



Review of the Bayside Housing Strategy 2012

Contents

1. Executive Summary	1
Chapter 1 - Purpose and scope of the Housing Strategy Review	1
Chapter 2 - Background	2
Chapter 3 - Previous Community Feedback	3
Chapter 4 - Current and Future Housing Needs	3
Chapter 5 - Current Provision of Housing in Bayside.....	5
Chapter 6 – Policy Context	5
Chapter 7 – Recommendations of Planning and Advisory Panels.....	6
Chapter 8 – Implementation of the Bayside Housing Strategy	7
Chapter 9 – Key Issues and Challenges	8
9.1 Amending the Planning Scheme.....	8
9.2 Managing Growth.....	9
9.3 Environmentally Sustainable Design in the Built Environment.....	10
9.4 Aged care and retirement living in Bayside.....	11
9.5 Supported accommodation (Community care accommodation) ..	12
9.6 Adaptable Housing.....	13
9.7 Social and affordable Housing in Bayside.....	14
9.8 Vegetation and tree protection	14
9.9 Physical and social infrastructure.....	15
Chapter 10 - Monitoring and review	16
Chapter 11 - Have Your Say	17
11.1 Proposed Next Steps.....	17
2. Chapter 1 – Purpose and Scope	18
1.1 Council's Better Place Strategic Planning Framework.....	18
1.2 Scope	19
3. Chapter 2 - Background	21
4. Chapter 3 – Previous Community Feedback.....	23
3.1 The Community Plan 2025.....	23
3.2 The Council Plan.....	23
3.3 The Planning Scheme Review	24
3.4 Amendment C140	24
3.5 Amendment C125	25
3.6 Annual Community Satisfaction Report	26

5. Chapter 4 - Current and Future Housing Needs.....	28
4.1 Population Growth.....	28
4.1.1 Current Population	28
4.1.2 Future Population Forecasts.....	29
4.2 Age Profile.....	30
4.2.1 Changes in Age Profile	30
4.2.2 Future Age Profile.....	31
4.3 Household Size	32
4.3.1 Changes in Household Size	32
4.3.2 Future Household Size	33
4.4 Household Types	34
4.4.1 Changes in Household Types.....	34
4.4.2 Future Household Types	35
4.5 Family Types.....	36
4.5.1. Changes in family types.....	36
4.5.2 Future Family Types	38
4.6 Household Income	38
4.6.1 Changes in Household Income.....	38
4.6.2 Disadvantage in Bayside	39
4.7 Household Supply in Bayside	41
4.7.1 Changes in Dwelling Structures.....	41
4.7.2 Apartment residents in Bayside	42
4.7.3 Non-Private Dwellings in Bayside.....	42
4.7.4 Social Housing.....	43
4.8 Housing Tenure.....	43
4.8.1 Housing Tenure and Home Ownership	43
4.8.2 Short-Term Lettings	44
4.9 Dwelling Sizes and Households.....	45
4.9.1 'Size' of Dwellings in Bayside	45
4.9.2 Who lives in what type of Dwelling?	46
4.10 Housing Affordability	48
4.10.1 Prices.....	48
4.10.2 Cost of Rental Accommodation	49
4.10.3 Housing stress.....	51
4.11 Future Housing Supply	53

4.11.1	Is Bayside taking more than its fair share of growth?.....	53
6.	Chapter 5 - Current Provision of Housing in Bayside	56
5.1	Development trends and dwelling yield.....	56
5.1.1	Development trends.....	56
5.1.2	Dwelling Yield	58
5.2	What types of dwellings are being built?.....	60
5.3	What is happening in the activity centres?.....	60
5.3.1	Population and dwelling supply change – summary.....	60
5.3.2	Bay Street (Brighton)	62
5.3.3	Church Street (Brighton).....	64
5.3.4	Hampton East (Moorabbin).....	66
5.3.5	Hampton Street.....	68
5.3.6	Sandringham Village.....	70
7.	Chapter 6 - Policy Context	73
6.1	State Policy	73
6.1.1	Plan Melbourne.....	73
6.1.2	Bayside Planning Scheme - State Planning Policy.....	75
6.1.3	Amendment C106 and VC110, New Residential Zones.....	75
6.1.4	Amendment VC148	76
6.1.5	Homes for Victorians, 2017	77
6.1.6	Changes to Planning and Environment Act (1987).....	77
6.2	Local Government Policy	78
6.2.1	Bayside Community Plan 2025.....	78
6.2.2	Bayside Council Plan.....	78
6.2.3	Wellbeing for All Ages and Abilities Strategy, 2017 – 2021	79
6.2.4	Bayside Integrated Transport Strategy, 2018 – 2028	79
6.2.5	Bayside Environmental Sustainability Framework, 2016 – 2025.....	79
6.2.6	Improving Housing Affordability and Social Housing Options in the City of Bayside – Advocacy Action Plan, June 2018.....	79
6.2.7	Bayside Climate Change Strategy – A Plan for Council's Operations, 2012.....	80
6.3	Bayside Planning Scheme - Local planning policy.....	80
8.	Chapter 7 - Recommendations of Planning and Advisory Panels	82
7.1	Residential Zones Standing Advisory Committee Report – Bayside Draft Amendment C125, 27 November 2014	82
7.2	Planning Panel Report – Amendment C140, May 2016	83

7.3	Managing Residential Development Advisory Committee	84
7.3.1	Residential Zone Review, July 2016.....	85
9.	Chapter 8 - Implementation of the Bayside Housing Strategy	87
10.	Chapter 9 - Key Issues and Challenges	89
9.1	Amending the Planning Scheme.....	89
9.2	Managing Growth.....	91
9.2.1	Principal Public Transport Network.....	91
9.2.2	Activity centre boundaries.....	94
9.2.3	Strategic redevelopment sites	95
9.3	Environmentally Sustainable Design in the Built Environment.....	97
9.3.1	Current ESD Policy Setting in Bayside	97
9.3.2	The need for an ESD Policy	98
9.3.3	Approaches to ESD in other councils	99
9.3.4	What is required to introduce the policy into the scheme?	100
9.3.5	Benefits of implementing ESD policy	100
9.4	Aged care and retirement living in Bayside.....	102
9.4.1	Housing for the elderly	102
9.4.2	Retirement Villages.....	103
9.4.3	Residential Aged Care.....	104
9.4.4	Impact on Provision by Planning Decision Making	104
9.4.5	Current Planning Controls	105
9.5	Supported accommodation (Community care accommodation)	108
9.5.1	Clause 52.22 – Permit Exemptions (what is exempt?)	109
9.6	Adaptable Housing.....	111
9.6.1	What is adaptable housing?	111
9.6.2	Why encourage adaptable housing?	112
9.6.3	Existing Policy and Standards	113
9.7	Social and affordable Housing in Bayside.....	116
9.7.1	What is affordable housing	116
9.7.2	What is social housing?	116
9.7.3	What are very low, low and moderate income households?	117
9.7.4	Options for increasing affordable housing in Bayside.....	119
	124
9.8	Vegetation and tree protection	125
9.8.1	Previous review of the regulatory framework.....	125

9.8.2	Where to now?.....	126
9.9	Physical and social infrastructure.....	130
9.9.1	Why is planning for physical and social infrastructure important?.....	130
9.9.2	What is the approach to social infrastructure planning elsewhere?	130
11.	Chapter 10 - Monitoring and review	136
12.	Chapter 11 - Have Your Say	137
11.1	Proposed Next Steps.....	138
13.	Appendix 1 – Characteristics of apartment dwellers in Bayside..	139
14.	Appendix 2 – Audit of Actions from Bayside Housing Strategy 2012	141

Executive Summary

Chapter 1 - Purpose and scope of the Housing Strategy Review

The *Bayside Housing Strategy* 2012 guides how residential development in Bayside will be planned and managed to 2031. The Strategy looks at the location and type of residential development required in order to meet the changing needs of the Bayside community, whilst ensuring development is consistent with and enhances Bayside's valued urban character.

To achieve this, the Strategy directs the majority of new housing growth to Housing Growth Areas (activity centres, residential areas in close proximity to fixed rail public transport in Kingston and Glen Eira and strategic redevelopment sites).

Minimal Residential Growth Areas, those areas located outside of the Housing Growth Areas make up the majority of residentially zoned land in Bayside. These areas are expected to contribute to accommodating housing growth within Bayside, but to a lesser extent, whilst maintaining the low density scale of these areas.

The purpose of the *Housing Strategy Review* is to ensure the *Housing Strategy* provides a holistic framework to support the delivery of housing that meets the needs of the Bayside community both now and in the future, and that the services and facilities needed to support the community are identified and delivered.

The Review will evaluate Council's success in implementing the Strategy and to consider any modifications that need to be made to the Strategy having regard to current policy settings and the forecast needs of Bayside's residents.

The review will not consider the overarching spatial approach to delivering increased housing in Bayside, that is, directing medium and high density housing to housing growth areas, including activity centres, strategic redevelopment sites, and other identified housing growth areas in close proximity to public transport, shops and other services.

This is because the overarching spatial approach outlined in the *Housing Strategy* is delivering increased housing in Bayside in locations that are well served by public transport, shops and services. This is the most sustainable approach to delivering increased housing density and is in line with State Government planning policy. Should further housing capacity be required in the future, a future review of the *Housing Strategy* can consider other locations that may be suitable for increased housing density in addition to those already identified in the *Housing Strategy*. This approach allows Council to direct and manage growth in the short to medium term.

Nor will it consider activity centre boundaries. This is because there is no justification to review existing boundaries. These boundaries were determined through a rigorous structure planning process involving significant community involvement and were tested by Planning Panels before being implemented into the Bayside Planning Scheme.

Currently, there is sufficient housing capacity within identified housing growth areas (including activity centres) to deliver the required number of houses. However, in the longer term, given the increasing population of Melbourne, it is likely that additional housing capacity will be required. If this is the case, a future review of the *Housing Strategy* can consider where additional housing density could be delivered. This could involve increasing activity centre boundaries, or could involve consideration of other locations, for example residentially zoned land abutting the Principal Public Transport Network.

However, it is important to note that activity centres will remain under pressure to accommodate Bayside's population growth if Council is to retain the low density character though the majority of the municipality.

Chapter 2 - Background

The *Bayside Housing Strategy* was adopted by Council in September 2012. Residential zones to implement the Strategy were introduced across Bayside in June 2014. Residential land identified as Minimal Residential Growth Areas in the *Housing Strategy* was zoned Neighbourhood Residential Zone whilst residential land identified as Housing Growth Areas in the *Housing Strategy* was zoned General Residential Zone, with a small component of Residential Growth Zone in the Willis Street Precinct (Hampton Activity Centre) and in part of the Hampton East (Moorabbin) Activity Centre. The public housing estate in New Street, Brighton was also rezoned Residential Growth Zone in 2018. The Strategic Framework Plan from the *Housing Strategy* was introduced into the Bayside Planning Scheme in August 2014, implementing some of the policy components of the Housing Strategy.

The introduction of these zones and the Strategic Framework Plan into the Bayside Planning Scheme has provided very clear direction to both the community and the development industry as to where housing growth is being directed.

In the Minimal Residential Growth Areas (zoned Neighbourhood Residential Zone), building heights are capped at 2 storeys, recognising the Bayside community's desire to protect the low rise, leafy character of the established residential areas whilst enabling a mix of housing types including detached houses, town houses and low rise apartments.

In the Housing Growth Areas, locations that are in close proximity to public transport, shops and services, permissible building heights range from 3 stories (in the residential areas around Activity Centres), up to 6 storeys in the commercial areas of activity centres. These heights were determined through detailed structure planning processes that examined the local conditions of each location.

The other policy components of the *Housing Strategy*, including the vision, and objectives and strategies to achieve this vision, were not introduced into the Planning Scheme. This was because a Planning Panel recommended that Amendment C140, which sought to introduce the policy components of the *Housing Strategy*, be abandoned. This was largely because some of the more restrictive controls

proposed as part of C140, such as mandating minimum lot sizes, were not justified by the *Housing Strategy*. The Panel was concerned that these restrictive controls were an attempt to stifle nearly all development in the established residential areas and did not allow for a diverse mix of housing including semi-detached and detached dwellings.

Chapter 3 - Previous Community Feedback

The *Housing Strategy Review* is an opportunity to gauge how well the residential development needs and expectations of the community are being met. In recent years, a number of municipal-wide engagement programs have been carried out that sought to understand the community's views on a range of topics. Planning and housing is a key component of the service Bayside Council provides. It is also an area of strong public opinion. For this reason, there is a wealth of data on this topic to inform the review of the *Housing Strategy*.

Implications for the Housing Strategy

- Directing growth to activity centres and away from established residential areas continues to be a high priority for residents.
- Additional pressure on infrastructure (especially roads) caused by increased residential development is a significant concern for residents.
- Negative impacts on surrounding properties must be appropriately managed where new development is occurring.
- Planning and development remains an area of concern for Bayside residents.

Recommended changes to the Housing Strategy

Retain the focus in the Housing Strategy on:

- Directing growth to Housing Growth Areas, including activity centres.
- Protecting neighbourhood character in Minimal Residential Growth Areas.
- Recognising that the neighbourhood character in Housing Growth Areas will change.
- Minimising negative impacts of new development.
- Providing adequate infrastructure and traffic management to manage the impacts of increased housing growth.
- Better communicate to residents where housing change is being directed and what type of developments they can expect.

Chapter 4 - Current and Future Housing Needs

In reviewing the *Housing Strategy*, it is essential to understand both the current and emerging needs of the community. This section summarises both the current and future demographic structure of the Bayside community and whether the existing housing stock will meet the current and future community requirements.

Implications for the Housing Strategy

- There has been higher population growth than anticipated in the Housing Strategy. To house these people, 562 net new dwellings a year will be needed in Bayside to 2031.
- The largest age groups in Bayside are 40-54, with families being the dominant demographic in Bayside.
- Whilst Bayside will remain a predominantly family based municipality, it is forecast that by 2031 there will be more people over 65, as well as more people aged between 15 and 39, with the majority of additional households expected to be couple families without children and lone person households.
- VIF 2012 expected a net loss of couple family households with children by 2031, however VIF 2016 now expects a gain of these households.
- Bayside is a generally wealthy municipality, although there are scattered pockets of disadvantage.
- Since 2011, the proportion of separate houses have reduced whilst the proportion of medium and high density houses have increased.
- The people moving into apartments are generally younger, more diverse (more people born overseas and speaking languages other than English), smaller households than the rest of Bayside. They have generally moved from the same suburb or adjoining suburbs.
- The majority of Bayside households either own their home outright or are purchasing their home (mortgaged).
- House prices and rental costs are high, with only 6 dwellings let in Bayside in June 2018 being affordable to lower income households.
- Short term lettings such as Airbnb have increased dramatically since 2011. This has the potential it impact housing affordability and availability.

Recommended changes to the Housing Strategy

- Update Chapter 4 – Current and Future Housing Needs, of the Housing Strategy to reflect changing trends using updated data as outlined above.
- Retain existing policy focus in Housing Strategy:
 - Encourage a diversity of housing typologies to be provided in Bayside, including:
 - family homes for families with children. This remains the dominant demographic in Bayside.
 - smaller homes for 'lone person' and 'couples without dependant' households, including studio apartments and one and two bedroom dwellings. This demographic is expected to make up most of the growth in the future.
 - Encourage a variety of housing options for older people, ranging from adaptable housing enabling ageing in place to residential aged care.
 - Encourage the delivery of affordable housing, recognising that Bayside has the third highest median weekly rents compared to other municipalities in the Southern Metropolitan Region.

Chapter 5 - Current Provision of Housing in Bayside

The previous chapter explored the current and future housing needs of Bayside. This chapter looks at what housing has been built and where, specifically looking at whether the strategic framework outlined in the *Housing Strategy*, to focus medium and high density development in Housing Growth Areas has been effective.

Implications for the Housing Strategy

- The Housing Strategy has been very effective in directing medium and high density development to Bayside's activity centres and strategic redevelopment sites, whilst retaining the low rise nature of the established residential areas.
- Approximately 425 net new dwellings have been delivered per year between 2012 and 2016. This figure is somewhat less than what is forecast to be required by VIF2016 figures (562 net new dwellings per year).
- However, a greater increase in housing is being delivered in the Major Activity Centres across fewer sites than anticipated through the Housing Strategy. Whilst there is the land use policies and capacity to enable more intense development within activity centres, it is not being delivered at the rate originally anticipated.
- There are also, a number of adopted Structure Plans that are yet to be implemented into the Bayside Planning Scheme that will provide additional housing capacity, as will the CSIRO strategic redevelopment site.
- Significant amount of change is occurring in the established residential areas in the form of one for one dwelling replacements. This is an important part of housing renewal but can cause community concern as it does involve change to the physical environment, short term disruptions to the flow of traffic and often clearing of mature vegetation. This type of development generally does not require planning permission.

Recommended changes to the Housing Strategy

- Update Chapter 4 of the Housing Strategy to reflect the information in this chapter.
- Continue to encourage increased density in activity centres and housing growth areas in line with adopted structure plans.
- Update the Housing Growth Model to better understand the increased housing capacity that will be available once all adopted structure plans are implemented into the Bayside Planning Scheme.
- Undertake market research to better understand factors that may be constraining higher density development in Bayside's Major Activity Centres.

Chapter 6 – Policy Context

Since the Bayside *Housing Strategy* was adopted in September 2012, there have been a number of changes to the policy context that influences Bayside's approach to housing and growth.

Implications for the Housing Strategy

- Strong State and local policy support for the Housing Strategy's approach to directing housing growth to activity centres and other locations in close proximity to transport and services and strategic redevelopment sites.
- Explicit State Government support for Local Council's to seek affordable housing from developers on a voluntary basis.
- Increased State Government focus on increasing development along the Principal Public Transport Network.
- Introduction of mandatory maximum heights and a minimum garden area requirement in the Neighbourhood Residential Zone and General Residential Zone.
- More research is being undertaken on how land use planning can address hazards associated with climate change.

Recommended changes to the Housing Strategy

- Update Chapter 1 – Introduction, and Chapter 2 – Policy Context, of the Housing Strategy to reflect the current policy context as outlined above.
- For General Residential Zone land within identified Housing Growth Areas that have adopted structure plans, clarify whether the minimum garden area requirement is to be applied.
- Update the Housing Strategy to reflect the findings of the Port Phillip Bay Coastal Planning Project once completed.

Chapter 7 – Recommendations of Planning and Advisory Panels

There have been a number of Planning and Advisory Panels that have been held to consider the implementation of the *Bayside Housing Strategy* specifically, and more widely the implementation of the State Government's new residential zones.

The following panel and advisory committee reports have been reviewed to determine, what if any changes are required to the *Housing Strategy* as a result of their recommendations:

- Residential Zones Standing Advisory Committee Report - Bayside Draft Amendment C125, 27 November 2014;
- Planning Panel Report – Bayside Amendment C140, May 2016; and
- Managing Residential Development Advisory Committee – Residential Zone Review, July 2016.

Implications for the Housing Strategy

- Support for Structure Plans to be undertaken for Housing Growth Areas and for the use of the Residential Growth Zone to be considered in these locations.

- Perception by State Government that the widespread application of the Neighbourhood Residential Zone in Bayside will stymie housing development.
- Perception by State Government that too much of Bayside is zoned Neighbourhood Residential Zone.
- Housing Growth Model to inform *Housing Strategy Review* but not drive it. Focus on realising opportunities for increasing housing density in areas that are in close proximity to fixed rail public transport, shops and services.

Recommended changes to the Housing Strategy

- Update the Housing Strategy to recognise that:
 - Structure plans have been prepared and adopted for Hampton East (Moorabbin), Cheltenham and Southland activity centre (now known as Pennydale, not an activity centre) to identify what type and level of growth is appropriate in each location.
 - Highett Structure Plan (2004) has been reviewed, and a revised plan adopted.
 - Reviews of the Bay Street, Church Street, Hampton Street and Sandringham Major Activity Centre Structure Plans have been undertaken to look at the effectiveness of the implementation of these structure plans and ensure that the key strategic planning issues facing the centres are identified and addressed. These reviews did not look at zoning or boundary changes as the existing controls are generally working well and delivering increased housing density and diversity.
- Amend the Strategic Framework Plan in the Housing Strategy and relevant text to reflect the above structure plans.
- Remove reference to 'single dwelling appearance to the streetscape' from the definition of low density in the Housing Strategy.
- Update the Housing Strategy, using the most current ABS census data. Outline Bayside's housing needs and how these needs will be met, focusing on housing need, affordability and diversity.
- Given the commentary in the *Residential Zone Review*, include a new section in the Housing Strategy which demonstrates that Council's application of the residential zones is delivering housing density and diversity, and reinforce the role that Bayside is playing in implementing Plan Melbourne.

Chapter 8 – Implementation of the Bayside Housing Strategy

The *Bayside Housing Strategy* includes a detailed implementation plan that sets out 65 actions that need to be undertaken by Council.

The majority of these actions have either been completed or are underway.

The actions that have not commenced, or are only partially commenced, predominately relate to the following issues:

- **Amending the Planning Scheme** - to reflect the policy components of the *Housing Strategy*;

- **Environmentally Sustainable Design** - incorporating Sustainable Design in the Planning Process into the Bayside Planning Scheme and investigating other mechanisms to ensure development in Bayside delivers best practice Environmentally Sustainable Design;
- **Residential Aged and Disability Care** – providing information to developers about the demand for residential aged and disability care accommodation and ensuring these developments respect built form, neighbourhood character and the streetscape;
- **Adaptable Housing Design** – advocating for and encouraging adaptable housing design;
- **Social and Affordable Housing** – encouraging more social and affordable housing in Bayside to be provided;
- **Vegetation** – encouraging the retention of existing canopy trees and the planting of new canopy trees on development sites;
- **Physical and social infrastructure provision** – developing a timeframe for prioritised provision of physical and social infrastructure to meet the needs of the increasing population; and
- **Monitoring and review** – monitoring of key infrastructure, physical and social/community to ensure it is, and will continue to, meet the needs of the community.

Each of these issues is discussed in further detail in the Key Issues and Challenges section below, as is the *Housing Strategy's* approach to managing growth, given this is a fundamental component of the Strategy.

Chapter 9 – Key Issues and Challenges

9.1 Amending the Planning Scheme

One of the most important components of the *Housing Strategy*, the approach to managing growth, was implemented into the Planning Scheme in June 2014 with the introduction of the new residential zones and the introduction of the Residential Strategic Framework Plan. However, a number of the other policy components of the *Housing Strategy* were never implemented into the Planning Scheme. This has meant there are gaps in the Bayside Planning Scheme.

