

Appendix 1

Supplemental information in response to Mr Ryan Bachelor MLC's question on the impact of local government structures on housing approvals.

Tuesday 10 October 2023

Question from Mr Ryan Bachelor MLC

One of the other interesting things in the report was the link between the structure of council wards and attitudes towards planning and development in a more conservative bias for single member wards. What evidence do you have to back up that argument? And can you explain what the consequences of this are?

Answer

Many Victorian councils have poor track records in weaponising planning powers.¹ Recently announced changes that move planning decision-making from recalcitrant local councils to a central state planning authority is welcomed by YIMBY Melbourne.

However, YIMBY Melbourne believes that while some blame for delaying or blocking housing development lies with local councils, it is not councils' existence or political make-up *per se* that causes those roadblocks.

These roadblocks are often misattributed to councils' being politically captured rather than to a deeper problem—the *failure to redesign local governments to reflect how most people in our cities live*.

¹ Wright, Shane, Clun, Rachel and Butt, Craig. "[Overcome NIMBYs and build where people want to live: The tough, but necessary housing solutions](#)". *The Age*. 26 April 2023.; Millar, Royce and Gordon, Josh. "[State government weighs new powers to jam in 1 million more homes](#)". *The Age*. 19 April 2023.; Kehoe, John. "[1.3 million missing homes blamed on councils and NIMBYs](#)". *Australian Financial Review*. 29 May 2023.; and Clun, Rachel. "[NIMBYs make housing unaffordable: Grattan Institute](#)". *The Age*. 14 September 2022.

The very nature of planning politics means it has a high threshold for participation. It involves specific knowledge and expertise, time for frequent meetings, political access, and privileges arguments against specific projects over larger strategic visions for the city that most people would have. The way decisions are made excludes people who might have dissenting views.²

In our view, the structure of local government privileges the views of time-rich existing residents—and overwhelmingly those who favour a more conservative planning approach—at the expense of renters and aspirational future residents, who support housing abundance.

The democratic boundary problem

This is largely due to the democratic boundary problem which is concerned with the inherent conflict between boundaries as defined geographically and how people relate to each other and power.³

In this case, the problem relates to how we define the city and how we elect those who make decisions over the future of it. The city as understood intuitively by most people is the metropolitan boundaries, most easily defined as the urban growth boundary—but no elected decision-makers represent that metropolis.

Rather, we elect state representatives who are concerned with a much larger area, or local councillors who are concerned with small (and shrinking with the introduction of mandatory single-member wards) councils which reflect historic communities of interest rather than current ones.

Metropolitan disenfranchisement

Melbourne urbanists have coined the term *metropolitan disenfranchisement* to describe how geographically-small councils, particularly those that no longer represent a clear community of interest, systematically and often unconsciously

² Elliot, Kevin. [Democracy for Busy People](#). 2023. University of Chicago Press.; and Lukes, Steven. [Power: A Radical View](#). 3rd edition. 2021. Bloomsbury.

³ Magaña, Pablo. "[The Boundary Problem in Democratic Theory: A Methodological Approach](#)". *Res Publica*. 2023.

privilege existing residents over future or aspirational ones.⁴ In fact, councillors in the proper execution of their duties cannot privilege future or aspirational residents.

This results in a situation where economic pressures like rising rents or house prices displace someone further out of the city—but that dislocated person has no political influence over the council they were forced to leave in order to pressure that council to take steps to avoid similar displacement happening to others or to facilitate changes that would allow the dislocated person to return.

For example, a young family in Melton wanting to move closer to work in the city has no way to influence an inner urban council to facilitate more affordable housing for them. Nor can a renter in Richmond who is forced further from the city, their work and their community influence their local council to permit changes to their urban fabric that would prevent their friends being forced out too.

This also means the cost of population growth is unevenly borne by councils themselves. If one council fails to deliver housing supply, it shifts the burden onto others. Outer suburban councils who have seen the majority of population growth in recent decades already have an infrastructure shortfall due to starting from a lower base than high-amenity inner-urban councils, and this deficit continues to grow.

YIMBY Melbourne believes the Victorian Government needs to radically reconceptualise how our councils are designed in order to improve the democratic inclusion for the currently-alienated groups like renters and young families.

In particular, YIMBY Melbourne echoes the views of those Melbourne urbanists in replacing our existing structure of atomised and unfit-for-purpose local councils with a single city-wide government or the systemic amalgamation of smaller councils.⁵

⁴ Gleeson, Brendan, Dodson, Jago and Spiller, Marcus. *Metropolitan governance for the Australian city: The case for reform*. Griffith University Urban Research Program. 2010.

⁵ Tomlinson, Richard and Spiller, Marcus. *Australia's Metropolitan Imperative: An Agenda for Governance Reform*. 2018. CSIRO Press.; See also Brennan, Martin. "[Towards a collaborative city: the case for a Melbourne Metropolitan Commission](#)". *The Conversation*. 9 May 2016.

These models are common around the world with many major cities like London, Barcelona, New York and Auckland—and closer to home in Brisbane and Canberra.

Council reform

While the wholesale amalgamation of Melbourne's 31 metropolitan councils might be extreme, a less radical suggestion might be to merely reverse the 2018 changes that forcibly shifted local councils to single-member wards.

Victoria's small councils and recent move to requiring single-member wards creates geographically-tiny areas—some as small as a few neighbourhood blocks—where people wanting to run for council or even engage with local politics are expected to be rooted for years. Renters move house far more frequently than homeowners, often involuntarily, and do not have the luxury of restricting themselves to only looking in single council areas—particularly where those areas are very small like between the cities of Melbourne, Yarra, Darebin and Merri-bek.

This extends as far as locking renters out of the franchise, with many renters moving annually or more often, with having their address updated for a postal ballot low on the priority list.

Recent reforms like forcing councils to adopt single-member wards has exacerbated the problem, by forcing councillors to be responsive only to a shrinking pool of homeowners, and confusing councillors on how they are meant to represent their communities.⁶

In fact, research from the United States has shown that moving from at-large or multi-member districts on councils to single-member districts suppresses housing construction by as much as 25%—even more so for apartment developments, an effect exacerbated by the district having a higher proportion of homeowners resident.⁷

⁶ Tan, Su Fei, Morris, Alan and Grant, Bligh. "[Mind the gap: Australian local government reform and councillors' understandings of their roles](#)". *Commonwealth Journal of Local Governance*. 2017. 19:39.

⁷ Mast, Evan. [Warding Off Development: Local Control, Housing Supply, and NIMBYs](#). Ohio State University Working Paper 14. 2020.; and Andersen, Michael and Lee, Jay. "[When cities switch to one-winner council districts, housing growth plummets](#)". *Sightline*. 2022.