



Bayside City Council

Submission to the Standing Committee on Legal and Social Issues - Inquiry into the Public Housing Renewal Program

November 2017

1. Context

Bayside City Council welcomes the opportunity to present its submission to the Victorian Parliament's Standing Committee on Legal and Social Issues as part of the Inquiry into the Public Housing Renewal Program (PHRP).

This submission details Council's significant concerns with the PHRP and complements the submission made by Council to the Social Housing Renewal Standing Advisory Committee which is included as an attachment.

Also attached to this submission is the *Analysis of the Potential Shortfall of Social Housing in the Cities of Bayside, Boroondara and Stonnington* completed by NERA Economic Consulting and Sensing Value in October 2017.

Bayside City Council looks forward to presenting its case at a public hearing.

2. Introduction

Bayside City Council, together with the City of Boroondara and the City of Stonnington, has formed an Alliance to advocate on behalf of our communities who all share concerns about the PHRP.

It is our view that through the PHRP the Victorian Government is, in effect, acting like a greedy developer by:

- selling public housing sites to developers
- breaching its own recently introduced planning controls designed to provide communities with certainty
- sidelining councils and communities from the planning process, and barely making a dent in the public housing waiting list.

Bayside City Council strongly support public housing; Victoria needs better – and much, much more – public housing. However, the PHRP will deliver very little new public housing, breaches the Government's own recently-introduced planning rules, and sidelines Councils and communities from the planning process.

That is why we have been advocating for the Victorian Government to put people before profits and delay the program until the Inquiry has been completed and to ensure current planning controls are not breached and redeveloped sites provide at least 50% public housing.

This submission furthers our previous advocacy efforts.

In its current form, the PHRP will sell public housing sites to developers who will build a handful of new public housing dwellings while at the same time developing hundreds of apartments to sell on the private market to reap massive profits.

On a site where the Government has introduced a three-storey height limit, it now plans to build nine-storey apartment buildings that are out of context and fail to ensure the best possible design outcome for the site is achieved. The redevelopment

of this site cannot be taken lightly, the development outcome will leave a legacy that will influence the future liveability of the area for many future generations.

3. Response to the Parliamentary Enquiry Terms of Reference

3.1 An inadequate response to Victoria's public housing crisis

The adequacy of a proposed 10% increase in public housing on the sites given the size of the waiting list for public housing.

Research conducted by NERA Economic Consulting and Sensing Value, commissioned by Bayside City Council, the City of Boroondara and the City of Stonnington, is included as an attachment to this submission.

The research found a significant shortfall in public housing to meet projected demand.

- A 10% increase in public housing stock envisaged by the PHRP is not enough
- The Government's transfer of public housing land into private equity will mean that by 2022, across Alliance councils, one out of three families in need of public housing may be left homeless
- In the next five years, more than 1,100 more public housing dwellings will be needed to meet demand across Alliance councils
- The 10% uplift in public housing will need to be tripled to stem the crisis and meet the expected demand for public housing in Alliance member council areas by 2022.

Based on the methodology applied in its report:

"...it is estimated that a minimum of 5,407 social housing dwellings will be required by 2022 to maintain the current rates of provision for social housing dwellings in each of the three cities (municipalities), we estimate that by 2022 there could be a potential shortfall in the range of 1,093 social housing dwellings in the three cities covered in this report."

LGA	Public housing	Community owned	Total current social housing dwellings	Projected new dwellings under policy	Projected requirement for social housing by 2022	Shortfall in social housing dwellings
Bayside	1,201	93	1,294	120	1,773	359

"...the shortfall may not represent the full extent of demand for social housing in the three cities, as it does not factor in a number of relevant considerations such as current and future waiting lists, dwelling types and potential drivers of future demand such as family violence."¹

¹ P.14, Nera Economic Consulting and Sensing Value, Analysis of the Potential Shortfall of Social Housing in the Cities of Bayside, Boroondara and Stonnington by 2022, October 2017

The ability to cater for all demographics including families, couples and singles with the proposed housing mix

It should be noted that the NERA Economic Consulting and Sensing Value research report found:

“... that household composition of the City of Bayside has a higher proportion of ‘couple households with children’ than the statewide average, as well as a lower number of ‘group households’ and ‘one parent households’. This suggests that any future social housing dwellings constructed in the LGA would need to be appropriate for families with children.”²

The effects on current housing tenants

The Victorian Government is acting like a greedy developer – selling off public housing land, breaching the Government’s new planning rules and sidelining communities from the planning process – it’s time they put people before profits.