Implications for the Housing Strategy

- The Vision, Objectives and Strategies from the Housing Strategy have not been included in the Bayside Planning Scheme. This has meant there are gaps in the Bayside Planning Scheme. For example, the current Strategic Vision in the Planning Scheme does not reflect the Vision outlined in the Housing Strategy.
- The remaining Housing Growth Areas around Cheltenham station and Elsternwick are predominately residential in nature, on the periphery of the activity centre, and now have mandatory 3 storey height controls in place through the General Residential Zone.

Recommended changes to the Housing Strategy

- Following this Review, update the Housing Strategy and commence a Planning Scheme amendment to implement the Vision, Objectives and Strategies of the updated Housing Strategy.
- Update the Housing Strategy to require a neighbourhood character study or Urban Design Framework to be undertaken for the Housing Growth Areas around Cheltenham station and Elsternwick instead of a Structure Plan.

9.2 Managing Growth

There is continued policy support for the *Housing Strategy's* approach to directing housing growth to activity centres and other locations close to public transport, shops and services. This approach is consistent with Plan Melbourne and State planning policy which seeks to locate new housing in designated locations that offer good access to jobs, services and transport. This enables development to take full advantage of investment in transport, utility, social, community and commercial infrastructure and services.

However, recent changes to State planning policy has increased the prominence of the Principal Public Transport Network (PPTN) in the Planning Scheme.

Other changes to State planning policy means that there is no longer a defined criteria for identifying strategic redevelopment sites. Having a defined criteria is important so that Council can fairly and transparently identify and/or consider requests from land owners for their site to be considered a strategic redevelopment site.

There has also been some community concern with the current activity centre boundaries, with some community members seeking a review of the boundaries with a view to reducing the extent of the activity centre.

Implications for Housing Strategy

- Increased State government support for housing density along the Principal Public Transport Network, which includes land in Bayside that is currently zoned Neighbourhood Residential Zone.
- Community interest in reviewing and reducing activity centre boundaries.
- Definition of strategic redevelopment sites no longer included in Clause 16 of Bayside Planning Scheme.

Recommended changes to the Housing Strategy

- Retain existing approach to managing growth in the updated Housing Strategy. This approach seeks to increase density in areas with the best access to public transport, job and services, recognising that bus services in Bayside are often unreliable and with limited service.

- Clearly outline the scope of the Housing Strategy. Its role is to set the strategic framework for housing in Bayside, not to undertake detailed planning for specific areas. As such, any review of activity centre boundaries should be undertaken as part of a structure plan review, not as part of the *Housing Strategy Review*.
- Include an updated definition of strategic redevelopment sites.

9.3 Environmentally Sustainable Design in the Built Environment

The *Bayside Housing Strategy* included a number of actions to improve the environmental performance of dwellings within Bayside including incorporating Sustainable Design Assessment in the Planning Process (SDAPP) into the Bayside Planning Scheme and investigating other mechanisms to ensure development in Bayside delivers best practice Environmentally Sustainable Design (ESD). However, the inclusion of SDAPP into the Bayside Planning Scheme has not yet commenced.

Implications for Housing Strategy

- Eighteen Councils have already introduced an Environmentally Sustainable Design policy into their Planning Schemes requiring planning applications over a certain size to undertake a sustainability assessment. This is to ensure environmental sustainability is considered at the planning stage.
- There is currently no State ESD policy. However, a short term action in Plan Melbourne was to review planning and building systems to support environmentally sustainable development outcomes. This was due to be completed by the end of 2018, but has not yet been. It is therefore anticipated that a State wide ESD policy may be imminent.

Recommended changes to the Housing Strategy

- Housing Strategy to retain section on sustainable development and Environmentally Sustainable Design.
- Retain the following actions in the Housing Strategy relating to ESD:
 - Advocate to the State Government to strengthen the environmental performance requirements for new developments.
 - Work with the State Government and other Councils to incorporate Sustainable Design in the Planning Process (SDAPP) into the planning system.
 - Seek to require all developments to apply SDAPP tools to residential development and commercial and industrial development (eg BESS assessment).
 - Educate and inform the community about environmentally sustainable initiatives that they may incorporate into new and existing dwellings.
- If a State ESD policy is not introduced by the end of 2019, undertake a Planning Scheme amendment to introduce an ESD policy into the Bayside Planning Scheme as a high priority.

- Provide an information sheet to developers as part of planning pre-application discussions illustrating how ESD can be incorporated into dwelling design.

9.4 Aged care and retirement living in Bayside

The *Bayside Housing Strategy 2012* incorporated housing for the elderly as part of Bayside's future housing needs to 2031.

The *Housing Strategy* includes three actions in relation to residential aged and disability care facilities;

- Provide information to developers about the demand for and opportunities to provide, residential aged and disability care accommodation within the municipality and how to deliver these facilities whilst respecting the surrounding built form and neighbourhood character;
- Develop guidelines for the development of residential aged and disability care facilities relating to appropriate built form, whilst respecting the surrounding built form and neighbourhood character interface and streetscape; and
- Investigate the likely demand for residential aged care accommodation.

These actions have not yet commenced. This section explores the current provision of Aged Care facilities and Retirement Villages in Bayside and whether the above actions are still relevant. Disability Care facilities are explored at section 9.5.

Implications for Housing Strategy

- In Bayside, accommodation options for elderly persons mostly caters for persons in need of care and support and those elderly persons seeking independent small privately owned dwellings near services.
- Small private dwellings with optimal access to services and aged care residential accommodation is well provided for in Bayside. If current trends continue it is likely that this will meet future demand
- Recent state planning policy changes may encourage the development of larger scale Residential Aged Care Facilities in the Neighbourhood Residential Zone which may negatively impact on the residential neighbourhoods expected to accommodate minimal growth.

Recommended changes to the Housing Strategy

- Retain the current section in the Housing Strategy on Residential Aged Care Facilities.
- Amend the actions in the Housing Strategy relating to Residential Aged Care to be more specific:
 - Advocate to the state government to remove the exemption to height controls for Residential Aged Care in Neighbourhood Residential Zones to encourage development of Residential Aged Care Facilities near services and public transport.

- Provide additional guidance in the Bayside Planning Scheme to protect the amenity of residential neighbourhoods, particularly those zoned Neighbourhood Residential, from the impact of development exempted from height controls.

9.5 Supported accommodation (Community care accommodation)

In Bayside it is estimated that in 2011, there were 16,600 persons with a disability, with the proportion of persons with a disability increasing as people get older.

The *Housing Strategy* describes **aged care** and **disability care accommodation** as if they are one and the same thing. However, this is not always the case and there are various definitions or descriptions of the types of care that can be provided.

Disability care can, and often does occur, within an Aged Care Facility. The Planning Scheme differentiates “residential aged care facility” from other types of “community care accommodation”.

Community Care Accommodation (as defined in the Planning Scheme) has a broad definition that includes disability care or to use the planning scheme terminology, “people with limited mobility”. It also includes people (particularly women) who have experienced family violence and for this reason, it is exempt from a permit (subject to the requirements of Clause 52.22) in order to sensitively facilitate this land use without “raising a flag” as to the types of occupants that might reside there.

Implications for Housing Strategy

- Permit exemptions have been introduced for all residential zones for the use and development of Community Care Accommodation where specific planning requirements that limit the scale and intensity of development.
- Buildings and Works are also exempt from the need for a permit if the specified criteria are met, including a number of Clause 55 standards. However, the exemption appears not to include a height limit as Standard B7 (Building and Height objective) is not included as one of the Standards to be met.

Recommended changes to the Housing Strategy

- Create a new section that discusses the role of “Supported Accommodation” (DHHS definition) and separates “Residential Aged Care” from “Disability Care”. In this section, outline that “Disability Care” accommodation and “Crisis Care” accommodation are definitions that fit within “Community Care Accommodation” category in the planning scheme.
- Provide statistics on “supported accommodation” in Bayside.
- Advocate to DELWP that Community Care accommodation should have to meet Standard B7 (building height objective) for buildings and works to be exempt from the need for a permit.

9.6 Adaptable Housing

The *Housing Strategy* included a number of actions to encourage adaptable housing design in Bayside:

- Provide information to development applicants on adaptable housing design;
- Advocate to the Australian Building Code Board to incorporate into the Building Code of Australia a requirement that a percentage of all multi-unit development meets the Australian Standard – Adaptable Housing AS 4299-1995; and
- Introduce a new category into the Bayside Built Environment Awards showcasing exemplar developments in adaptable housing design.

These actions have not yet been implemented. This section summarises what adaptable housing is and then considers whether the above actions are still needed.

Implications for Housing Strategy

- Adaptable housing helps future proof a home, making it liveable for its occupants over a long period of time and preventing them from having to move out when their needs change.
- Adaptable housing elements can be introduced relatively cheaply at the design and building stage.
- Currently, inclusion of adaptable housing design is largely voluntary, except for in apartments where the National Construction Code and the Planning Scheme includes a number of adaptable housing design elements that need to be included.
- The Australian Building Codes Board is currently looking at whether changes to the National Construction Code to include a minimum accessibility standard for houses are warranted.

Recommended changes to the Housing Strategy

- Retain and reword current actions in the Housing Strategy:
 - Provide information to development applicants through the Bayside website and pre-application discussions on adaptable housing design to encourage voluntary inclusion of accessible design features into new and existing homes.
 - Advocate to the Australian Building Codes Board to include accessibility standards for all dwellings
 - Introduce a new category into the Bayside Built Environment Awards showcasing exemplar developments in adaptable housing design.
- To determine whether the accessible design objectives outlined in the Planning Scheme are being achieved, include as a new action that Council undertake an audit of a sample of recently completed developments in different suburbs.
- Consult with disability organisations and people with disabilities on key Housing Strategy actions re: adaptable housing.

9.7 Social and affordable Housing in Bayside

The *Housing Strategy* included a number of actions relating to social and affordable housing in Bayside. Most of these actions have been implemented or are underway. The following section summarises what social and affordable housing is and then considers what further actions Council could undertake to encourage social and affordable housing in Bayside.

Implications for Housing Strategy:

- The planning system has a role to play in facilitating affordable housing.
- Council, through its *Improving Housing Affordability and Social Housing Options in the City of Bayside – Advocacy Action Plan, June 2018*, has committed to advocate to:
 - Increase the supply of social and affordable housing on State Government Land.
 - Encourage and facilitate the private sector to deliver affordable housing stock.
- Council has been, and will continue to be, very active in advocating for increased public housing supply in Bayside, particularly for families, as part of the Victorian Government's Public Housing Renewal Program
- There are a number of options Council could consider to encourage and facilitate the private sector to deliver affordable housing, including:
 - Value sharing.
 - Priority development assessment.
 - Council rate relief.
 - Use of Council land for affordable housing provision.
 - Advocating for the development of shared equity properties within Bayside.

These options should be tested with the community to determine what incentives the community consider appropriate to facilitate the delivery of affordable housing in Bayside.

Recommended changes to the Housing Strategy

- Include a specific section on affordable and social housing in the Housing Strategy and set out what Council will do to advocate for, and facilitate the delivery of, more social and affordable housing in Bayside based on community feedback on the options outlined above.

9.8 Vegetation and tree protection

The *Housing Strategy* included a number of actions in relation to protecting and enhancing vegetation in Bayside. Most of these actions have been completed and some require ongoing review.

Implications for Housing Strategy:

- Protecting and enhancing vegetation in Bayside remains a priority.
- There are opportunities to strengthen Council's ability to protect and enhance Bayside's vegetation and tree cover.

Recommended changes to the Housing Strategy

- Update the actions in the Housing Strategy in relation to protecting and enhancing vegetation in Bayside to:
 - Commence an update/review of the Neighbourhood Character Policy;
 - Undertake an "Urban Forest Strategy" which would be based on a comprehensive inventory of all trees within the municipality and identify issues and opportunities to enhance Bayside's tree canopy and vegetation cover, to achieve a number of environmental benefits for the community;
 - Review existing local laws and the criteria used to identify trees that require a permit for removal;
 - Investigate the option of introducing a bond scheme that seeks the retention of trees in the public (and potentially private) realm;
 - Investigate options to incentivise tree retention and educate the community (particularly younger generations) about the environmental benefits of retaining and protecting trees on private land, including through publications and information on the Council web-site.

9.9 Physical and social infrastructure

Planning for physical and social infrastructure (also called community infrastructure) is an integral part of land use planning for areas experiencing growth. The purpose of infrastructure planning is to ensure that areas for growth are sufficiently supplied with physical and social infrastructure, that infrastructure is distributed as equitably as possible, and is effectively and efficiently configured so that service providers can respond to changing local community needs over a longer period.

The *Bayside Housing Strategy 2012* acknowledges that increased development will require increased infrastructure, both physical (roads, car parks, water supply, sewers, stormwater, drainage and power) and social (children and family services, aged and disability services, libraries, community centres and recreational facilities). In order to ensure appropriate infrastructure is provided, it is necessary to plan ahead to avoid attempting to retrofit infrastructure which can be challenging and costly.

Implications for Housing Strategy:

- Planning for physical and social infrastructure is an integral part of land use planning for areas experiencing growth.
- The Housing Strategy acknowledges that much of Bayside's physical infrastructure is reaching the end of its useable life and requires updating and replacing.
- Council will not be in a position to fund all the infrastructure required to meet the needs of the future community. It will require a joint approach from a

range of providers including Council, State Government, the not-for-profit sector and the private sector.

- Whilst Council has undertaken a significant amount of work, an overarching strategic vision in relation to social/community infrastructure still remains an outstanding action.

Recommended changes to the Housing Strategy

Update the actions in the Housing Strategy to:

- Undertake a community infrastructure needs assessment to inform a strategic approach to asset management and the provision of services based on community need;
- Ensure the scope of the community infrastructure needs assessment is focused on services/assets provided either by Council or the private sector, removing items such as sewer, power and water, which are generally beyond Council's ability to influence;
- To inform the needs assessment, investigate spatial analysis tools that model service delivery based on community need both now and in the future, taking into account where housing growth is being focused in Bayside.
- Improve data accuracy and data processing in relation to asset management.
- Investigate the re-establishment of the Community Services Inventory as a tool to guide future social needs analysis;
- Following completion of any community infrastructure needs assessment, investigate the options for a Development Contributions Plan to contribute to funding any new infrastructure provision.
- Undertake a municipal wide Car Parking Strategy. Following completion of this Strategy, consider preparing Car Parking Precinct Plans for specific Housing Growth Areas.
- Continue to implement the Bayside Open Space Strategy, 2012 and associated Suburb analysis and action plan, prioritising the provision of additional open space in Housing Growth Areas.

Chapter 10 - Monitoring and review

The *Bayside Housing Strategy* outlines a number of actions to monitor development trends and review the effectiveness of policy throughout the life of the Strategy

Implications for Housing Strategy:

- The data available to Council and outlined at Chapter 5 indicates that Council is delivering its strategic objectives relating to housing.

Recommended changes to the Housing Strategy:

- Improve internal data collection processes to track and record housing characteristics and other development data.
- Consider methods to report and communicate data collection to the broader community to present information in a way that is interesting and useful to the community.

Chapter 11 - Have Your Say

The *Housing Strategy* is effectively focusing development within Bayside's activity centres and other Housing Growth Areas.

The focus of the review has therefore not been about 'where' or 'how' to accommodate increased housing but rather how to respond to the pressures of accommodating over 11,000 new residents in houses that meet their needs.

We want to know what you think. For further information and to provide your feedback, please go to **www.bayside.vic.gov.au/yoursay**

Please make sure you provide your feedback by Sunday, 19 May 2019.

Project officers for the *Housing Strategy Review* can be reached during business hours on 9599 4647 or by emailing planningstrategy@bayside.vic.gov.au

11.1 Proposed Next Steps

We will use your feedback, as well as the information in this Review to update the *Housing Strategy*.

There will be another opportunity for you to provide comment on the updated *Housing Strategy* later in 2019.

Chapter 1 – Purpose and Scope

The *Bayside Housing Strategy* 2012 guides how residential development in Bayside will be planned and managed to 2031. The Strategy looks at the location and type of residential development required in order to meet the changing needs of the Bayside community, whilst ensuring development is consistent with and enhances Bayside's valued urban character. To achieve this, the Strategy directs the majority of new housing growth to Bayside's activity centres and strategic redevelopment sites.

The purpose of the review is to ensure the *Housing Strategy* provides a holistic framework to support the delivery of housing that meets the needs of the Bayside community both now and in the future, and that the services and facilities needed to support the community are identified and delivered.

This review will evaluate Council's success in implementing the Strategy and to consider any modifications that need to be made to the Strategy having regard to current policy settings and the forecast needs of Bayside's residents.

1.1 Council's Better Place Strategic Planning Framework

Bayside City Council's vision is to work together with the community to 'make Bayside a better place'.

The *Community Plan*, 2025 expresses a vision for Bayside for the next 10 years. Based on an extensive and ongoing community engagement process, it sits at the heart of Council's planning framework, providing an essential reference for all plans, policies and strategies and an orientation to community engagement, now and into the future.

The Council Plan 2017-2021, sets out Council's vision, goals, strategic objectives and strategies for the Council's 4 year term in office.

The structure of the *Bayside Community Plan* and the Council Plan is based on the 'domains of liveability', that is what would make Bayside a great place to live, work and visit. These domains are drawn from the World Health Organisation's Age Friendly Cities Framework, the Community Indicators Victoria Data Framework and the University of Melbourne's Place, Health and Liveability Research Program.

The seven domains of liveability are:

- Infrastructure
- Transport
- Housing and neighbourhoods
- Open space
- Environment
- Local economy and activity centres
- Community health and participation.

The Bayside *Housing Strategy* is a key Council policy document which outlines how Council will address community expectations in relation to housing and neighbourhoods as outlined in the *Community Plan* and Council Plan.

1.2 Scope

This review will focus on evaluating Council's progress in implementing the Strategy and consider any modifications that need to be made having regard to recommendations from Planning and Advisory Panels, changing State Government policy and any changes to demographics and population forecasts since the Strategy was adopted.

In summary, this review will:

- Consider community concerns and aspirations in relation to new higher density housing in Bayside and how the *Housing Strategy* can respond to these concerns;
- Update the demographic data in the *Housing Strategy* using the 2016 Census data and identify any changes that have occurred since the *Housing Strategy* was adopted and what implications this has on the *Housing Strategy*;
- Provide a clear overview of the current provision of housing in Bayside, and how this has changed based on the strategic direction outlined within the *Housing Strategy*;
- Review the housing capacity of Bayside taking into account current development trends, planning controls and adopted structure plans and consider whether additional housing capacity may be required;
- Consider the changes occurring at the Federal and State levels in relation to housing density, affordability, public housing renewal and broader planning policy and the implications these have on the *Housing Strategy*;
- Consider the recommendations of Planning and Advisory Panels, namely the Residential Zones Standing Advisory Committee Report – Bayside Draft Amendment C125 (November 2014), Planning Panel Report – Bayside Amendment C140 (May 2016) and Managing Residential Development Advisory Committee – Residential Zone Review (July 2016) and the implications these have on the *Housing Strategy*; and
- Consider the progress made in delivering the actions from the *Housing Strategy* and assess actions that have not yet commenced or are partially commenced to determine whether they are still necessary, with a particular focus on the following areas:
 - The best way to embed Environmentally Sustainable Design into the Planning Scheme;
 - The need for, and the issues and opportunities for increased aged care, retirement living and supported accommodation in the municipality;
 - The opportunities for increasing the delivery of adaptable housing in the municipality

- How to improve and increase the delivery of public and affordable housing in the municipality;
- Mechanisms to protect and enhance vegetation in Bayside;
- Provision of social and physical infrastructure to support Bayside's increasing population; and
- Monitoring and review.

The review will not consider the overarching spatial approach to delivering increased housing in Bayside, that is, directing medium and high density housing to housing growth areas, including activity centres, strategic redevelopment sites, and other identified housing growth areas in close proximity to public transport, shops and other services.

This is because the overarching spatial approach outlined in the *Housing Strategy* is delivering increased housing in Bayside in locations that are well served by public transport, shops and services. This is the most sustainable approach to delivering increased housing density and is in line with State Government planning policy. Should further housing capacity be required in the future, a future review of the *Housing Strategy* can consider other locations that may be suitable for increased housing density in addition to those already identified in the *Housing Strategy*. This approach allows Council to direct and manage growth in the short to medium term.

Nor will in consider activity centre boundaries. This is because there is no justification to review existing boundaries. These boundaries were determined through a rigorous structure planning process involving significant community involvement and were tested by Planning Panels before being implemented into the Bayside Planning Scheme. Currently, there is sufficient housing capacity within identified housing growth areas (including activity centres) to deliver the required number of houses. However, in the longer term, given the increasing population of Melbourne, it is likely that additional housing capacity will be required. If this is the case, a future review of the *Housing Strategy* can consider where additional housing density could be delivered. This could involve increasing activity centre boundaries, or could involve consideration of other locations, for example residentially zoned land abutting the Principal Public Transport Network.

However, it is important to note that activity centres will remain under pressure to accommodate Bayside's population growth if Council is to retain the low density character though the majority of the municipality.

These issues are discussed in more detail in Section 9.2 of this Review.

Chapter 2 - Background

The *Bayside Housing Strategy* was adopted by Council in September 2012. It was developed to enable Council to proactively manage how and where future housing and residential development would be located within Bayside and to manage the associated impacts of this increased development.

Consistent with state government policy, the Strategy seeks to direct increased housing growth to activity centres and strategic redevelopment sites, locations with good access to public transport, jobs, and services.

Residential zones to implement the Strategy were introduced across Bayside in June 2014 through Amendment C106. Residential land identified as Minimal Residential Growth Areas in the *Housing Strategy* was zoned Neighbourhood Residential Zone whilst residential land identified as Housing Growth Areas in the *Housing Strategy* was zoned General Residential Zone, with a small component of Residential Growth Zone in the Willis Street Precinct (Hampton Activity Centre) and in part of the Hampton East (Moorabbin) Activity Centre. The public housing estate in New Street, Brighton was also rezoned Residential Growth Zone in 2018.

The Strategic Framework Plan from the *Housing Strategy* was introduced into the Bayside Planning Scheme in August 2014, implementing some of the policy components of the *Housing Strategy*.

The introduction of these zones and the Strategic Framework Plan into the Bayside Planning Scheme has provided very clear direction to both the community and the development industry as to where housing growth is being directed.

