensure that transport options are improved and provided in these areas to service residents.

The location of future housing also needs to minimise potential conflicts with existing industrial uses including consideration of existing pipeline infrastructure and reduce adverse amenity impacts.

More housing diversity

The dominant housing type in Hobsons Bay is detached three bedroom houses. Although housing diversity varies across the suburbs, there is an opportunity to increase diversity in a number of locations.

With a declining household size due to a growth in smaller household types in most suburbs, there is need for smaller housing types (i.e. one and two bedroom dwellings) across the municipality but particularly in suburbs where there is a very high proportion of low density separate houses. For example, Seabrook, Altona Meadows and Laverton.

Despite the growth in smaller household types (lone person households and couples without children) and an increase in medium density housing, there has also been an increase in the number of bedrooms in new homes being built over the past decade.

The trend of larger homes being constructed is a mismatch with the emerging smaller household types. Whilst it is acknowledged that smaller households do not automatically occupy dwellings with fewer bedrooms, improving the supply of different housing types is a critical determinant of the type of housing people can live in.

A mix of housing types has a number of benefits but primarily, is important to ensure there is a choice of housing available for residents throughout different stages of life.

In order to improve housing diversity and housing choice, a mix of housing types and densities are required.

Whilst there is a forecasted demand in smaller household types, there will still be demand for larger family sized homes to accommodate the dominant household type in the municipality - couples with children. Therefore, there is a need to balance housing diversity across all suburbs.

Housing which respects heritage and neighbourhood character

With a forecasted growth in new housing and medium to higher density housing types, there is a need to ensure that new development does not adversely impact on existing streetscapes and neighbourhoods and respects neighbourhood character.

As residential areas in Hobsons Bay are predominantly low scale, any increase in infill development can be perceived as a high impact on streetscapes and existing neighbourhood character by the community.

New residential development needs to be designed to a high quality and appropriately respond to the neighbourhood character objectives and guidelines which will be guided by the Hobsons Bay Neighbourhood Character Study (2018).

More affordable housing and affordable living

Hobsons Bay was traditionally regarded as an 'affordable' municipality however the gentrification of the eastern and central parts of the municipality has eroded housing affordability. The decline in affordability is affecting both renters and home purchasers.

With the continual rise in the costs of housing and rents and the forecasted increase in population over the next 20 years, the likely trend is a decrease in affordable housing and an increase in housing stress.

There is a demand for more affordable housing types in the municipality to assist low income households in the rental market. Particularly for vulnerable households identified as lone person households, one parent households and people with a disability. Elderly residents (aged 60 years and over) who do not fully own their own home (i.e. still paying off a mortgage) are also vulnerable and are likely to be in housing stress.

There is a need for more diversity in housing options across the municipality which can assist with housing affordability by providing dwellings at various price points. This can enable renters and purchasers that want smaller dwellings types or want to downsize to have a suitable alternative in their suburb.

There is a link between housing stress and affordable living. If the cost of living is reduced so that a household has less expenditure on transport and utility costs (e.g. gas and electricity) and more money to put towards rent/mortgage payments, then this can assist with housing affordability.

Therefore, the expected increase in housing stress can indicate an increasing demand for homes that are better located to public transport and that are more energy efficient to assist with affordable living.

Housing which supports ageing in place

Hobsons Bay has an ageing population. It is expected that there will be a substantial increase in the older age groups over the next 20 years, it is forecast that there will be around 44 per cent more residents aged 65 years and over by 2036³.

This increased growth indicates a requirement to address the housing needs of older people, particularly as the incidence of disability increases with age. An estimated 15 per cent of residents aged 55 years and over have a disability (require assistance with core activities).

Older people generally have a preference to age in place to maintain their independence and community connections. Community consultation identified that the types of housing required for this demographic is generally smaller (lower maintenance) and single storey living.

Another important aspect to providing housing which enables residents to age in place is for housing which incorporates accessible/universal design.

The new housing stock which is being developed in Hobsons Bay is however predominantly double storey townhouses. Furthermore, the majority of new housing which has been constructed in Hobsons Bay over the last decade is located outside of areas which are walkable to public transport and community services. The housing trend is therefore not supportive of an age friendly municipality.

In regards to housing design, there is currently no universal design requirements for private housing in Victoria. The lack of universal design requirements in the Victorian Building Codes means the majority of private residents are not accessible.

Whilst there is a preference for people to age in place, there will still be a proportion of residents that will need access to retirement villages and nursing homes for assisted care. It is therefore expected that demand will also increase for these accommodation types.

³ Hobsons Bay Housing Strategy Background Report (Addendum) – 2016 ABS Census Updates (December 2017).