Questions need to be asked about whose interests this program really serves: public housing tenants and the 35,000 Victorians on the public housing waiting list or developers?

We are calling on the State Government to make sure public housing sites are at least 50% public housing – not the meagre 10% proposed – and delay its implementation until the Inquiry’s findings are released.

<i>Site</i>	<i>Current number of public housing dwellings</i>	<i>Number of new private dwellings</i>	<i>Number of new public housing dwellings</i>
Bayside (New Street)	127	140	13

Open space and playgrounds within the proposed redevelopment sites at Bayside, Boroondara and Stonnington will make way for approximately 1,000 new private apartments crammed in to maximise developer profits. At the same time only a handful of new public housing dwellings will be developed.

Public housing land will be sold to private developers, forgoing potential future redevelopments. This is a vital program and it is vital we get it right – the Government has only one chance.

This will significantly impact on current residents’ uncertainty and limit future development of the sites which, by extension, reduces the potential for the sites to provide more public housing dwellings in locations that are well serviced and provide opportunities for employment and social cohesion.

² P.8, Nera Economic Consulting and Sensing Value, Analysis of the Potential Shortfall of Social Housing in the Cities of Bayside, Boroondara and Stonnington by 2022, October 2017

3.2. An inadequate response to local and state planning policies

The proposed significant increase in density and heights and any local environmental impacts, such as the loss of open space and mature vegetation

Reformed residential zones

The Government announced its reformed residential zones in March 2017 to much fanfare.

The General Residential Zone (which covers many of the PHRP sites) now includes a mandatory 11 metres/3-storey maximum building height.

The reformed GRZ also includes a mandatory requirement for a minimum garden size (lots over 650 square metres require a minimum 35% of the lot to be set aside as garden area).

The Government is ignoring the very planning control it introduced to give communities certainty.

Bayside City Council's submission to the Social Housing Renewal Standing Advisory Committee clearly sets out our concerns and proposed revisions to the proposed Planning Scheme Amendment C157 to the Bayside Planning Scheme that seeks to facilitate and guide the redevelopment of land at New Street, Brighton that is currently used for public housing.

The submission states:

“(Bayside City Council) submits that there is no material that explains the rationale for the proposed heights or the application of commonly applied urban design principles and rules of thumb in terms of site-lines diagrams to upper components of buildings. There has been no view shed analysis nor exploration of the impact of existing or preferred neighbourhood character of building mass and taller forms. Nor has there been a proper assessment that explores the broader implications of the removal of the existing DDO that applies to the land that has been in place for many years and which has been instrumental in protecting the character of Bayside.”³

That submission concludes that:

“(Bayside City Council) considers that the Planning Scheme Amendment documents presented for comment require substantial revision. Further work is required to demonstrate that the proposed changes are justified and to provide certainty to the community and Council in relation to the expected outcomes to be delivered on site.

The approval of Planning Scheme Amendment C157 to the Bayside Planning Scheme in its current form is premature. Bayside City Council does not support the

³ P.8, Bayside City Council, Submission to the Social Housing Renewal Standing Advisory Committee, October 2017

*proposed planning scheme amendment in its current form. It lacks any strategic basis for the changes it is making.*⁴

Bayside has shown that its implementation of the residential zones is robust and responds to housing and demographic needs, while retaining the neighbourhood character and liveability elements that define Bayside and guide its strategic planning framework.

The *Bayside Housing Strategy* (2012) identified future medium and high density residential development to mostly be in the Southland/Cheltenham and Hampton East/Moorabbin Major Activity Centres as they provide the best access to shops, public transport and other services with minimal constraints.

The Church Street, Bay Street, Hampton Street, Sandringham Village, Elsternwick and Cheltenham Major Activity Centres are to play a secondary role in accommodating future medium and high density development.

The application of the new residential zones was carefully considered to ensure that the translation of the intent and policy direction adopted as part of the *Bayside Housing Strategy* was achieved.

The removal of planning controls from local councils, and planning implications surrounding communities including existing neighbourhood character, traffic flow and provisions of services.

Plan Melbourne

The PHRP appears to directly contradict Policy 2.1.4: Provide certainty about the scale of growth in the suburbs:

“There is a need to provide greater certainty and facilitate long-term growth and housing choice in the right locations. Local government and the community also need confidence that the built form objectives they sign up to will be adhered to.”