In the Minimal Residential Growth Areas (zoned Neighbourhood Residential Zone), building heights are capped at 2 storeys, recognising the Bayside community's desire to protect the low rise, leafy character of the established residential areas whilst enabling a mix of housing types including detached houses, town houses and low rise apartments.

In the Housing Growth Areas, locations that are in close proximity to public transport, shops and services, permissible building heights range from 3 stories (in the residential areas around Activity Centres), up to 6 storeys in the commercial areas of activity centres. These heights were determined through detailed structure planning processes that examined the local conditions of each location.

The other policy components of the *Housing Strategy*, including the vision, and objectives and strategies to achieve this vision, were not introduced into the Planning Scheme. This was because a Planning Panel recommended that Amendment C140, which sought to introduce the policy components of the *Housing Strategy*, be abandoned. This was largely because some of the more restrictive controls proposed as part of C140, such as mandating minimum lot sizes, were not justified by the *Housing Strategy*. The Panel was concerned that these restrictive controls were an attempt to stifle nearly all development in the established residential areas

and did not allow for a diverse mix of housing including semi-detached and detached dwellings.

Chapter 3 – Previous Community Feedback

The *Housing Strategy Review* is an opportunity to gauge how well the residential development needs and expectations of the community are being met. In recent years, a number of municipal-wide engagement programs have been carried out that sought to understand the community's views on a range of topics. Planning and housing is a key component of the service Bayside Council provides. It is also an area of strong public opinion. For this reason, there is a wealth of data on this topic to inform the review of the *Housing Strategy*.

The following recent projects included municipal-wide consultation on the topic of planning, housing and development:

- *The Council Plan;*
- *The Community Plan;*
- *The Planning Scheme Review;*
- *Amendment C140;*
- *Amendment C125; and*
- *Annual Community Satisfaction Report.*

3.1 The Community Plan 2025

Bayside's *Community Plan* was developed by collecting feedback from over 1200 people across a broad range of ages and backgrounds through surveys, face-to-face engagement and online forums. This consultation provided valuable insights into what the community values and what is needed to improve the liveability of Bayside.

The consultation captured the community's views about open space, transport, local economy and activity centres, housing and neighbourhoods, environment, community health and participation and infrastructure, all of which directly or indirectly related to housing. The data collected about housing and neighbourhoods has been particularly useful in reviewing the *Housing Strategy*. The results of the consultation revealed that the community's aspirations are:

- That development is kept closer to major activity hubs;
- That development provide car parking for residents and visitors;
- That mature trees and garden landscapes are protected and enhanced;
- That preferred neighbourhood character is defined for each area;
- That it is affordable to buy a house in Bayside (young residents who leave home but want to stay in Bayside); and
- That they have the ability to subdivide property (aging residents who wish to stay in Bayside).

3.2 The Council Plan

The Council Plan was developed in response to the ideas and aspirations expressed by residents in the *Community Plan*. The Council Plan sets out the vision and priorities for the current Council term. It provides an overview of the strategies,

services and programs that Council will implement as part of its commitment to making Bayside a better place. Based on the feedback from the *Community Plan*, consultation for the *Council Plan* resulted in the following objectives for housing and neighbourhoods:

- Significant development will be directed to specified and planned activity centres and strategic locations, providing a transition to surrounding residential areas and incorporating improved infrastructure and open space;
- Neighbourhood character, streetscapes and heritage will be respected and enhanced, and the community has a strong connection to place;
- There will be village-style activity centres, combining retail at ground floor with increased opportunities for apartment-style living above;
- Development will contribute to a high visual amenity, be ecologically sustainable, demonstrate high quality compliant design, and respond to the streetscape and neighbourhood context; and
- A range of housing types will be provided to accommodate the changing needs of the community, enabling people to age in place and providing opportunities for young adults and families to live and remain in the municipality.

3.3 The Planning Scheme Review

The Bayside Planning Scheme guides decisions about land use and development in our municipality. In 2015 Council undertook a comprehensive review of the Bayside Planning Scheme to examine how well it was operating. The review included consultation across the entire municipality. Residents were asked to provide their views on how easy the Planning Scheme is to access, what other resources would be helpful and how the Planning Scheme should be used to manage growth in Bayside.

The recommendations from this consultation that are relevant to the *Housing Strategy Review* are:

- Housing growth should be directed to activity centres;
- There should be greater strategic direction on how car parking is managed;
- More direction about how Council should plan for sea-level rise;
- The planning scheme should have a stronger emphasis on Environmentally Sustainable Design principals;
- The neighbourhood character policy should be updated to ensure it reflects current expectation and the evolving character of Bayside;
- Simplify the height controls; and
- There should be more guidance on size, location and illumination of signage.

3.4 Amendment C140

Bayside Amendment C140 proposed to make a number of changes to the planning scheme to implement the *Bayside Housing Strategy* first adopted in 2012. The proposed changes focused on 'managing growth in established residential areas', as well as providing for growth in activity centres. The amendment proposed changes to

the Neighbourhood Residential Zone which affects approximately 80% of residential land in Bayside. It suggested introducing a minimum subdivision lot size of 400 square metres and to impose stricter standards for residential development relating to permeability, open space and rear setbacks. Since the amendment affected such a large area, consultation was extensive and wide-spread. The Amendment experienced a high level of engagement with over 900 submissions from residents. Those who supported the amendment, raised the following points:

- The changes will help limit overdevelopment and maintain character including open space, planting, habitat, protect amenity including privacy and outlook;
- The changes will have positive environmental outcomes including for the water cycle and pollution, heating and cooling;
- This will mean less impact on the drainage system;
- The changes will have positive social outcomes particularly from open space, less congestion and conflict;
- The changes will provide greater certainty in planning;
- The changes will limit impacts on traffic and car parking; and
- It is a balanced approach to managing growth.

The main issues raised in opposition were:

- Changes don't accord with State Government growth policies, will contribute to urban sprawl, and don't respond to increasing population;
- Changes unfairly limit population growth in Bayside. Bayside should contribute to accommodating Melbourne's increasing population;
- Is elitist and favours the wealthy with large lots;
- Changes will negatively impact housing affordability and diversity particularly for older people looking to downsize/age in place and younger people trying to get into/stay in the area;
- Changes will have a negative personal financial impact including for retirement planning due to the inability to subdivide;
- Changes will prevent subdividing to accommodate family;
- Changes prevent site specific designs and are too inflexible. The existing controls are adequate (and in some cases considered too restrictive already); and
- Bayside already contains smaller lots and character can be maintained with smaller lot development.

3.5 Amendment C125

Amendment C125 proposed to apply the Residential Growth Zone to identified land in and around Hampton East (Moorabbin) and Highett Activity Centres and in Cheltenham, around the Southland and Cheltenham train stations, areas that are identified in the Housing Strategies as locations where medium and high density residential development is to be directed. The main issues raised that are relevant to the *Housing Strategy Review* were:

- Concern about the loss of existing quality suburban environment, including loss of neighbourhood character; vegetation; privacy and access to sunlight;

- Concern about the loss of established community; for example families will be replaced by a single and transient population;
- Concern about the loss of suburban street amenity due to increased local traffic and increased on street parking demand;
- Concern about the potential overshadowing of solar panels on existing properties;
- That the location of higher density development is inequitable as it isn't spread evenly across the municipality;
- It would be preferable to locate high density development on "brown field" sites and the CSIRO and Gas Fuel sites rather than burdening existing communities;
- High density development is more appropriate on main roads;
- There is a lack of physical and social infrastructure to support growth;
- Insufficient open space is available to support growth, particularly in Highett; and
- The area covered by the Special Building Overlay in Hampton East is not appropriate for high density development.

3.6 Annual Community Satisfaction Report

The 2018 community satisfaction survey further confirmed that planning and development is a significant issue for Bayside residents. The main dissatisfaction was in relation to dwelling size, building height and set-back requirements and the number of new developments. Respondents were concerned with how increased population growth and residential development could negatively affect infrastructure, parking and traffic and access to services and facilities.

Planning and development is a very significant issue for Bayside residents. "Building, housing, planning and development" are the most commonly identified issues to address in the municipality, by 39.1% of respondents. This is the largest recorded proportion in Metropolitan Melbourne, a rate of more than 3 times the metropolitan average (10.9%). Many respondents were only dissatisfied by planning and development issues, but were otherwise satisfied with other council services. As quoted from one respondent: "Don't have real complaints except planning and development issues."

Satisfaction levels over planning and development issues were significantly lower than overall satisfaction with Council, with an average of 5.60 (poor) over the seven relevant categories. Criticism was particularly related to dissatisfaction with size, height and set-back requirements (5.43) and the number of new developments (5.13), both of which were rated "very poor". Concern over planning issues, which focused in large measure on higher density residential developments occurring in Bayside, exerts a mildly negative influence on overall Council satisfaction.

Many planning related responses were concerned with higher density apartment developments and various associated perceptions of negative amenity impacts such as overcrowding, pollution and parking problems.

Implications for the Housing Strategy

- Directing growth to activity centres and away from established residential areas continues to be a high priority for residents.
- Additional pressure on infrastructure (especially roads) caused by increased residential development is a significant concern for residents.
- Negative impacts on surrounding properties must be appropriately managed where new development is occurring.
- Planning and development remains an area of concern for Bayside residents.

Recommended changes to the Housing Strategy

Retain the focus in the Housing Strategy on:

- Directing growth to Housing Growth Areas, including activity centres.
- Protecting neighbourhood character in Minimal Residential Growth Areas.
- Recognising that the neighbourhood character in Housing Growth Areas will change.
- Minimising negative impacts of new development.
- Providing adequate infrastructure and traffic management to manage the impacts of increased housing growth.
- Better communicate to residents where housing change is being directed and what type of developments they can expect.

Chapter 4 - Current and Future Housing Needs

In reviewing the *Housing Strategy*, it is essential to understand both the current and emerging needs of the community. This section summarises both the current and future demographic structure of the Bayside community and whether the existing housing stock will meet the current and future community requirements. Latest data is compared with those obtained in 2011 in order to determine changes since the *Housing Strategy* was adopted.

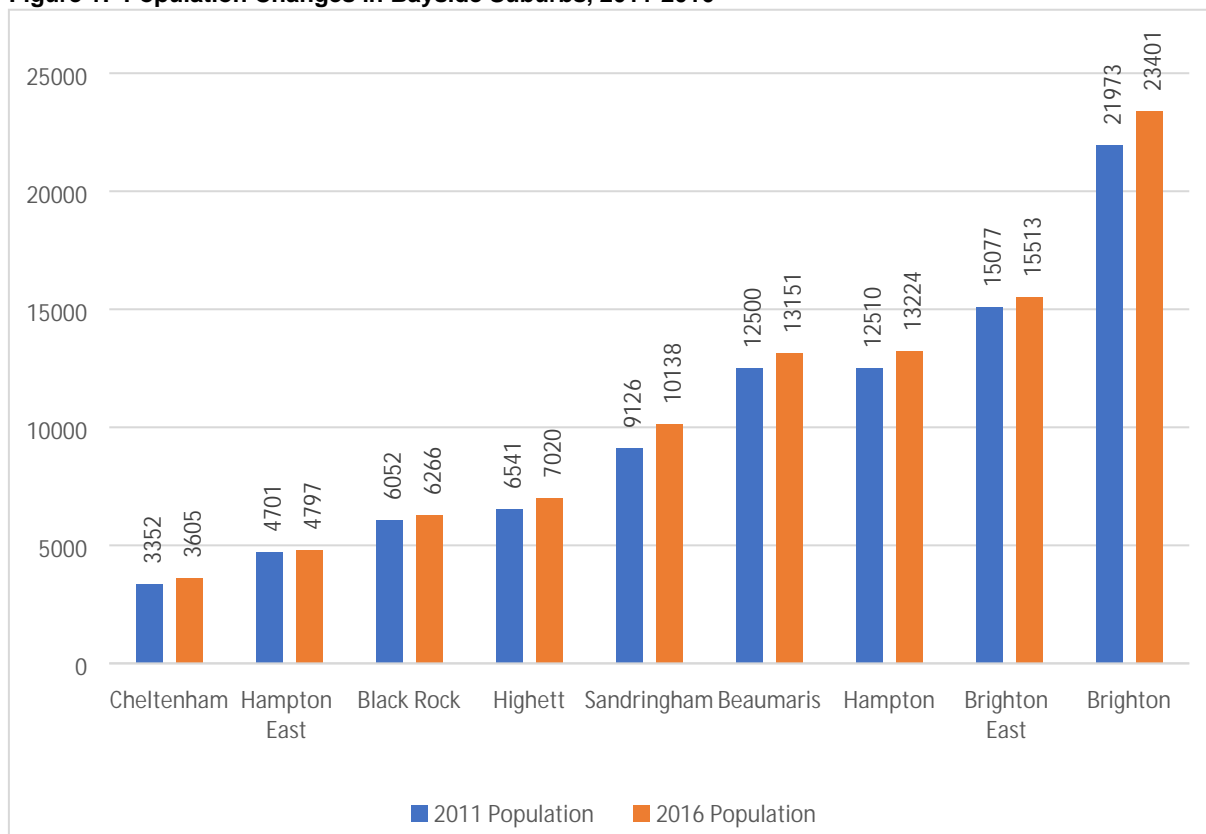
4.1 Population Growth

4.1.1 Current Population

The 'current' population of Bayside is measured using the latest available estimated resident population statistic, calculated by the Australian Bureau of Statistics. As at 30 June 2017, the estimated resident population of the City of Bayside was 104,274 persons. This represents an increase of 8,173 persons over a 6 year period, from 30 June 2011.

Figure 1 shows population changes between 2011, and 2016 in Bayside's suburbs.

Figure 1: Population Changes in Bayside Suburbs, 2011-2016



Source: Australian Bureau of Statistics, Cat. No. 3235.0, 2011 and 2016 (Usual Resident Population).

Population growth from 2011 to 2016 occurred in each suburb, and was greatest in Brighton (1,428 persons) followed by Sandringham (1,012 persons), and Hampton (714 persons). The least amount of growth occurred in Hampton East (96 persons), Black Rock (214 persons), and Cheltenham (253 persons).

4.1.2 Future Population Forecasts

Population forecasts are produced by a range of organisations, including the Department of Environment, Land, Water and Planning (DELWP), who produce the Victoria in Future (VIF) estimates, the Australian Bureau of Statistics (ABS) and private consultancy firms (including .id consulting).

Council uses VIF, ABS and .id data to help plan for future community needs. For detailed planning work, Council uses Forecast.id data which has a number of advantages compared with the VIF 2016 figures:

- Forecasts are produced for smaller geographic areas (all nine suburbs in Bayside);
- More detailed building activity and statutory planning data are incorporated into the assumptions; and
- A household propensity model is also used to forecast detailed age groups of persons living in those households.

Data sets from Forecast.id (2008) and Victoria in Future (2012) were used for the 2012 *Housing Strategy*. Revised forecasts in 2017 (Forecast.id) and 2016 (Victoria In Future) expect higher rates of population growth than previously anticipated, as shown in Table 1.

Table 1: Change in population forecasts in Bayside

Data used in Housing Strategy 2012		Data used in Housing Strategy Review, 2018	
Census 2011 Population	2031 Population Forecast Forecast.id 2008	2031 Population Forecast Forecast.id 2017	Change in Forecast
96,119	101,507	115,302	+13,795
Census 2011 Population	2031 Population Forecast VIF 2012	2031 Population Forecast VIF 2016	Change in Forecast
96,119	106,541	116,847	+10,306

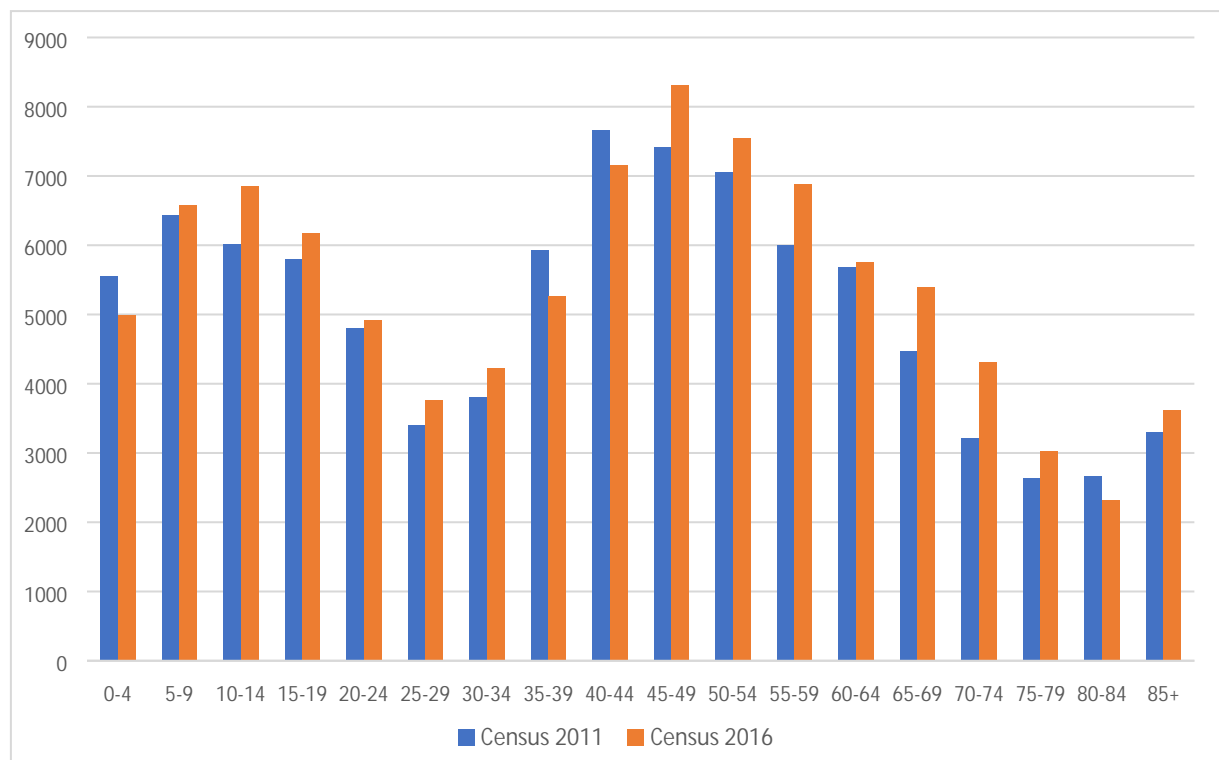
Source: Australian Bureau of Statistics, Cat. No. 2001.0, 2016; Estimated Resident Population, .id consulting, City of Bayside Community Profile, 2017

4.2 Age Profile

4.2.1 Changes in Age Profile

The general age profile has remained relatively similar over the 5 year period between 2011- 2016. The largest age groups in the Bayside population are the 40-44, 45-49 and 50-54 years cohorts. Considerable growth had occurred in the 45-49 and 70-74 cohorts, whereas 0-4, 35-39, and 40-44 cohorts experienced the most decline in population, as shown in Figure 2.

Figure 2: Changes in age groups (five year cohorts), City of Bayside, 2011 to 2016.

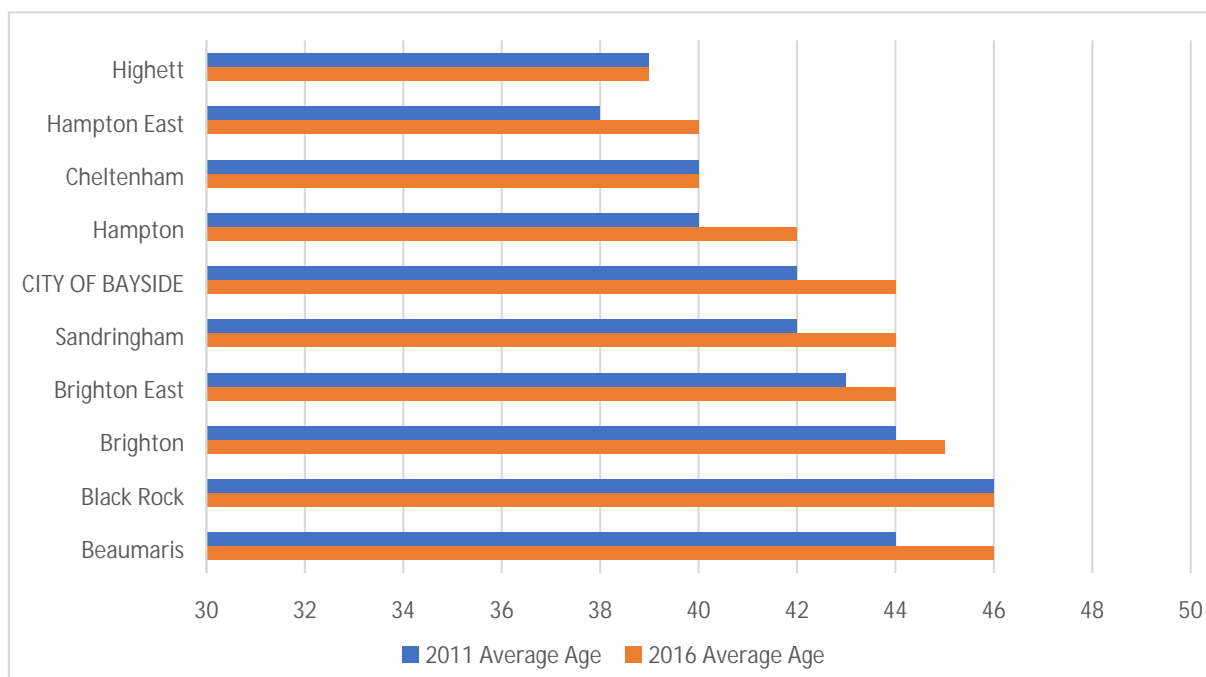


Source: Australian Bureau of Statistics, Cat. No. 3235.0, 2011 and 2016.

In 2016, the median (average) age of Bayside residents was 44, considerably higher than the metropolitan Melbourne average of 36 years. The median age has increased by 3 years since the previous census.

Bayside suburbs saw an increase in median age of approximately 2 years on average. The median ages for Black Rock, Cheltenham and Highett remained unchanged, while all other suburbs increased (refer Figure 3).

Figure 3: Median Age (year), City of Bayside suburbs and metropolitan Melbourne, 2011-2016.



Source: Australian Bureau of Statistics, Cat. No. 2001.0, 2011 and 2016.

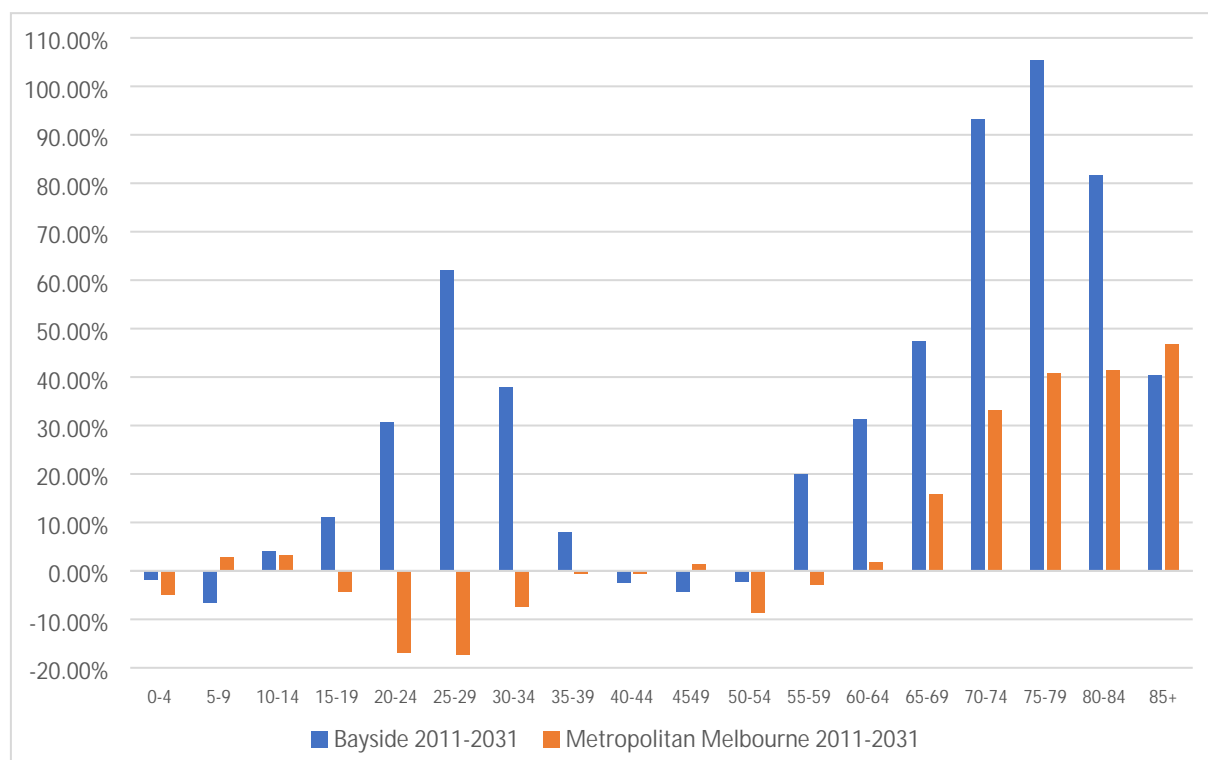
4.2.2 Future Age Profile

By 2031, Australia's 'baby boomer' generation will be aged 70-85 years. As a result, the number of older adults aged in their 70s and 80s in Bayside will increase substantially.

It is important to compare the forecast changes in the population age structure with that of the metropolitan average in order to determine any particular local trends that may need to be addressed. The Department of Environment, Land, Water and Planning (DELWP) has forecast that for metropolitan Melbourne there will be significant growth of the elder population above 65, while a net decrease will occur between ages 15-34.

For the Bayside municipality, DELWP forecasts a similar growth in elder population as illustrated in Figure 4. Contrary to the metropolitan forecast however, significant growth is also forecasted for the age range of 15 to 39. Interestingly, the VIF 2012 figures forecast a large net loss of adults in their 40s and 50s. In the latest VIF 2016 figures, this net loss has been reduced.

Figure 4: Forecast percentage change of age groups (five year cohorts), City of Bayside and metropolitan Melbourne, 2011 to 2031.



Source: Department of Environment, Land, Water and Planning, Victoria in Future 2016, 2016.

4.3 Household Size

4.3.1 Changes in Household Size

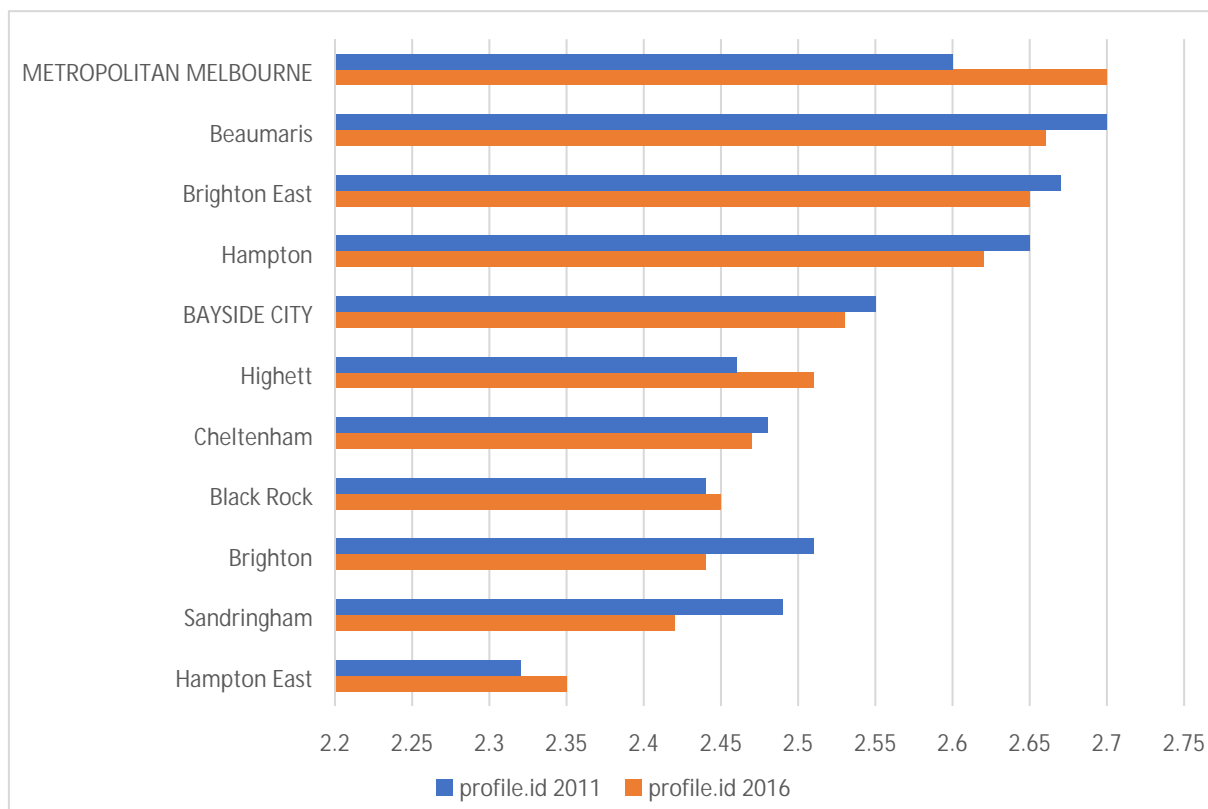
The 2016 Census data indicates that in Bayside the average household size was 2.6 persons, which is slightly lower than the metropolitan Melbourne average of 2.7 persons. The average household size of Bayside saw an increase of 0.05 over the 5 year period from 2011 to 2016.

The suburbs of Beaumaris and Brighton East had the largest average household sizes at 2.66 and 2.65 persons respectively, whilst the suburbs of Hampton East and Sandringham had the smallest households.

Between 2011 and 2016, Household sizes reduced in Beaumaris, Brighton East, Hampton, Cheltenham, Brighton and Sandringham, while they increased in Highett, Black Rock and Hampton East.

This is illustrated in Figure 5.

Figure 5: Changes in average household size, City of Bayside suburbs and metropolitan Melbourne, 2011 to 2016.



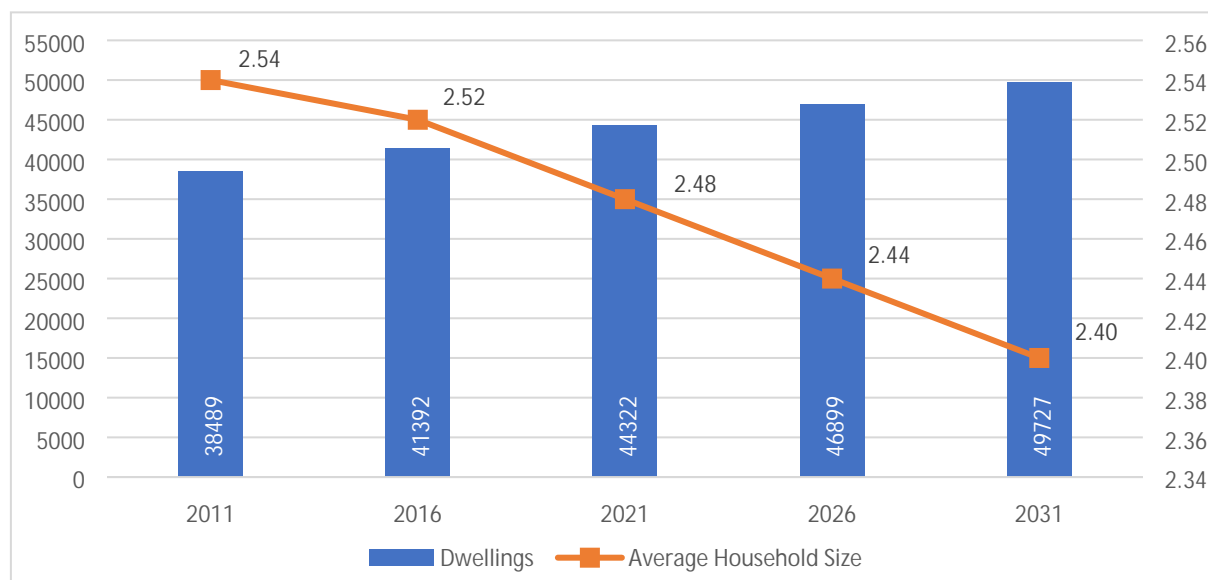
Source: .id consulting, City of Bayside Community Profile, 2017.

4.3.2 Future Household Size

The population forecast for Bayside estimates that whilst the number of households will increase, the average household size will slowly decline due to the growth in lone person households and couple-only households. There is however, an increasing tendency for adult children to remain living at home whilst studying or working, which may halt or slow this predicted decrease in average household size.

The comparison of the forecast average household size and the forecast number of dwellings is shown in Figure 6.

Figure 6: Forecast total dwellings and average household size, City of Bayside, 2011 to 2031.



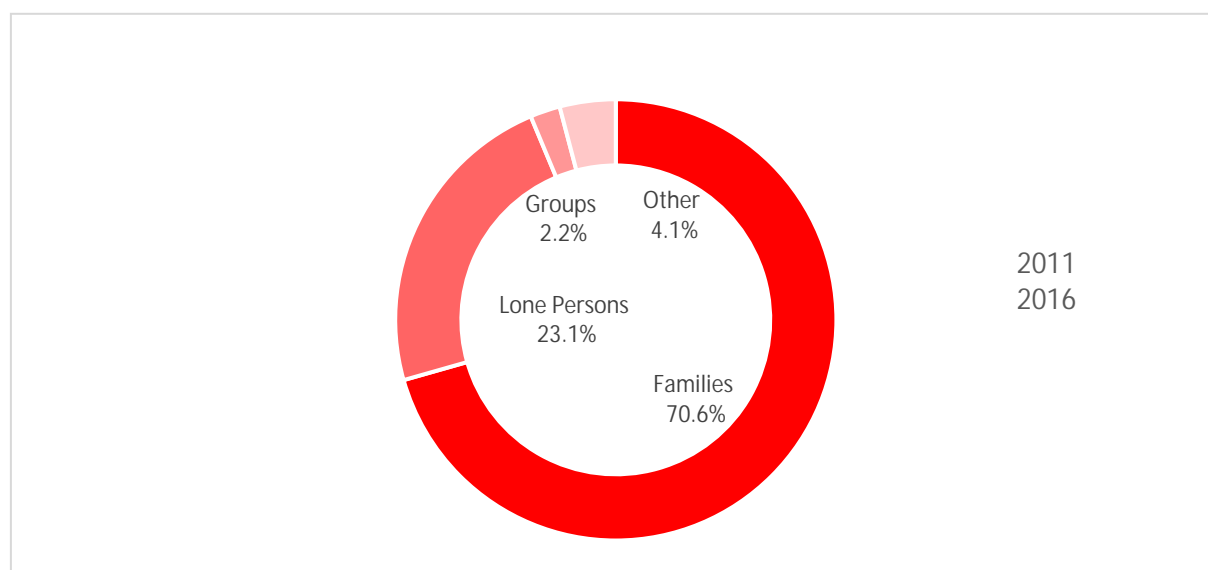
Source: Department of Environment, Land, Water and Planning, Victoria in Future 2016, 2016.

4.4 Household Types

4.4.1 Changes in Household Types

In 2016, there were 36,784 households in Bayside – of these, the largest proportion were family households (70.0%) which included couples without children (both younger and older couples), couples with children, one parent families and other family groupings such as two siblings living together. This was followed by lone person households (23.3%). As indicated in Figure 7, the household structure proportions were largely unchanged over the five year period from 2011 to 2016.

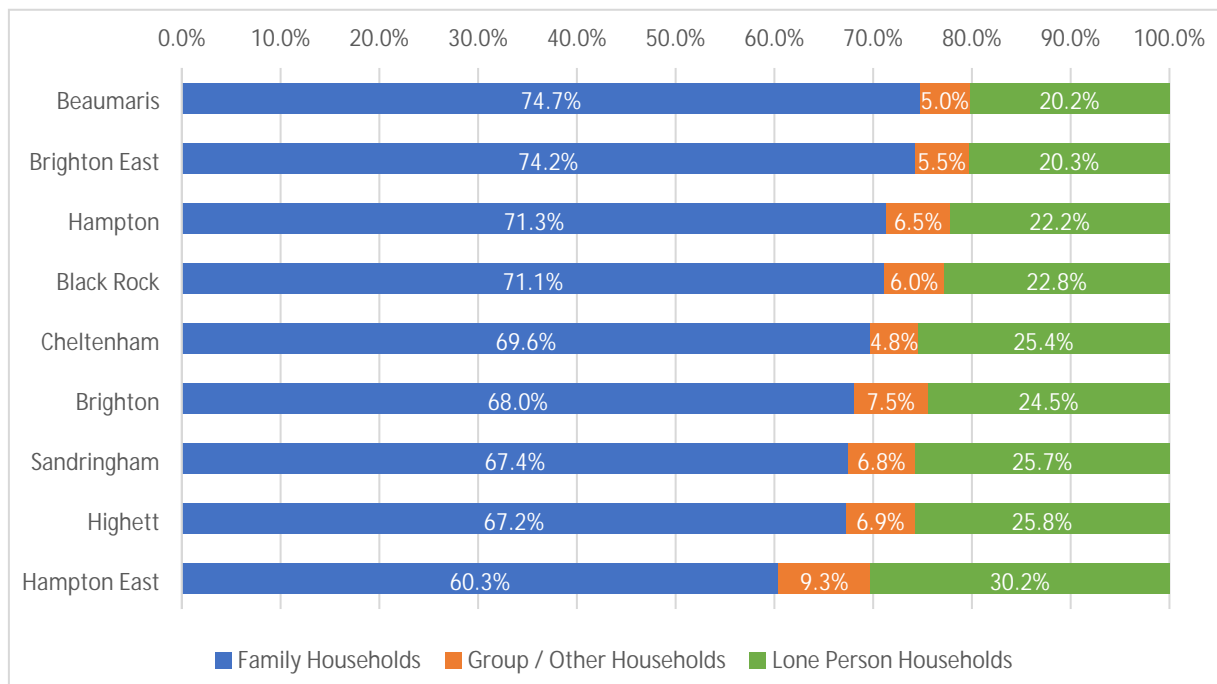
Figure 7: Household types, City of Bayside, 2011 and 2016.



Source: .id consulting, City of Bayside Community Profile, 2017.

The distribution of household types by suburb is illustrated in Figure 8 below.

Figure 8: Household types by suburbs, 2016.



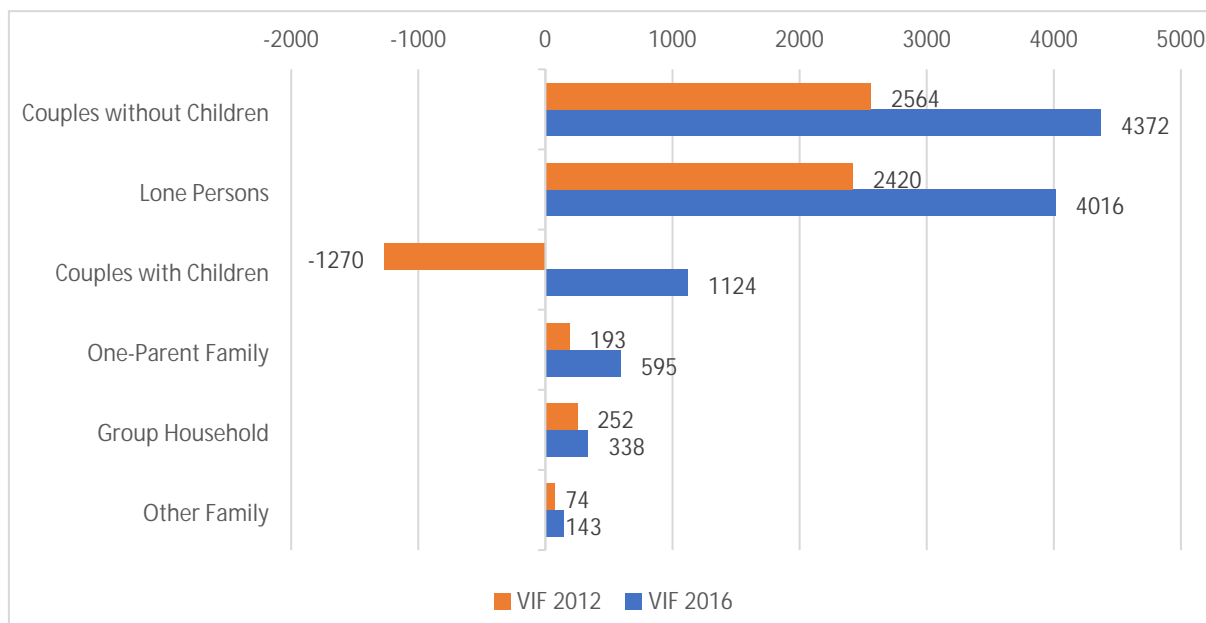
Source: .id consulting, City of Bayside Community Profile, 2017.

4.4.2 Future Household Types

Victoria in Future 2016 forecasts that by 2031 the majority of the additional Bayside households will be couple families without children and lone person households. The population forecast for Bayside estimates that whilst the number of households will increase, the average household size will slowly decline due to the growth in lone person households and couple only households. As discussed previously, there is an increasing tendency for adult children to remain living at home whilst studying or working, which may halt or slow this predicted decrease in average household size. It will be important to monitor this trend. While VIF 2012 expected a net loss of couple family households with children, the 2016 release now shows a substantial net gain.

Figure 9 below compares the forecasted changes from VIF 2012 and 2016 in household types expected to be gained or lost across the City of Bayside by the year 2031.

Figure 9: Comparison of VIF 2012 and 2016 forecasted change in household types, City of Bayside, 2011 to 2031.



Source: Department of Environment, Land, Water and Planning, Victoria in Future 2016, 2016; Department of Environment, Land, Water and Planning, Victoria in Future 2012, 2012.

4.5 Family Types

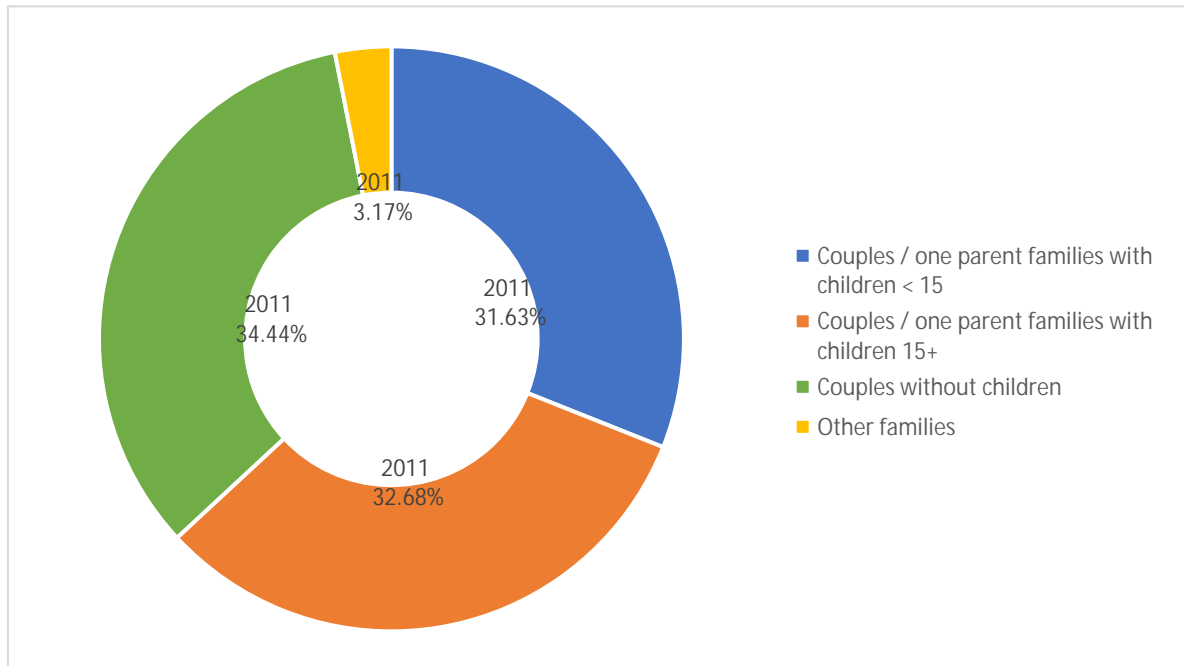
4.5.1. Changes in family types

In 2016, seventy percent of all households were family households which include couples without children (both younger and older couples), couples with children, one parent families and other family groupings such as two siblings living together whilst twenty three percent were lone person households.