It seems the rules do not apply to the Government which promised: *“The review of residential zones will give greater certainty to the community by strengthening mandatory height provisions and site coverage requirements in each of the residential zones.”*

The PHRP will see the Minister for Planning and the Minister for Housing breach their government’s own planning controls while doing little to respond to the housing crisis.

Developers will make massive profits by cramming in thousands of private apartments on public housing land and, in return, they will build only a small number of new public housing dwellings.

It is anticipated that close to 1,000 new private apartments will be built for sale, with profits to go to the developers, while fewer than 50 new public housing dwellings will be built throughout the identified sites at Bayside, Stonington and Boroondara.

⁴ P.11, Bayside City Council, Submission to the Social Housing Renewal Standing Advisory Committee, October 2017

“Under the Victorian Government’s proposed redevelopment of the New Street social housing site in Brighton, planning control will be taken away from Council removing opportunities for the local community to have their say.

Council is deeply concerned that in order to construct the proposed large-scale apartment development, the State Government will bypass Council as the Planning Authority and the Minister will enact his discretionary powers to allow it to progress unimpeded.”⁵

The proposed loss of third party appeal rights

Should the Minister for Planning install himself as Planning Authority, we expect third party appeal rights will be removed and councils and residents denied the chance to independently raised issue and opportunities on development in their local streets.

Bayside City Council’s submission to the Social Housing Renewal Standing Advisory Committee clearly sets out our concerns and proposed revisions to proposed Planning Scheme Amendment C157 to the Bayside Planning Scheme that seeks to facilitate and guide the redevelopment of land at New Street, Brighton that is currently used for public housing.

The submission states:

“Council does not support the Minister for Planning as Responsible Authority in the Schedule to Clause 61.01. The change results in a lack of transparency in the application of the planning framework for the site and also results in a split of statutory responsibilities between two authorities with the Minister being responsible for the administration of the scheme and Bayside City Council being responsible for the enforcement of the scheme. This is inefficient.”⁶

The transparency and genuine community consultation with affected residents, neighbouring communities and the broader Victorian community regarding the short, medium and long-term implications of the PHRP model as currently proposed

Bayside City Council’s submission to the Social Housing Renewal Standing Advisory Committee clearly sets out our concerns and proposed revisions to proposed Planning Scheme Amendment C157 to the Bayside Planning Scheme that seeks to facilitate and guide the redevelopment of land at New Street, Brighton, currently used for public housing.

That submission concludes that:

“Further consultation needs to be undertaken as this process progresses. It is important that any recommended changes that seek to facilitate the redevelopment of the site at New Street, Brighton are tested with Council, the community and other key stakeholders to ensure that they respond to the State and Local Planning Policy Framework and address the needs and liveability expectations of Bayside residents.

⁵ Bayside City Council Media Release, *Public meeting New Street Housing*, 6 September 2017

⁶ P.9, Bayside City Council, Submission to the Social Housing Renewal Standing Advisory Committee, October 2017

Bayside City Council can appreciate that DHHS is seeking to expedite the redevelopment of the site at New Street, Brighton, however Council submits that a redevelopment of this scale and nature is a rare opportunity that if not well thought out and considered could have detrimental implications not just for Bayside residents and potentially limit the future viability of the Public Housing Renewal Program.”⁷

4. Conclusions and Recommendations

Through the PHRP the Victorian Government will sell development rights on selected public housing sites’ to developers, who will be required to rebuild the current public housing stock to include a minimum of 10% more public housing dwellings than currently exist on each site.

At the same time, the developers will be allowed to make the sites denser by building hundreds of new apartments to be sold for profit on the private market with little consideration of the local context and amenity implications to existing adjoining residents to the site.

It is expected that close to 1,000 new private apartments will be built for sale, with profits to go to the developers and potentially the government itself, while fewer than 50 new public housing dwellings will be built across Bayside, Boroondara and Stonnington. In Bayside only 13 additional public housing dwellings will be provided.

And if the Minister for Planning installs himself as Planning Authority, third party appeal rights could be removed and councils and residents denied the chance to be heard on development in their local streets.

Bayside City Council recommends that implementation of the PHRP be delayed until the Parliamentary Inquiry has been completed, and ensure redevelopment sites are at least 50% public housing, do not breach current planning controls, respond to the current social housing needs and provide much needed affordable housing for key workers in the region.

⁷ P.11, Bayside City Council, Submission to the Social Housing Renewal Standing Advisory Committee, October 2017