It is also important to consider family structure and what impact this is likely to have on future housing needs.

Figure 10 below indicates that in 2016, 30.98% of all families were couples or single parents with children aged less than 15 years and an additional 33.29% were couples or single parents with children aged 15 years and over. Couples without children comprised 34.59% of all Bayside families. The Bayside family profile is similar to the family profile of metropolitan Melbourne and has remained largely unchanged over the 5 year period from 2011 to 2016.

Figure 10: Family types in Bayside, 2011 and 2016.

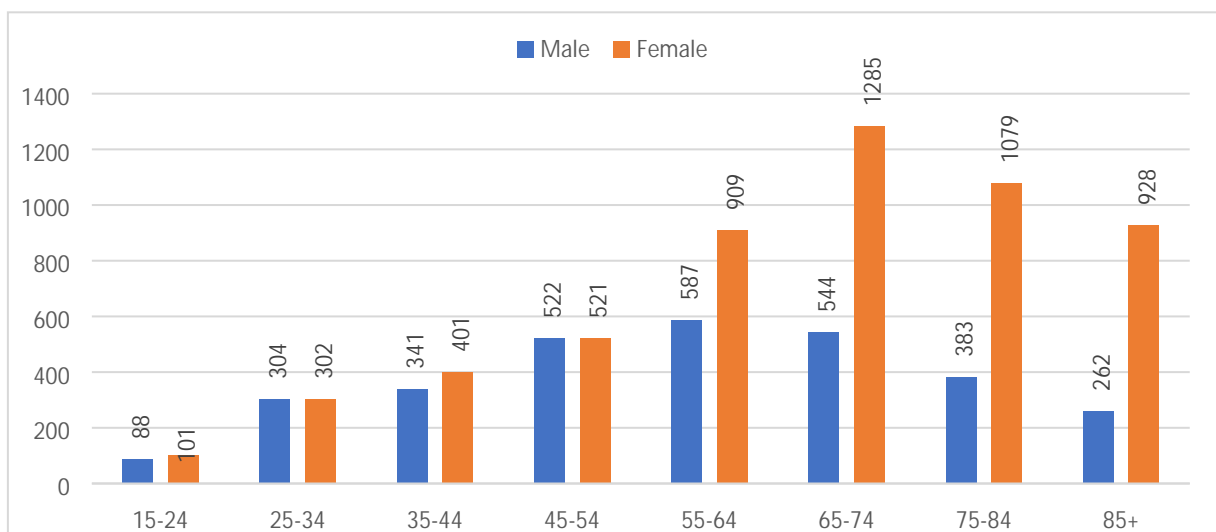


Source: .id consulting, City of Bayside Community Profile, 2017.

There were 8,559 lone person households as of 2016, representing 23% of all households.

Nearly two-third of lone person residents were female, particularly at higher age ranges. Of all lone persons aged 65 and over, 73.5% were female (refer Figure 11).

Figure 11: Age / sex structure (ten year cohorts) of lone person households, City of Bayside, 2016.

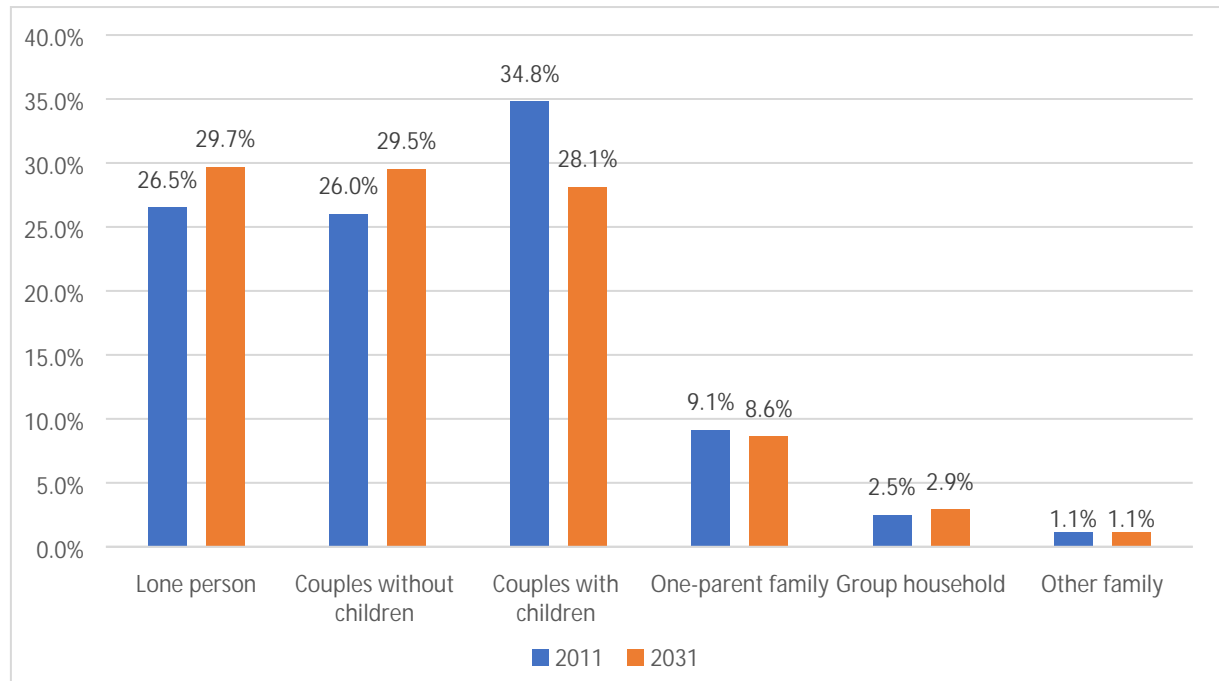


Source: Australian Bureau of Statistics, Cat. No. 2004.0, 2016.

4.5.2 Future Family Types

Whilst Bayside is expected to remain a predominantly family-based municipality, it is forecast there will be a proportional decrease in the number of couple families with children as there is an increase in couple families without children and lone person households, partly due to the aging of Bayside's population (refer Figure 12).

Figure 12: Forecast changes in family types, City of Bayside, 2011 to 2031.



Source: .id consulting, City of Bayside Community Profile, 2017.

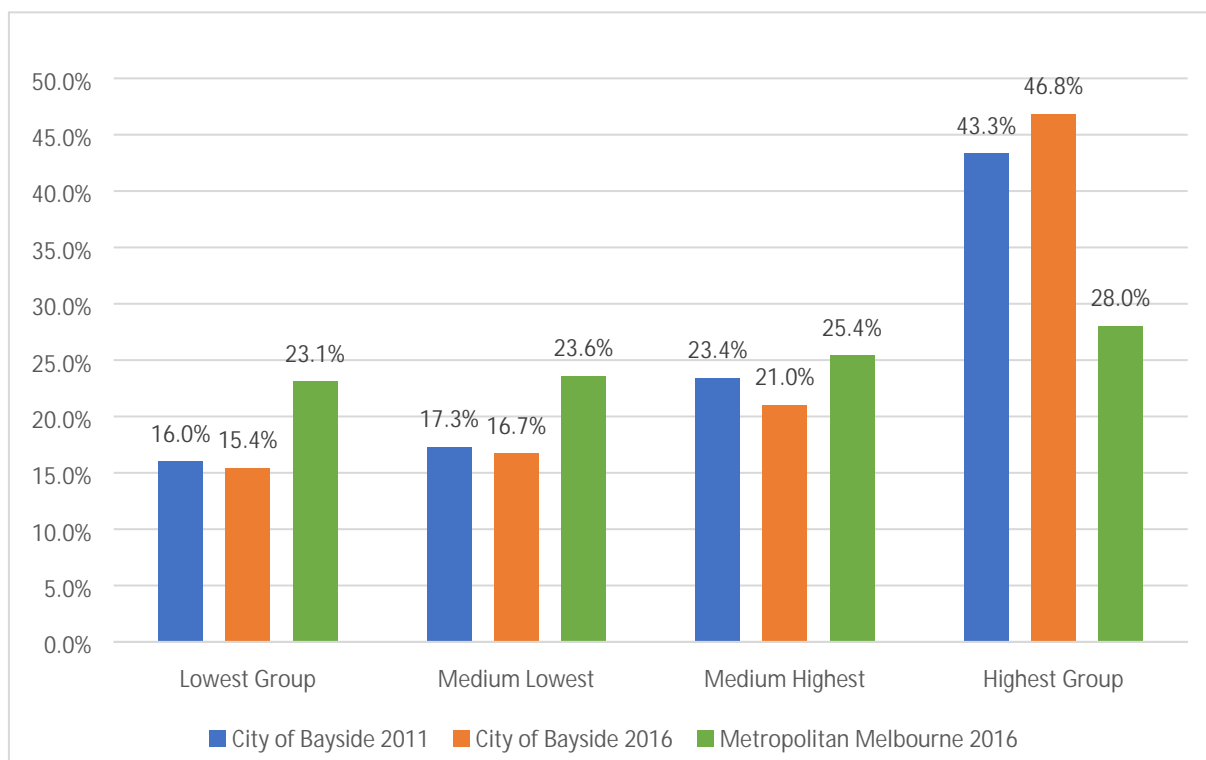
4.6 Household Income

4.6.1 Changes in Household Income

Household income comprises the total income of all persons in the household who stated an income. To summarise income levels, household income can be classified into quartiles. The 'Lowest group' was defined as nil to \$740 annual gross income, the 'Medium lowest' as \$741 to \$1,416, the 'Medium highest' as \$1,417 to \$2,394 and the 'Highest group' as \$2,395 and over. This method uses the metropolitan Melbourne household income data as a benchmark.

Figure 13 shows that in Bayside there were a large proportion of households in the highest income quartile (44.6%) and a smaller proportion in all other income quartiles compared to metropolitan Melbourne. Over the 5 year period from 2011 to 2016, the proportion in the highest quartile increased by 3.5% while other quartiles saw minor decreases.

Figure 13: Household income quartiles, City of Bayside and Metropolitan Melbourne, 2011-2016.



Source: .id consulting, City of Bayside Community Profile, 2017.

4.6.2 Disadvantage in Bayside

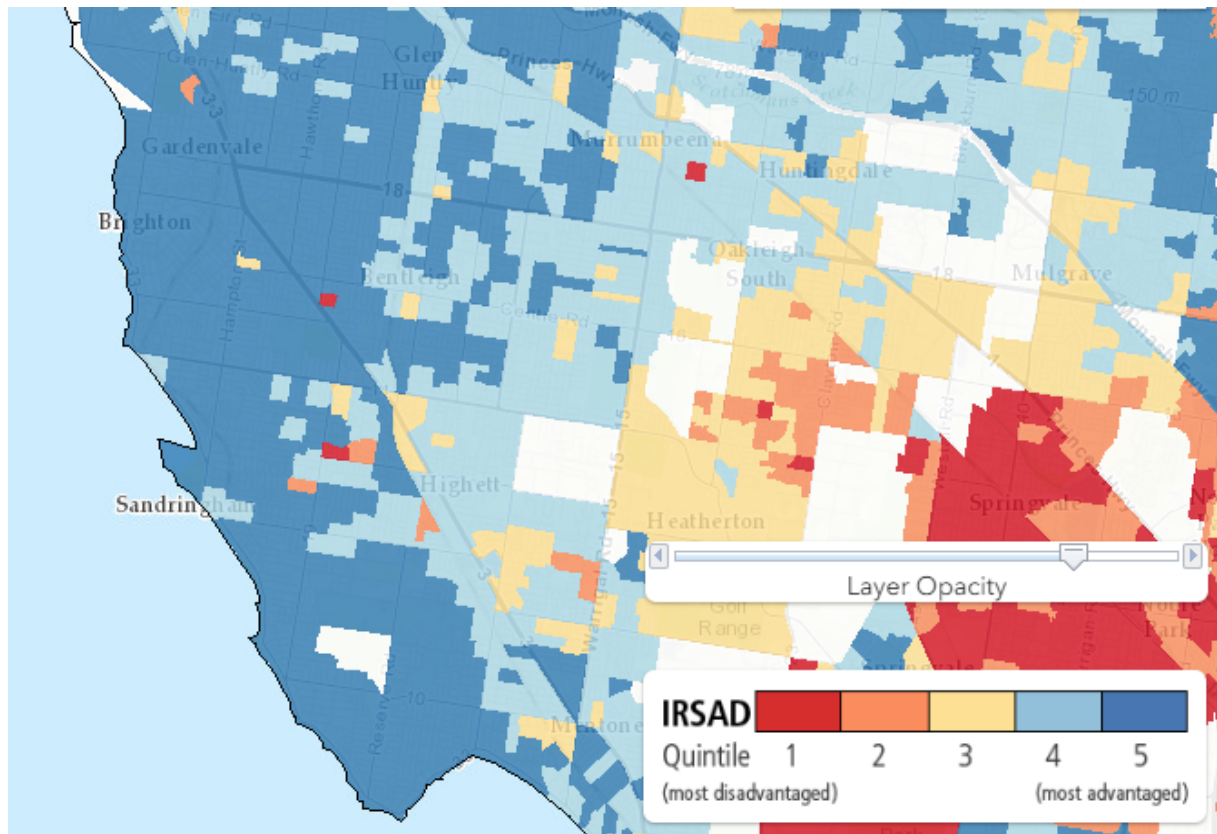
The Australian Bureau of Statistics produces a suite of four indexes called Socio-Economic Indexes for Areas (SEIFA). Each geographic area in Australia is scored and ranked according to the socio-economic characteristics of the people, families and dwellings within that area.

The index of Relative Socio-economic Disadvantage is a general socio-economic index. A high score (or high decile) on the Index of Relative Socio-economic Disadvantage reflects a relative lack of disadvantages rather than relative advantage. The variables used to derive the index include dwellings with no internet connection, English proficiency, low income households, households renting from government organisations, unemployment, one parent families, people with a long-term health condition or disability, and people without tertiary qualifications.

In 2016, Bayside had an Index of Relative Socio-economic Disadvantage score of 1097.0; the second highest score of the 31 metropolitan local government areas. Every locality within Bayside had less disadvantage compared to the average in metropolitan Melbourne. The Bayside score indicates that overall, the municipality had a relative lack of disadvantage when compared to most other local government areas in Victoria, and to metropolitan Melbourne.

Despite this, Bayside does have scattered pockets or neighbourhoods experiencing disadvantage, which are masked by the general affluence across the municipality. Of the nine Bayside suburbs, Hampton East is considered to be the most disadvantaged suburb, and Brighton the least (refer Figure 14).

Figure 14: Map of Index of Relative Socio-economic Disadvantage, collection districts in the City of Bayside, 2016.



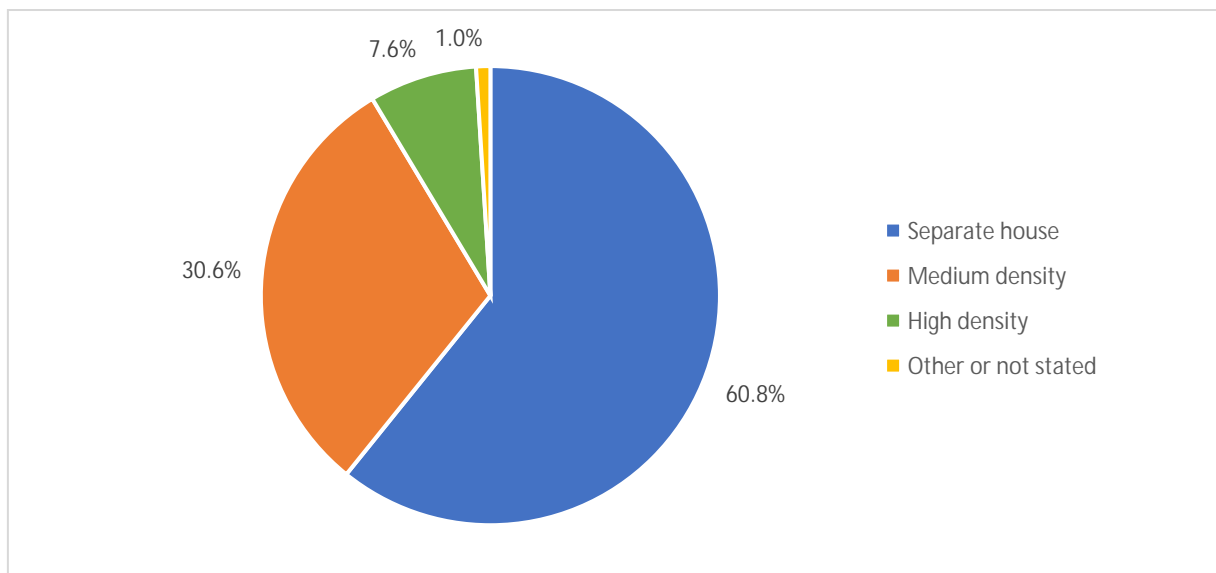
Source: Australian Bureau of Statistics, IRSAD Interactive Map, 2016.

4.7 Household Supply in Bayside

4.7.1 Changes in Dwelling Structures

In 2016, Bayside had 41,023 private dwellings, 89.7% of which were occupied on Census Night. The term 'private dwellings' includes houses, flats, caravans, a house attached to an office, or rooms above a shop. As illustrated in Figure 15, most of the private dwellings in Bayside were separate houses (60.8%), followed by medium density terraces, townhouses or apartments (30.6%) and high density flats and apartments (7.6%). Over the 5 year period from 2011 to 2016, the proportion of separate houses reduced by 6.6% while the proportion of high density dwellings (flats and apartments in 3 storey and larger blocks) has more than doubled from 3.1% to 7.6%.

Figure 15: Dwelling structures, City of Bayside, 2016.



Source: .id consulting, City of Bayside Community Profile, 2017.

Dwelling structures varied considerably across the suburbs of Bayside in 2016 as shown in Table 2. Separate houses comprised the majority of dwellings in Beaumaris, Brighton East and Hampton. Medium density dwellings were more commonly located in Hampton East, Black Rock and Highett. High density dwellings were predominantly located in Sandringham and Brighton.

Table 2: Dwelling Structures, City of Bayside suburbs and metropolitan Melbourne, 2016

Geographic Area	Separate House	Medium Density	High Density	Other or not Stated
Beaumaris	76.7%	21.6%	0.6%	1.2%
Brighton East	68.7%	29.5%	1.6%	0.3%
METROPOLITAN MELBOURNE	66.1%	22.9%	10.1%	0.8%
Hampton	62.7%	30.1%	6.5%	0.8%
Highett	61.7%	31.4%	5.4%	1.4%
BAYSIDE CITY	60.8%	30.6%	7.6%	1.0%
Cheltenham	60.0%	38.7%	0.5%	0.8%
Brighton	55.8%	29.0%	14.4%	0.8%
Black Rock	55.5%	42.0%	1.2%	1.2%
Hampton East	53.6%	42.4%	3.5%	0.6%
Sandringham	50.1%	30.5%	18.9%	0.4%

Source: .id consulting, City of Bayside Community Profile, 2017.

4.7.2 Apartment residents in Bayside

Considering the development trends in Figure 15 and Table 2, a significant change occurring in Bayside's residential profile is the increased number of residents living in apartments. The main differences between Bayside's apartment residents compared to all other residents living in Bayside are that apartment residents are more likely to be:

- Younger.
- More diverse (more people born overseas and speaking languages other than English).
- Couple only families, lone persons and group households.
- Smaller households.
- Train travellers, with fewer vehicles.

There is a strong rental market, with 42.5 % of apartments rented, but also a high proportion of owner occupied (39% owned outright/mortgaged). People who have moved into apartments are generally from the local area, having moved from the same suburb or adjoining suburbs.

Appendix 1 provides a summary of characteristics of apartment residents in Bayside.

4.7.3 Non-Private Dwellings in Bayside

The City of Bayside had 57 non-private dwellings counted in the 2016 Census, housing 1,591 people. Non-private dwellings include aged accommodation homes, nursing homes, convents and monasteries, boarding houses, hotels and motels, hostels and hospitals. Accommodation for older adults and the elderly made up the majority of non-private dwellings in Bayside. These are clustered in the suburbs of Brighton, Brighton East and Sandringham.

4.7.4 Social Housing

‘Social housing’ is the most common term used for the provision of rental housing by governments or community organisations to meet identified social needs. Nationally, approximately five per cent of housing stock is social housing with Victorian figures lower, at approximately 2.8% across the state and 2.6% in the Melbourne metropolitan area.

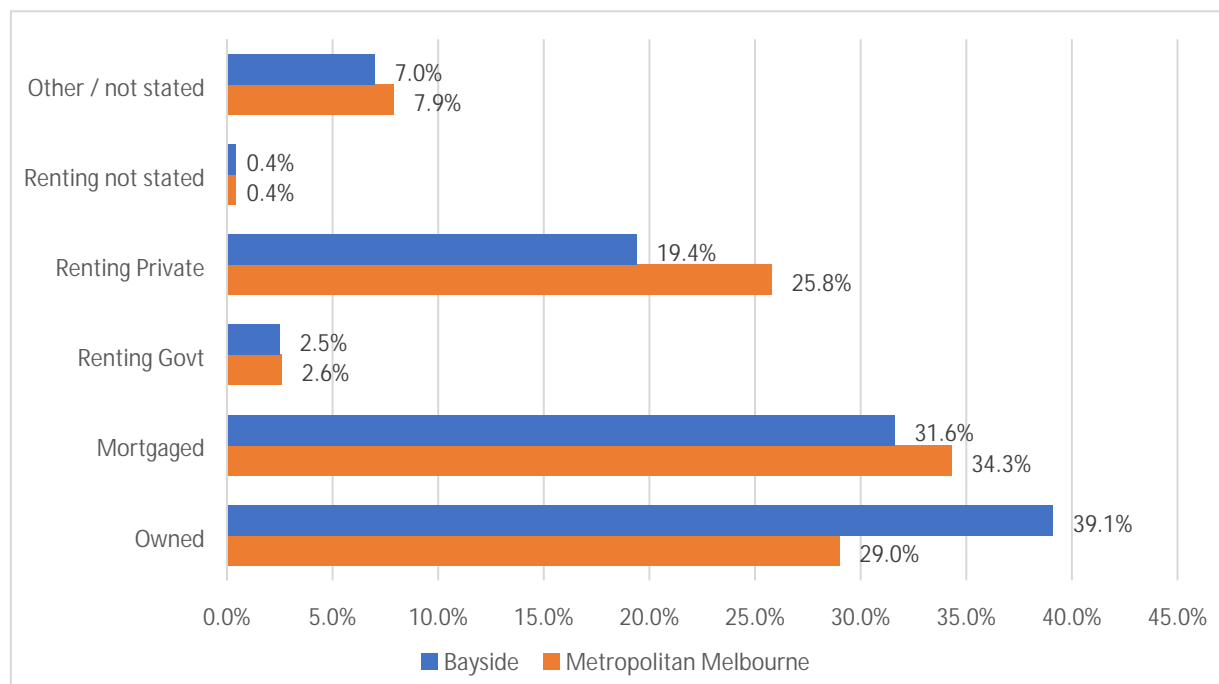
As of 2016, there are 931 public housing dwellings owned by the Victorian Government in Bayside. 2.5% of Bayside dwellings are social housing, which is slightly below the metropolitan average. Nearly all social housing in Bayside is in the form of public housing, owned and managed by the Victorian Government Department of Health and Human Services.

4.8 Housing Tenure

4.8.1 Housing Tenure and Home Ownership

In 2016, 70.7% of Bayside households were either homeowners or were purchasing their own home. Households renting comprised 22.3% of all Bayside households and the majority of households renting had private (non-government) rental arrangements. Compared to metropolitan Melbourne, Bayside had a higher percentage of dwellings owned outright and a lower percentage of dwellings being purchased and rented in private rental arrangements. The housing tenure is illustrated in Figure 16.

Figure 16: Housing Tenure, City of Bayside and Metropolitan Melbourne, 2016

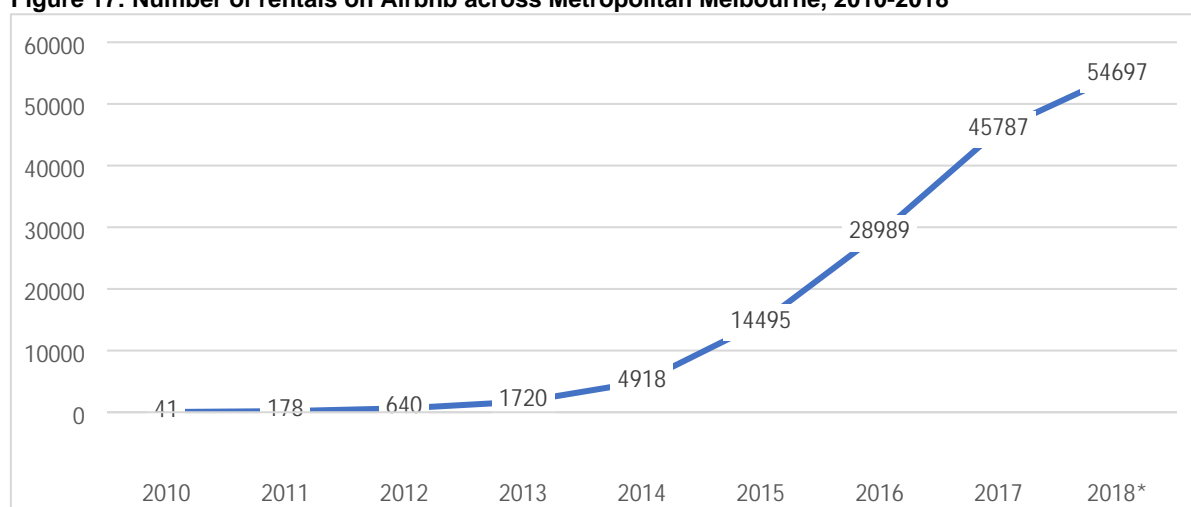


Source: .id consulting, City of Bayside Community Profile, 2017.

4.8.2 Short-Term Lettings

Shared economy technologies facilitating short-term letting (STL) has seen considerable growth in recent years. Online platforms such as Airbnb and HomeAway have facilitated significant change in the scale of STL, in turn triggering consequences affecting housing and rental availability. In 2017, 14,500 listings for STL were available for rent across Metropolitan Melbourne, of which 8,500 listings consisted of entire homes, representing 0.5% of total dwellings. A total of 45,787 individual rentals were processed by Airbnb in 2017, with further growth expected in upcoming years (refer Figure 17).

Figure 17: Number of rentals on Airbnb across Metropolitan Melbourne, 2010-2018*



* As of July, 2018.

Source: AirDNA, LLC, MarketMinder, 2018.

Within Bayside there were 375 listings available on Airbnb as of December, 2018. 260 (69.3%) listings were entire dwellings, while 108 (28.8%) were private rooms. Approximately 0.6% of all dwellings in Bayside were listed.

An Airbnb host can setup a calendar for their listing so that it is available for booking on specific days or weeks determined by the host. Some listings are available all year round while others are only available for a few days or weeks each year while the host is away. Listings which are available for more than 90 days a year generally suggest that the property is not occupied by the owner or rented.

In Bayside, there are 203 listings which are highly available (available more than 90 days a year), of which 136 consist of entire dwellings. This represents approximately 0.3% of all dwellings in Bayside.

Airbnb provides estimates of theoretical earnings for listings in each suburb based on pricing from other listings in the surrounding area, calculated at a rate of 50% occupancy over a month. Airbnb also notes that how much is earned will be dependent on seasonal demands and actual occupancy rates. On average, owners of 1 bedroom units / apartments can expect better returns from short-term letting through Airbnb compared to regular long-term rentals. Sandringham, Beaumaris, Hampton and Brighton promise particularly good returns at profit margins of 160% or

above. For dwellings with 3 or more bedrooms however, estimated margins are less profitable, at rates similar to or lower than long-term rentals (refer Table 5).

Table 5: Theoretical Airbnb profit for Bayside suburbs in comparison to long-term rentals

Geographic Area	1 bedroom unit average rent	Estimated earnings for 2 guests	1 bedroom profit margin	3 bedroom house average rent	Estimated earnings for 5 guests	3 bedrooms profit margin
Sandringham	\$343	\$587	171%	\$710	\$688	97%
Beaumaris	\$295	\$483	164%	\$725	\$563	78%
Hampton	\$395	\$634	161%	\$765	\$743	97%
Brighton	\$400	\$638	160%	\$855	\$754	88%
Highett	\$365	\$543	149%	\$595	\$635	107%
Cheltenham	\$340	\$483	142%	\$550	\$563	102%
Hampton East	N/A	\$522	N/A	\$583	\$611	105%
Brighton East	N/A	\$582	N/A	\$700	\$682	97%
Black Rock	N/A	\$561	N/A	\$750	\$657	88%

Source: REA Group, Suburb Profiles, 2018; Airbnb, 2018.

Out the 260 listings in Bayside which were entire dwellings, 75 (28.8%) were listed by hosts with multiple listings. Property management companies such as Hostmybnb and HostKeep offer full-service management of short-term letting properties without requiring the owner's attention. The largest companies operating in Bayside are Boutique Stays (14 listings), Anchorage Apartments (5 listings) and Holiday Home (4 listings). The continued growth of short-term lettings in Bayside may have long-term implications regarding housing availability and affordability.

4.9 Dwelling Sizes and Households

4.9.1 'Size' of Dwellings in Bayside

The number of bedrooms per private dwelling is a proxy measure of dwelling size. The Australian Bureau of Statistics has noted the growing social trend towards larger sized dwellings for smaller households for both existing homes, renovated homes and new homes being built. Smaller households are a response to the reduced tendency for partner as adults, delayed marriage, the ageing of the 'baby boomer' generation, lower fertility rates and increasing divorce and separation. In addition to these demographic changes, consumer preferences are also impacting on dwelling sizes with additional rooms for a parents' retreat, study, sewing room, play / toy room, TV / entertainment room or gymnasium. For older adults, additional rooms are also used to accommodate visiting adult friends or family members and 'sleepovers' by grandchildren.

In 2016, the average number of bedrooms per private dwellings in Bayside was 3.1, slightly above the average of metropolitan Melbourne. Within Bayside however, there were clear differences between the suburbs with Beaumaris (3.3 bedrooms) having the highest number of bedrooms on average. Hampton East (2.7 bedrooms) and Highett (2.8 bedrooms) had the lowest number of bedrooms on average. Larger homes with four or more bedrooms were commonly located in Beaumaris, Brighton east and Hampton. The number of bedrooms in dwellings is shown in Table 6.

Table 6: Bedroom numbers in dwellings, City of Bayside suburbs and metropolitan Melbourne, 2016*

Geographic Area	Average Bedrooms	None % (bedsitters)	1 Bedroom %	2 Bedrooms %	3 Bedrooms %	4+ Bedrooms %
Beaumaris	3.3	0.1	1.6	13.8	41.8	40.8
Black Rock	3.1	0.0	1.2	26.1	39.9	30.8
Brighton	3.1	0.1	4.8	26.2	35.4	31.7
Brighton East	3.1	0.7	3.7	20.1	39.3	34.2
Cheltenham**	2.9	0.1	2.9	27.7	45.5	20.9
Hampton	3.1	0.1	4.0	24.0	36.2	33.9
Hampton East	2.7	0.5	6.1	33.3	40.3	17.4
Highett**	2.8	0.0	4.0	33.5	42.4	18.4
Sandringham	2.9	0.4	8.1	24.6	34.8	30.0
BAYSIDE CITY	3.1	0.3	3.9	23.6	38.6	31.9
METROPOLITAN MELBOURNE	3.0	0.4	5.7	20.3	42.1	29.2

* Percentage of "bedrooms not stated", is not shown in this table.

** Data for the suburbs of Brighton East, Cheltenham and Highett includes all properties in the suburbs, including those outside Bayside.

Source: Australian Bureau of Statistics, Cat. No. 2068.0, 2016.

The average number of bedrooms per private dwellings in Bayside remained largely unchanged in the five year period between 2011 and 2016. Black Rock saw an increase of 0.1 while Sandringham saw a decrease of 0.1. The overall Bayside average remained unchanged at 3.1 bedrooms, close to the Metropolitan Melbourne average of 3.0.

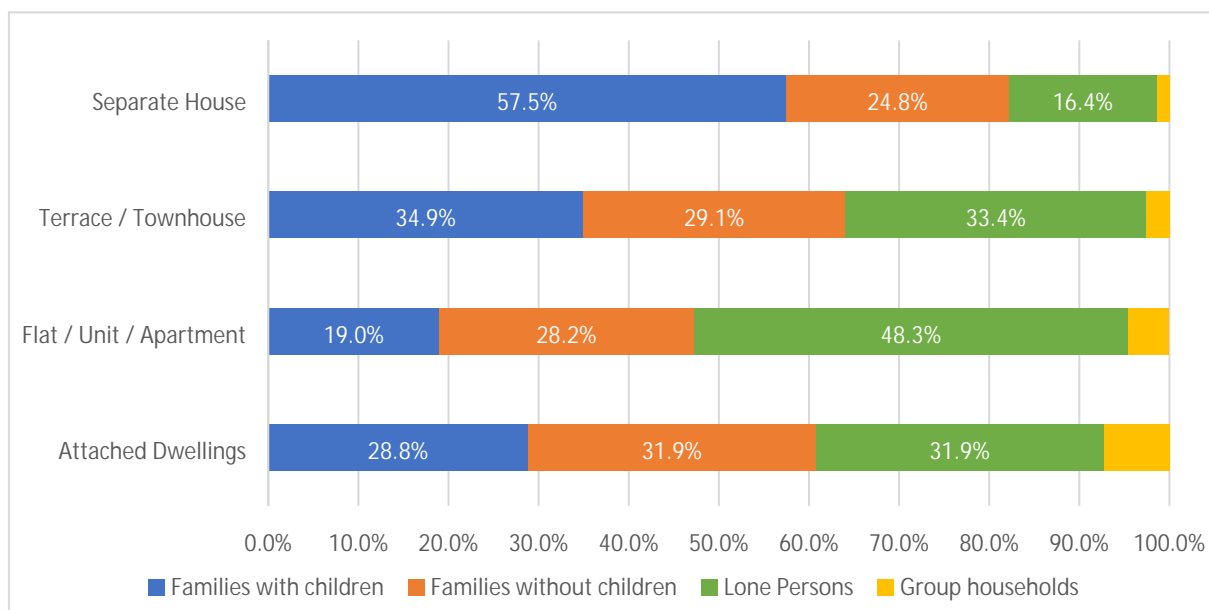
4.9.2 Who lives in what type of Dwelling?

It is recognised the factors linking households with the dwelling they live in are complex, these include household type (and changes in household type over time), housing costs, income, availability of alternative housing types and personal preferences. In, 2016, just over half of all households living in separate houses were families with children (57.5%). Couples without children made up of 24.8% of households living in separate houses (refer Figure 18).

Conversely just under half of all households living in flats, units and apartments were lone persons (48.3%). Families without children (28.2%), families with children (19.0%) and group households (4.5%) made up the remainder of households living in flats and apartments. In terraces and townhouses, there was a relatively even share of lone person households (33.4%), families without children (29.1%) and families with children (34.9%).

Bayside had 191 dwellings whose titles were attached to a shop or office (i.e. apartments above shops). There was an even share of lone person households and families without children (31.9% each) living in these dwellings, while families with children made up of a smaller proportion (28.8%).

Figure 18: Dwelling Structures and household types, City of Bayside, 2016*

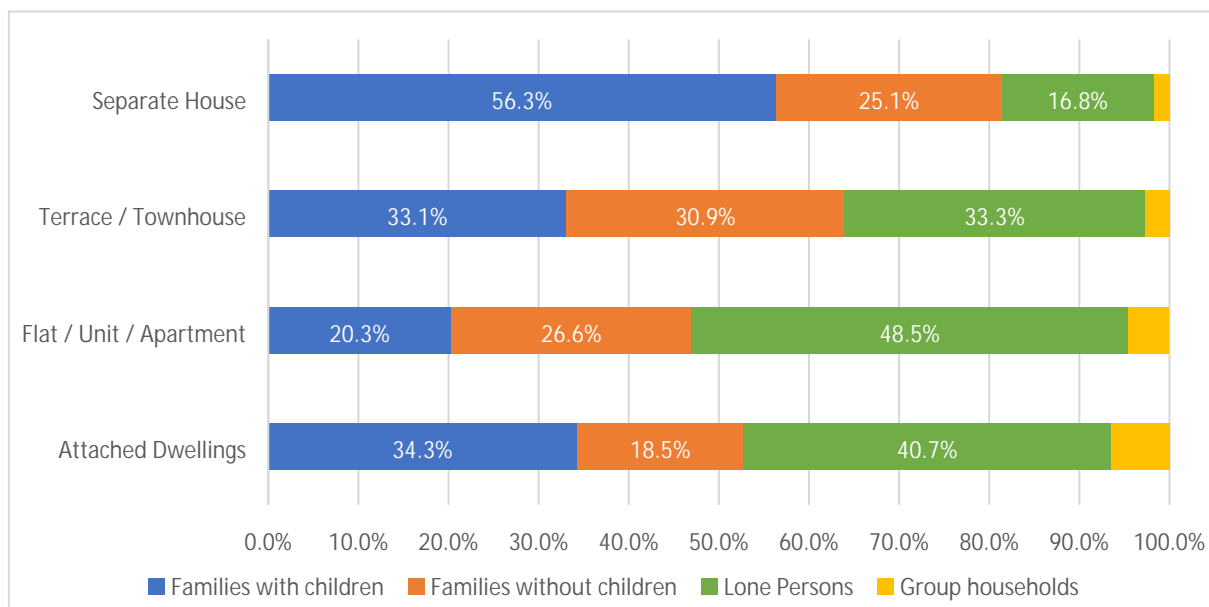


* excludes dwelling structures not stated.

Source: Australian Bureau of Statistics, Cat. No. 2005.0, 2017.

Figure 19 shows the same data as it was known in 2011. Household structures have remained largely unchanged over the past 5 years. Most notably, the proportion of families without children living in shop / office attached dwellings have increased, while other household types have decreased.

Figure 19: Dwelling Structures and household types, City of Bayside, 2011*



* excludes dwelling structures not stated.

Source: Australian Bureau of Statistics, Cat. No. 2005.0, 2011.

4.10 Housing Affordability

4.10.1 Prices

The median sale price of Bayside houses increased from \$1,256,000 in 2010 to \$1,823,000 in 2017, a rise of 45.1% (refer Figure 20). Apartment and unit values also increased from \$655,000 to \$865,000 or 32.1% (refer Figure 21). However, monthly property sales reports show that property prices in Bayside peaked in October 2017 and have since fallen by approximately 10% over the subsequent 14 months. Nevertheless in 2018, the median home price in Brighton was the 10th highest in the state, while Hampton and Brighton East ranked at 30th and 31st prospectively.

The median sale prices recorded for houses and apartments / units differed widely between each of the nine Bayside suburbs. Brighton, Hampton, Brighton East and Beaumaris had the highest median house prices in 2017, all over \$1.8 million as shown in Figure 20 below.

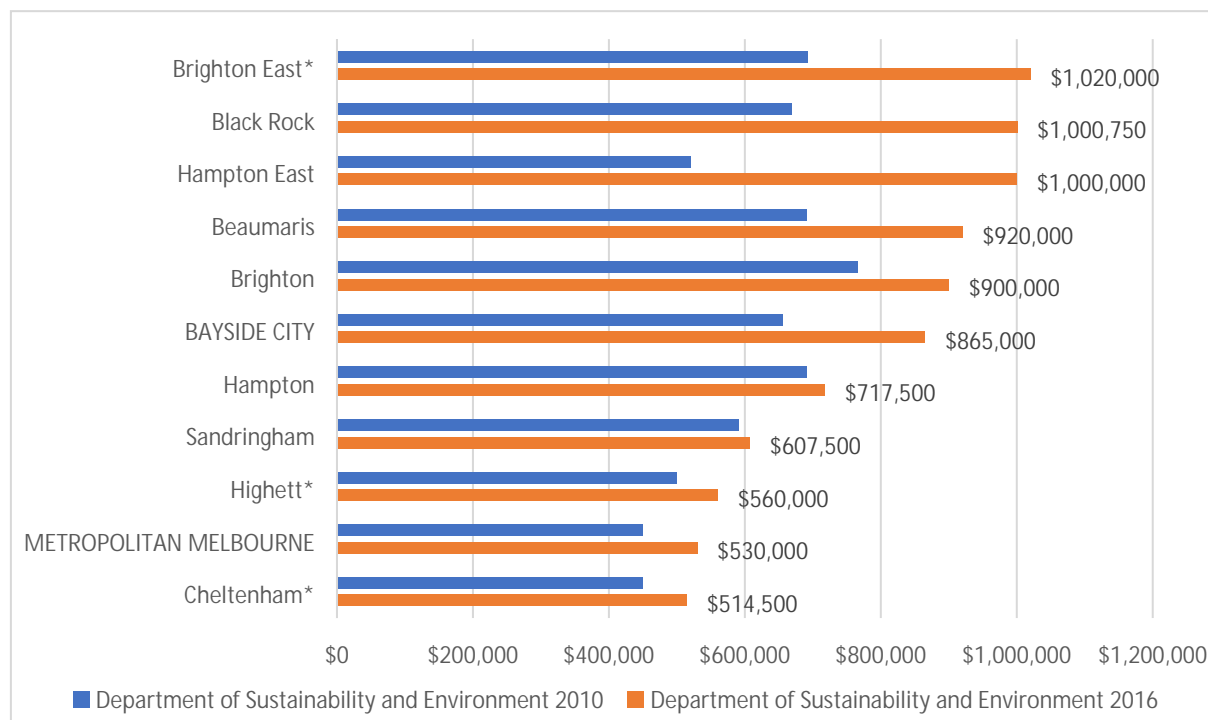
Figure 20: Changes in median property sale prices for houses, City of Bayside suburbs and metropolitan Melbourne, 2010-2017*



* Data for the suburbs of Brighton East, Cheltenham and Highett includes all properties in the suburbs, including those outside Bayside.

Source: Department of Sustainability and Environment, A Guide to Property Values 2010, 2011; Department of Environment, Land, Water and Planning, A Guide to Property Values 2017, 2018.

Figure 21: Changes in median property sale prices for apartments and units, City of Bayside suburbs and metropolitan Melbourne, 2017*



* Data for the suburbs of Brighton East, Cheltenham and Highett includes all properties in the suburbs, including those outside Bayside.

Source: Department of Sustainability and Environment, A Guide to Property Values 2010, 2011; Department of Environment, Land, Water and Planning, A Guide to Property Values 2017, 2018.

In relation to apartments and units Brighton East, Black Rock, Hampton East and Beaumaris had the highest median prices in Bayside for the 2017 year. Changes in price differed widely between each of the nine Bayside suburbs, with significant growth occurring in Hampton East, Black Rock and Brighton East (refer Figure 21).

4.10.2 Cost of Rental Accommodation

The Residential Tenancies Bond Authority registers and administers all Victorian residential tenancy bonds, including those on rented premises, long-term caravans and rooming houses. This rental data is collated and reported quarterly, by the Department of Human Services.

Between 2011 and 2018, weekly rents in Bayside for all dwelling types have increased by over 12% (refer Table 7 and Figure 22).

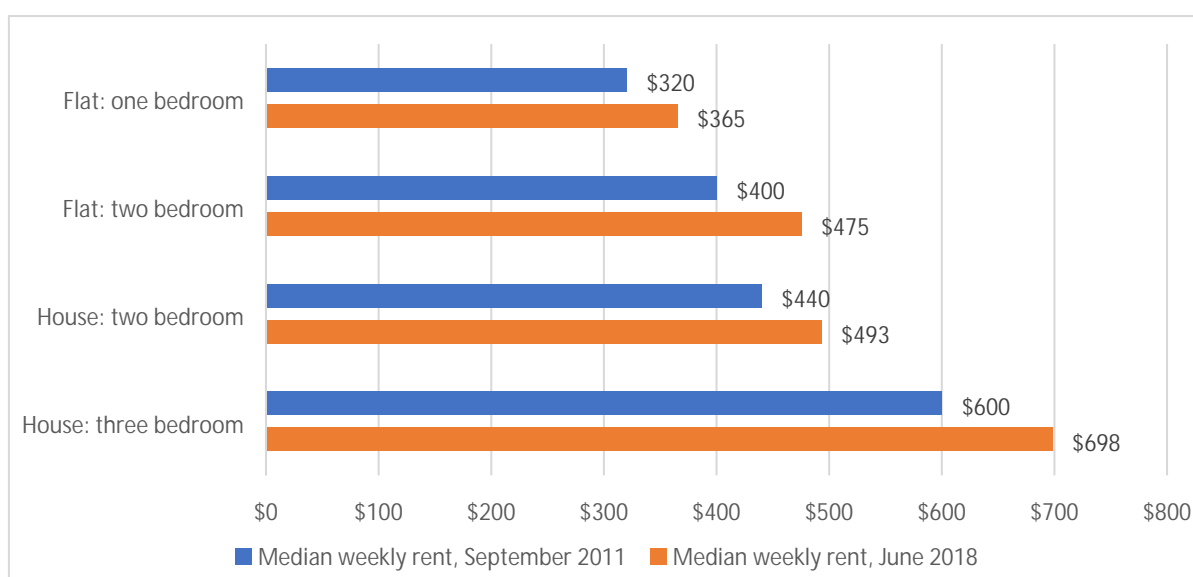
In the June quarter 2018, the median weekly rent for each type of property in Bayside was the third highest compared to other municipalities in the Southern Metropolitan Region, above the regional average. Port Phillip and Stonnington had the first and second highest median weekly rent depending on the type of property.

Table 7: Changes in median weekly rents by dwelling types, City of Bayside, September 2011 to June 2018 (quarterly)

Dwelling Type	Bayside median weekly rent, September 2011	Bayside median weekly rent, June 2018	Percentage Change
Flat: one bedroom	\$320	\$365	+14.1%
Flat: two bedroom	\$400	\$475	+18.8%
House: two bedroom	\$440	\$493	+12.0%
House: three bedroom	\$600	\$698	+16.3%

Source: Department of Human Services, Rental Report June quarter 2018, 2018.

Figure 22: Changes in median weekly rents by dwelling types, City of Bayside, September 2011 to June 2018 (quarter)



Source: Department of Human Services, Rental Report June quarter 2018, 2018.

The Department of Human Services has estimated the affordability of rental accommodation for lower income households by measuring the supply of affordable new lettings. The affordability benchmarks used is that no more than 30% of gross income is spent on rent. Lower income households are defined as those receiving Centrelink incomes. Not surprisingly, given the weekly rents represented in Table 7, only six dwellings let in Bayside in the June 2018 quarter were affordable to lower income households (refer Table 8). This represents 0.4% of total dwellings available for rent in the municipality, the lowest in Victoria.

Table 8: Changes to the number of affordable lettings by dwelling types, City of Bayside, September 2011 to June 2018 (quarter)

Dwelling Type	September 2011	June 2018	Percentage Change
One bedroom	0	0	0%
Two bedrooms	3	2	-33%
Three bedrooms	1	1	0%
Four bedrooms	0	0	0%
Total dwellings	4	3	-25%

Source: Department of Human Services, Rental Report June quarter 2018, 2018.

4.10.3 Housing stress

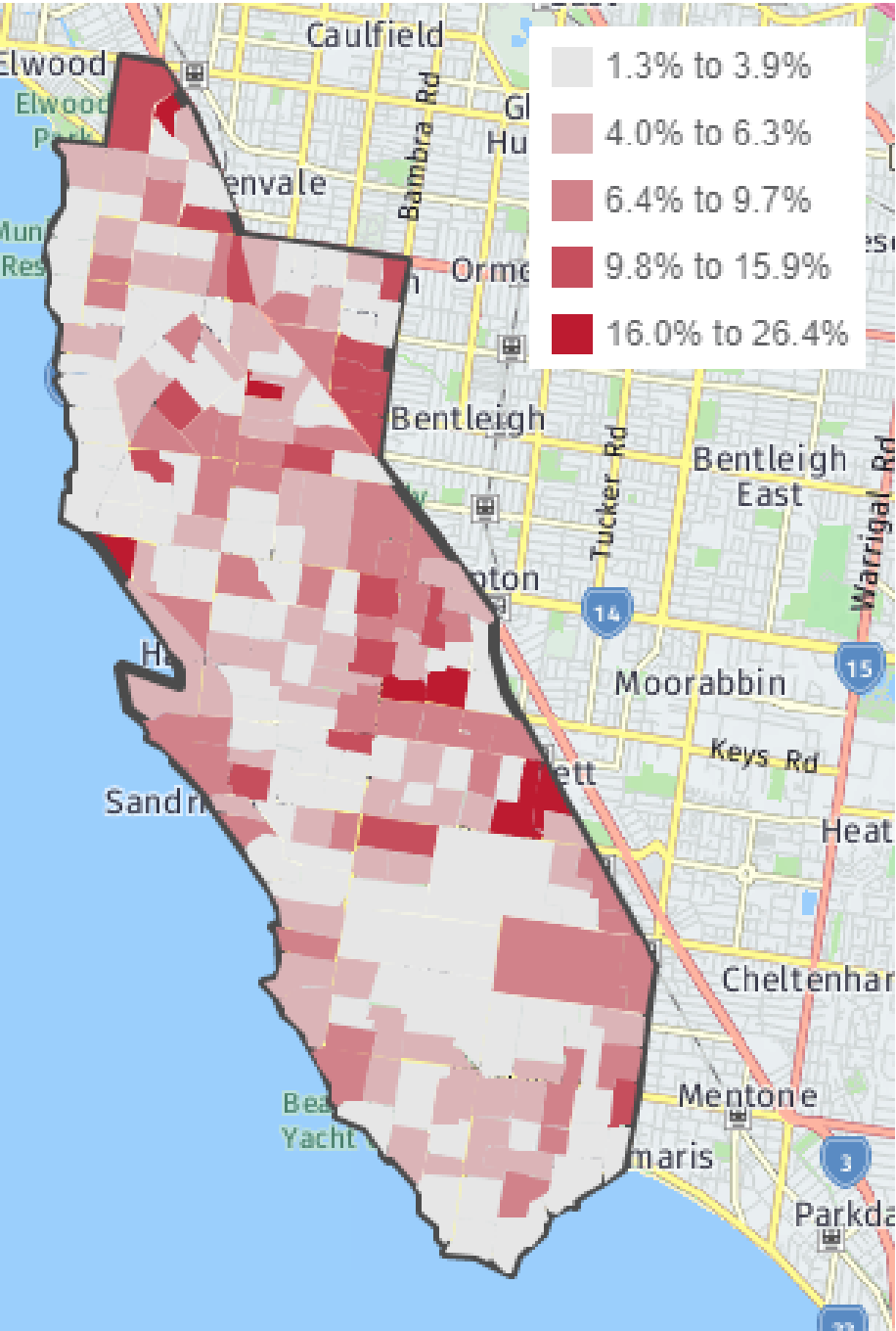
‘Housing Stress’ is a term used for households spending more than 30 per cent of their gross household income on rent or mortgage payments, particularly where those households fall in the lower 40 per cent of income distribution and therefore have less residual income left over for living costs after meeting housing expenses.

Analysis of Census 2016 data shows that 14.5% of Bayside households were spending more than 30% of their gross income on mortgage or rental payments and could therefore be defined as experiencing housing stress. This is a reduction of 3.2% in comparison to the 17.7% figure in the Census 2011 data. Neighbourhoods with high levels of housing stress were predominantly around public housing estates.

Figure 23 shows the percentage of Bayside households in ‘housing stress’ in 2016, using the same definition of households with housing costs of 30% or more. The Bayside neighbourhoods with 25% to 35% of households in housing stress, shaded below in dark red, were:

- the Dunkley Fox public housing estate in Highett;
- the Bluff Road and Leith Crescent public housing estates in Hampton East;
- the Elsternwick public housing estate in Brighton;
- the Jaspara Elanora aged care facility in Brighton; and
- the Mayflower Brighton aged care facility in Brighton East.

Figure 23: Households with housing costs of 30% or more, City of Bayside, 2016.



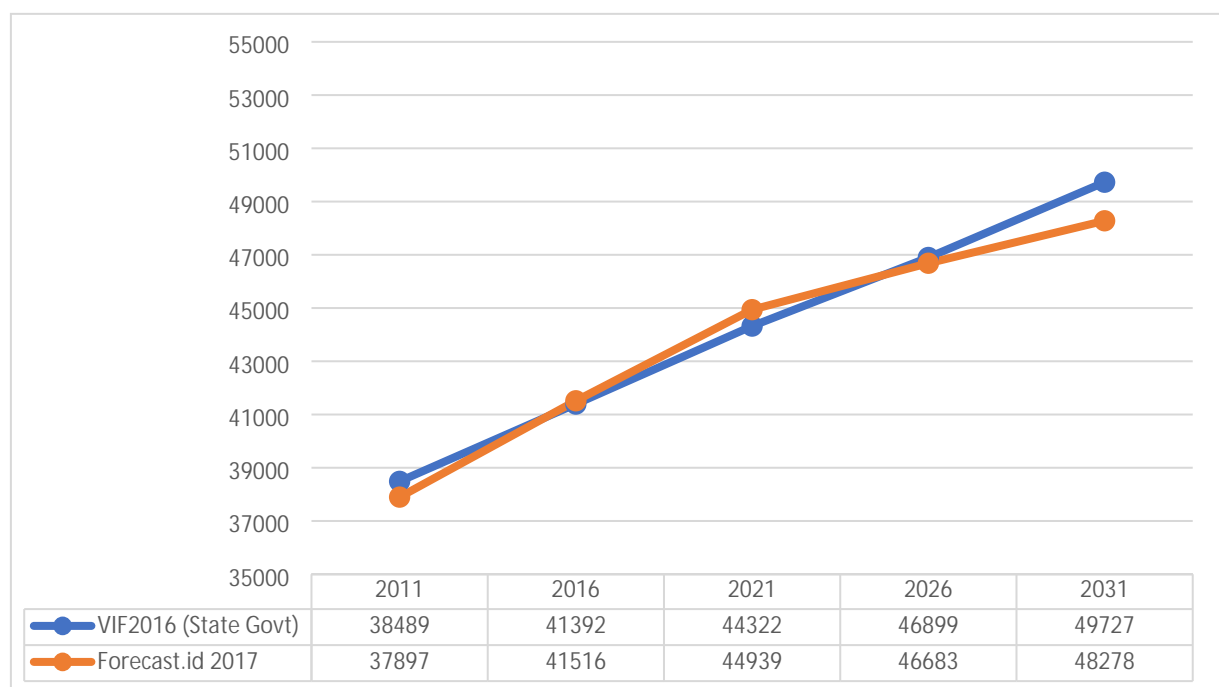
Source: Australian Bureau of Statistics, Cat. No. 2058.0, 2016.

4.11 Future Housing Supply

Based on the Victoria in Future 2016 (VIF) population forecasts, it is estimated there will be an additional 11,238 dwellings required between 2011 and 2031 to accommodate the anticipated future population growth, equating to 562 net new dwellings per year. In comparison to the estimate in VIF 2012, the number of required dwellings has more than doubled from the previous figure of 4,379.

Population forecasts (Forecast.id) for the City of Bayside estimate that the number of dwellings will increase from 37,967 dwellings in 2011 to 48,278 in 2031; a gain of 10,311 dwellings, an increase of 5,783 dwellings over previous estimate at 4,528.

Figure 24: Forecast dwellings in the City of Bayside, 2011 to 2031.



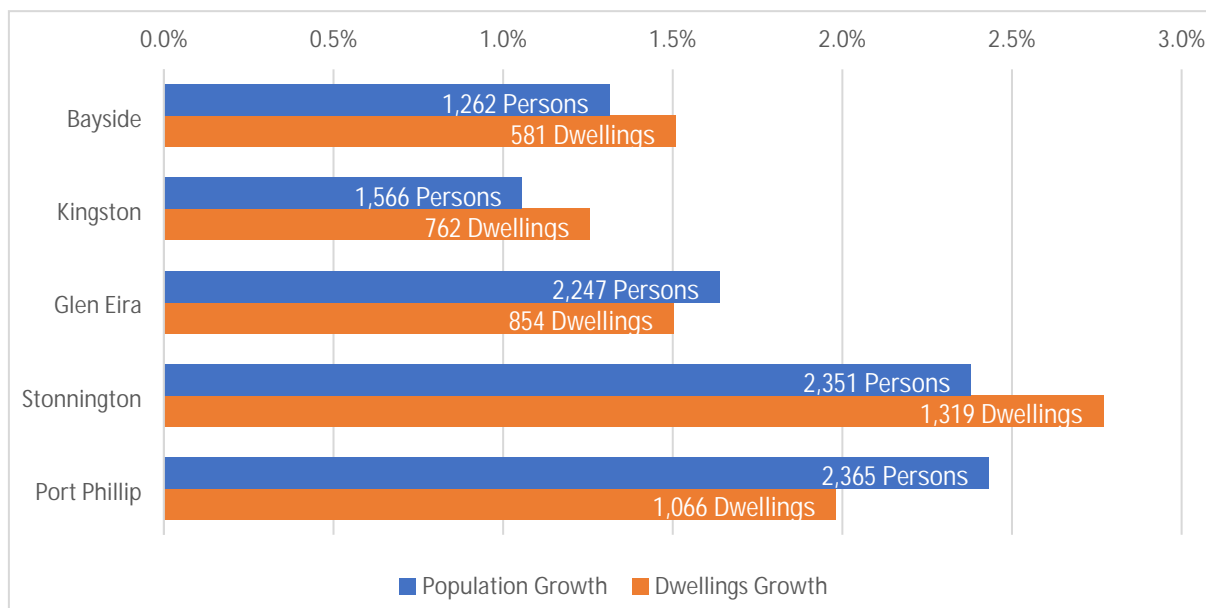
Source: Department of Environment, Land, Water and Planning, Victoria in Future 2016, 2016; .id consulting, City of Bayside Population Forecasts, 2017.

4.11.1 Is Bayside taking more than its fair share of growth?

Melbourne is growing at a rate of approximately 100,000 people per year. Between 2011 and 2016, Bayside has been growing at a rate of approximately 1262 persons per year.

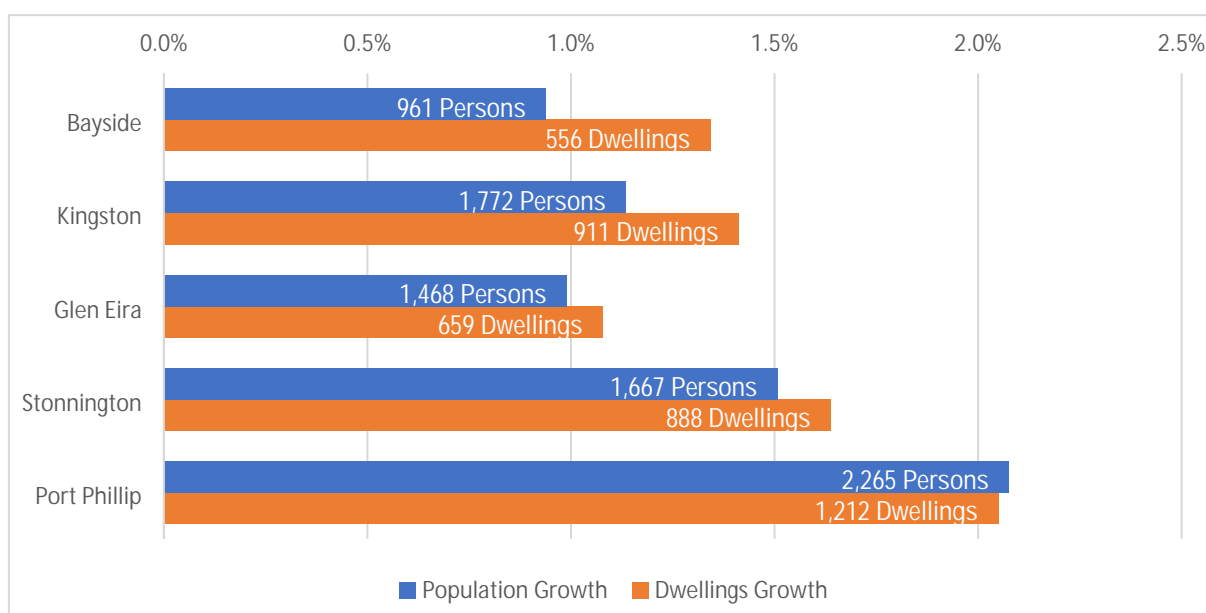
Figure 25 compares the growths in population and dwelling supply in Bayside and neighbouring municipalities by calculating the average yearly increase between 2011 and 2016. While Bayside had the lowest growth in numbers in both categories, proportionally it experienced a slightly higher rate of growth than Kingston. However, Stonnington and Port Phillip each had approximately twice the rate of growth in comparison to Bayside.

Figure 25: Proportional yearly growth in population and dwelling supply in Bayside and neighbouring municipalities, 2011-2016.



Source: Department of Environment, Land, Water and Planning, Victoria in Future 2016, 2016.

Figure 26: Forecasted proportional yearly growth in population and dwelling supply in Bayside and neighbouring municipalities, 2016-2031.



Source: Department of Environment, Land, Water and Planning, Victoria in Future 2016, 2016.

Figure 26 provides a comparison of forecasted growths in population and dwelling supply with the same neighbouring municipalities. Similar to current trends, Bayside is expected to have the lowest growth in numbers, but at a proportional rate similar to Kingston and Glen Eira.

Implications for the Housing Strategy

- There has been higher population growth than anticipated in the Housing Strategy. To house these people, 562 net new dwellings a year will be needed in Bayside to 2031.
- The largest age groups in Bayside are 40-54, with families being the dominant demographic in Bayside.
- Whilst Bayside will remain a predominantly family based municipality, it is forecast that by 2031 there will be more people over 65, as well as more people aged between 15 and 39, with the majority of additional households expected to be couple families without children and lone person households.
- VIF 2012 expected a net loss of couple family households with children by 2031, however VIF 2016 now expects a gain of these households.
- Bayside is a generally wealthy municipality, although there are scattered pockets of disadvantage.
- Since 2011, the proportion of separate houses have reduced whilst the proportion of medium and high density houses have increased.
- The people moving into apartments are generally younger, more diverse (more people born overseas and speaking languages other than English), smaller households than the rest of Bayside. They have generally moved from the same suburb or adjoining suburbs.
- The majority of Bayside households either own their home outright or are purchasing their home (mortgaged).
- House prices and rental costs are high, with only 6 dwellings let in Bayside in June 2018 being affordable to lower income households.
- Short term lettings such as Airbnb have increased dramatically since 2011. This has the potential it impact housing affordability and availability.

Recommended changes to the Housing Strategy

- Update Chapter 4 – Current and Future Housing Needs, of the Housing Strategy to reflect changing trends using updated data as outlined above.
- Retain existing policy focus in Housing Strategy:
 - Encourage a diversity of housing typologies to be provided in Bayside, including:
 - family homes for families with children. This remains the dominant demographic in Bayside.
 - Smaller homes for ‘lone person’ and ‘couples without dependant’ households, including studio apartments and one and two bedroom dwellings. This demographic is expected to make up most of the growth in the future.
 - Encourage a variety of housing options for older people, ranging from adaptable housing enabling ageing in place to residential aged care.
 - Encourage the delivery of affordable housing, recognising that Bayside has the third highest median weekly rents compared to other municipalities in the Southern Metropolitan Region.

Chapter 5 - Current Provision of Housing in Bayside

The previous chapter explored the current and future housing needs of Bayside. This chapter looks at what housing has been built and where, specifically looking at whether the strategic framework outlined in the *Housing Strategy*, to focus medium and high density development in Housing Growth Areas has been effective.

Given that the *Housing Strategy* was adopted in late 2012, data from 2013 -2016 has been used.

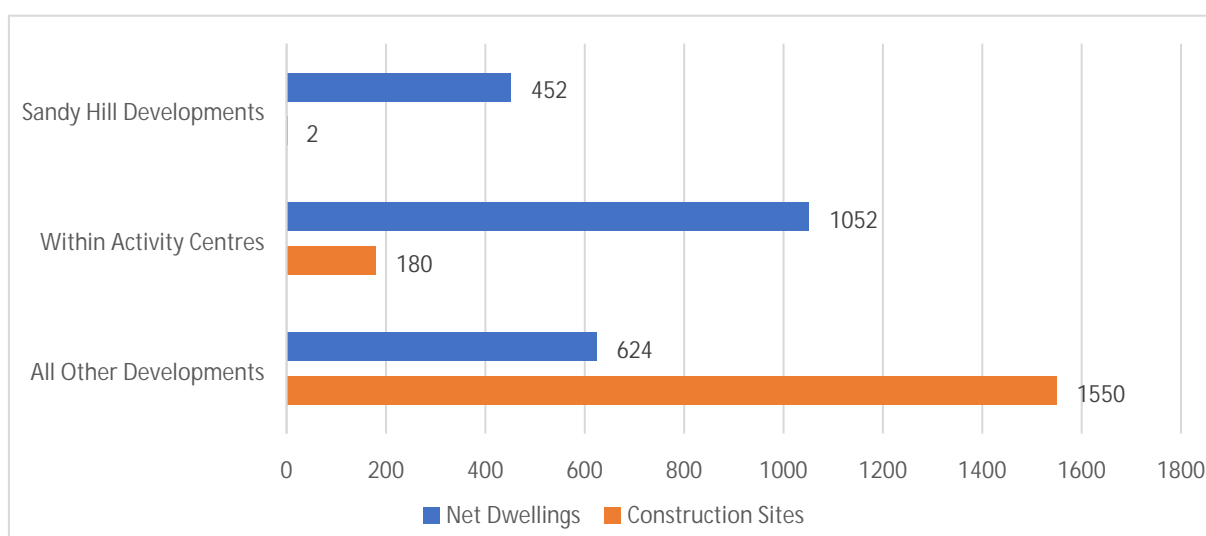
5.1 Development trends and dwelling yield

5.1.1 Development trends

Analyses of housing development data across Bayside shows that the *Housing Strategy* has been effective in directing medium and high density development to Bayside's activity centres and strategic redevelopment sites, whilst retaining the low rise nature of the established residential areas.

Figure 27 shows that the majority of additional dwellings, consisting of developments where there is an actual increase in housing numbers, are located in the activity centres. Outside of activity centres, there is a lot of construction activity, however this mainly involves the demolition of one dwelling for the construction of one dwelling, therefore resulting in lower net dwelling numbers. Two large apartment complex developments on Bay Road in Sandringham (Sandy Hill Apartments) added 452 dwellings to the housing stock, despite being situated outside of an activity centre.

Figure 27: Comparing construction activity to net dwelling yield (actual increase in dwelling supply) across Bayside activity centres versus remainder areas (2012-2016)*.



* Includes demolition sites

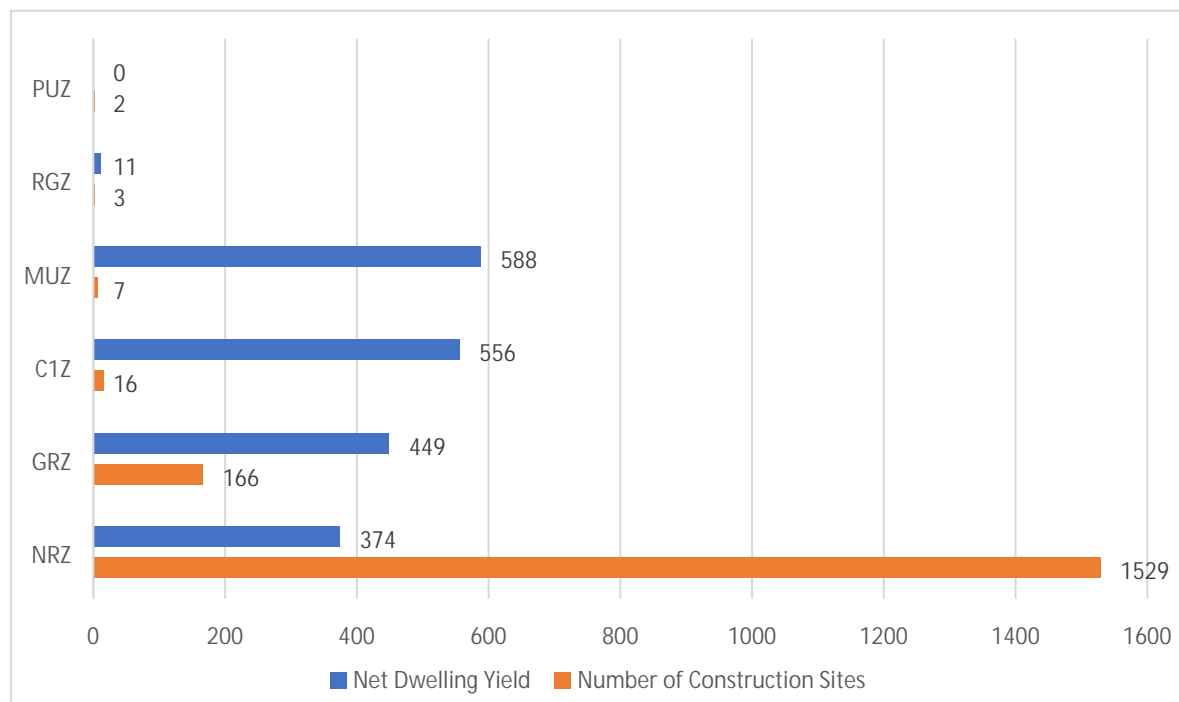
Source: Department of Environment, Land, Water and Planning, Project layer depicting housing activity over the years from 2005 and 2016, 2017.

The most notable difference in the development pattern outside the activity centres is that the number of construction sites far exceeds the number of additional dwellings – 1550 construction sites with only 624 additional dwellings built. This points to the low density scale of such development, and the fact that single dwelling replacement levels (demolition of one home for the construction of one home) are very high, accounting for 55% of all construction in Bayside. This is the second highest rate of single dwelling replacements of all LGAs in Victoria.

The impact of this high level of single dwelling replacements outside activity centres is that activity centres are where the majority of multi dwelling development is occurring.

Looking at the impact of zoning on the delivery of housing, Neighbourhood Residential Zone areas (Minimal Residential Growth Areas) deliver very few additional dwellings (374 in total). However, they have high construction activity, with many small developments occurring (1529). In contrast, the Mixed Use Zone, Commercial 1 Zone and General Residential Zone areas deliver far more additional dwellings, consisting of 74.9% (1593) of all additional dwellings.

Figure 28: Comparing construction activity to net dwelling yield (actual increase in dwelling supply) across Bayside in different zones between years 2013-2016.



Source: Department of Environment, Land, Water and Planning, Project layer depicting housing activity over the years from 2005 and 2016, 2017.

This data helps to explain the community's perception that there is a lot of change and development occurring in Bayside. Whilst there is a significant amount of change and increase in dwellings occurring where the *Housing Strategy* has directed it, within activity centres and strategic redevelopment sites, there is also a lot of development and change happening in the established residential areas, in the form of one for one replacements. However, this type of development is not achieving an increase in dwelling yield.

This type of development is part of the normal turnover of dwellings as people demolish and rebuild on the same lot. However, it does involve change to the physical environment, short term disruptions to the flow of traffic and can result in the loss, or perceived loss, of amenity as mature vegetation is often cleared to make way for the new dwelling.

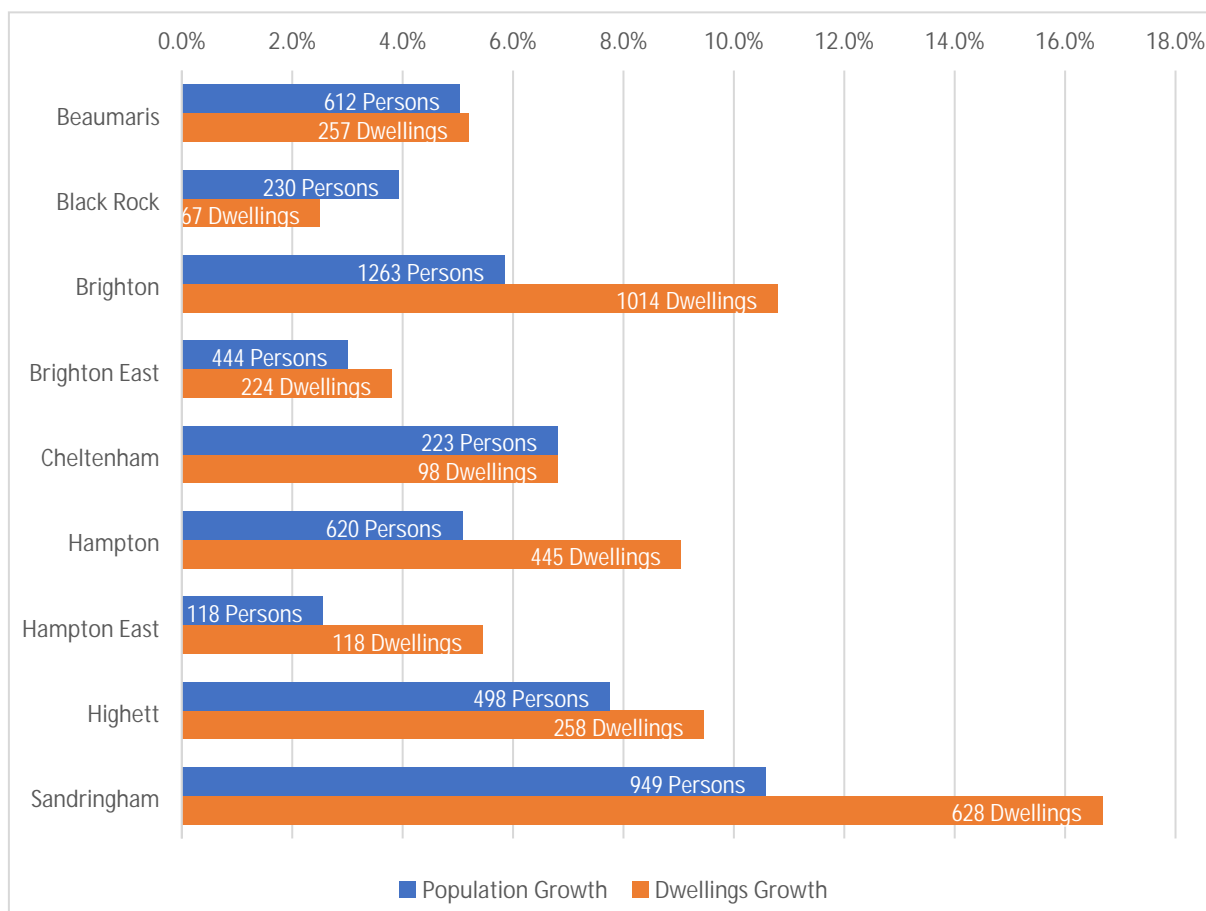
It is important to recognise that single dwellings on lots greater than 500sqm generally do not require planning permission and therefore Council has almost no involvement.

5.1.2 Dwelling Yield

In terms of dwelling numbers, between 2012 and 2016, a total of 2,128 net new dwellings were delivered across 1732 construction sites in Bayside. This equates to approximately 425 net new dwelling per year between 2012 and 2016. This figure is well above the number of dwellings that were forecast to be required in the *Housing Strategy*, using VIF2012 figures (219 net new dwellings per year), but somewhat less than what is forecast to be required by the most recent VIF2016 figures (562 net new dwellings per year).

Figure 29 illustrates that across Bayside suburbs overall, Sandringham experienced the greatest percentage increase in population (10.6%, 949 persons) and dwelling supply (16.7%. 628 dwellings), most of this is contributed by developments on Bay Road, rather than the activity centre. Brighton experienced the strongest growth in numbers for population (5.8%, 1263 persons) and dwelling supply (10.8% 1014 dwellings).

Figure 29: Proportional growth in population and dwelling stock in Bayside suburbs, 2011 to 2016.



Source: .id consulting, City of Bayside Population Summary, 2016.

Whilst between 2012 and 2016, Bayside was not quite delivering the number of dwellings VIF 2016 forecast were needed, in activity centres, housing supply is being provided through larger developments on fewer lots meaning there is remaining capacity within activity centres for more development (refer Figure 27). Further research is needed to better understand why more housing is not being delivered in activity centres given there is existing capacity and planning controls that support increased density in these locations.

There are also a number of adopted Structure Plans (Martin Street Activity Centre, Hampton East [Moorabbin] Activity Centre, Highett Structure Plan, Pennydale Structure Plan) and concept plans for small activity centres that are yet to be implemented into the Bayside Planning Scheme that will provide additional housing capacity, as will the CSIRO strategic redevelopment site.

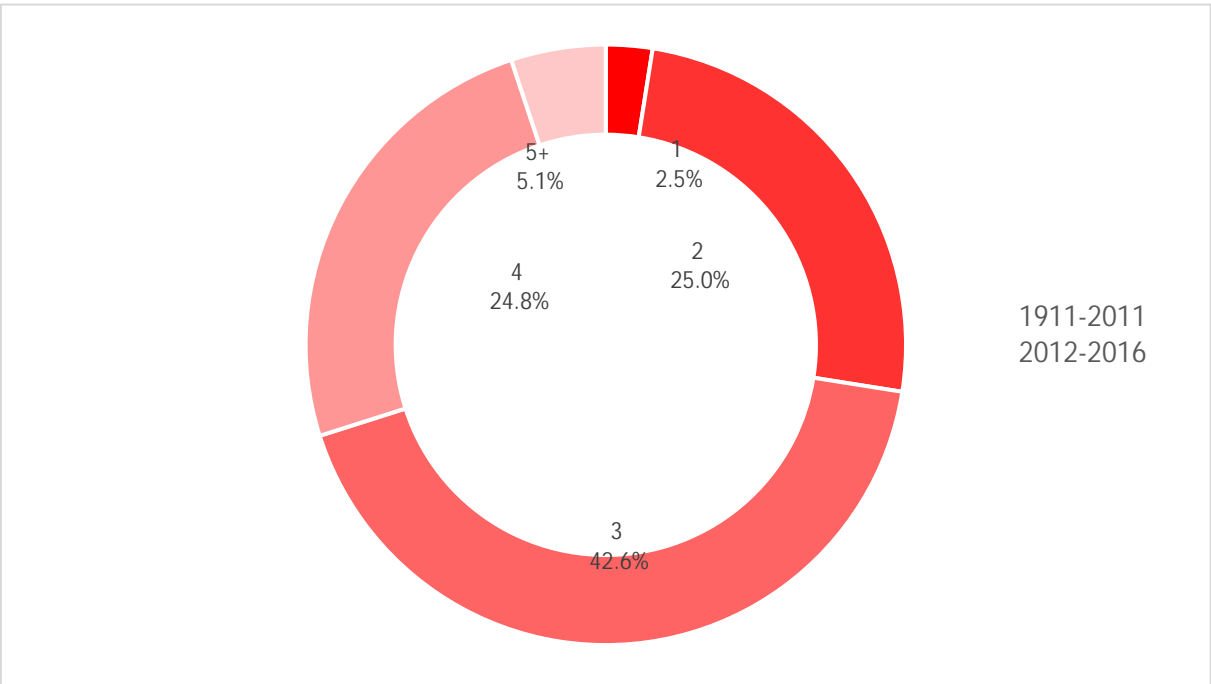
The Bayside Housing Growth Model, a model which enables planning policy, development feasibility and urban design inputs to be translated into housing capacity, is currently being updated. This will enable Council to better understand the future housing capacity, under existing and proposed planning controls. This update will be finalised in mid 2019.

For the aforementioned reasons, it is anticipated that the updated model will indicate that there is sufficient housing capacity to meet housing needs to 2031. However, if the model indicates there is not sufficient housing capacity under existing and proposed planning controls, Council will need to consider either increasing height limits in activity centres/other housing growth areas, expanding activity centre boundaries, or opening up other areas within Bayside for increased housing density.

5.2 What types of dwellings are being built?

Utilising Council’s valuations data, Figure 30 encompasses all dwelling constructions in the municipality. The main changes in housing stock built since 2012 includes the trend for more 2 bedroom dwellings (34% of stock from 2012-2016, 25% of stock built before 2012), fewer 3 bedroom dwellings (28% of stock from 2012-2016, 43% of stock built before 2012), and more 1 bedroom dwellings being built (14% of stock from 2012-2017, versus 2% built before 2012).

Figure 30: Change in dwelling composition by number of bedrooms – percentage of dwelling type constructed 2012-2016 compared to 1911-2011 in Bayside.



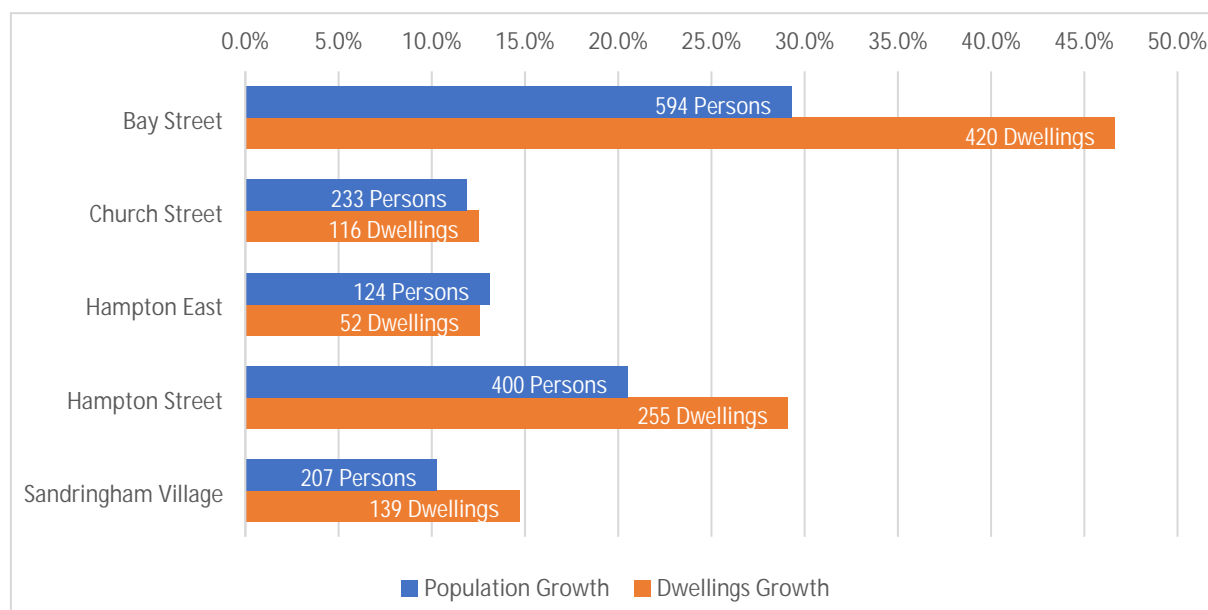
Source: Bayside City Council, Valuations Database, 2018.

5.3 What is happening in the activity centres?

5.3.1 Population and dwelling supply change – summary

Figure 31 illustrates the percent change of population and dwelling supply across each of Bayside's major activity centres between 2011 and 2016.

Figure 31: Proportional growth in population and dwelling stock in Bayside's Major Activity Centres, 2011 to 2016.



Source: .id consulting, City of Bayside Population Summary, 2016.

Bay Street Activity Centre experienced the greatest increase in population (594 persons) and dwelling supply (420 dwellings). Hampton Street Activity Centre experienced the second greatest growth in population (400 persons) and dwelling supply (255 dwellings).

The general trend across the Major Activity Centres is an increase in the proportion of lone person households, with a decrease in family households. The exception is Hampton East (Moorabbin) Major Activity Centre where the proportion of lone person households has decreased, and household size has increased.

The majority of 'new residents' moved in from elsewhere in the same suburb, followed by other nearby suburbs in the region.

In Bay Street and Hampton Street Major Activity Centres, the number of dwellings built on commercial land has increased since 2011, whilst in Church Street, Hampton East (Moorabbin) and Sandringham Village Major Activity Centres it has decreased, with most new development occurring in the residential component of the activity centres.

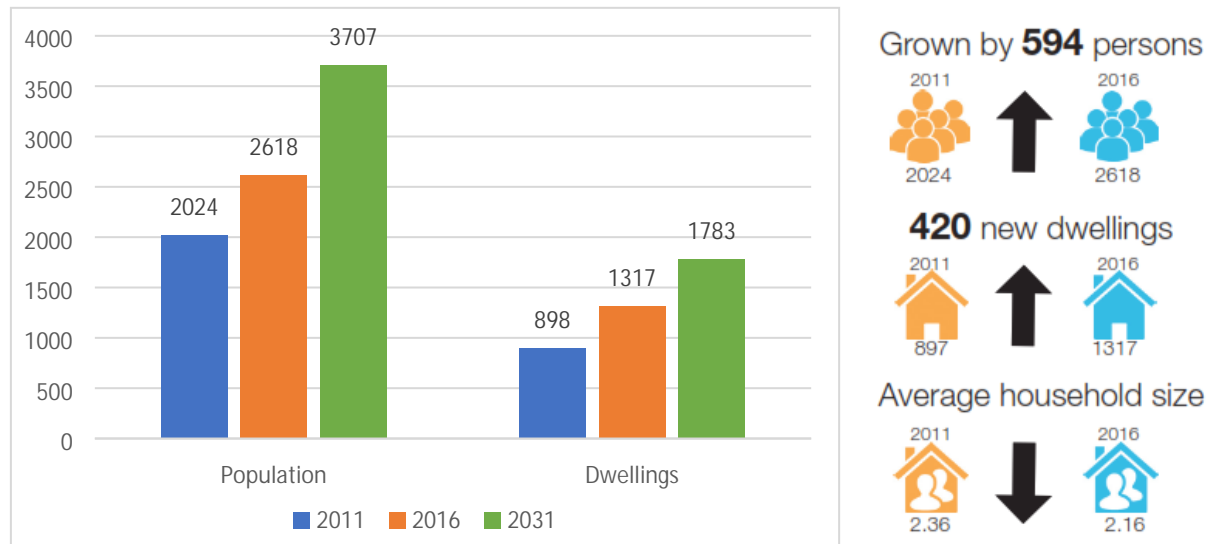
Housing development in all of the major activity centres was somewhat less than expected, except for Bay Street, Brighton which experienced slightly stronger growth than forecast. In all centres however, housing supply is being provided through larger developments on fewer lots, rather than smaller scale developments on many lots suggesting there is remaining housing capacity within the activity centre to meet forecast housing needs.

More detail on what is happening in each of Bayside's Major Activity Centres is provided at sections 5.3.2 to 5.3.6.

5.3.2 Bay Street (Brighton)

From 2011 to 2016, Bay Street Major Activity Centre saw growth of 594 persons across 420 dwellings, the highest amongst all Major Activity Centres. The centre is expected to grow by an additional 466 dwellings by 2031 to house a further 1,089 residents (refer Figure 32).

Figure 32: Population and dwelling stock change in Bay Street Activity Centre 2011 to 2016 and 2031 forecast (usual residential population).



Source: .id consulting, City of Bayside Population Summary, 2016.

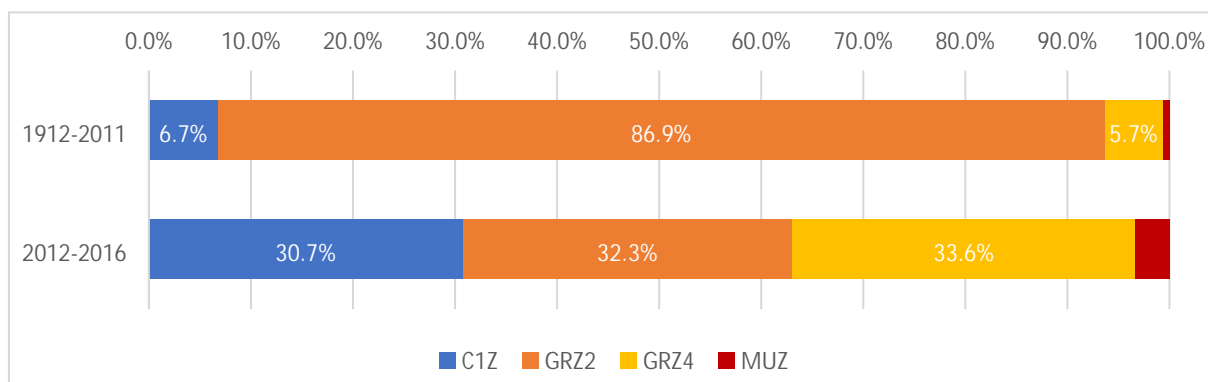
The broad age category makeup of the population has remained largely unchanged, with the majority of the population being in the 20-64 age group.

The proportion of lone person households increased by 4.9% to 30.66%, while family households decreased by 2.8% to 59.64%. The average household size has decreased by 0.20 over the 5 year period, this is expected to decrease by a further 0.02 by 2031.

41.11% of dwellings were in high density developments, 21.42% were in medium density, while 36.92% were separate houses. The proportion of residents who own or mortgage their properties have decreased by 1.9% over the 5 year period to 58.37%, while residents who rent have increased by 4.2% to 30.29%.

Most residents who moved into the Bay St Major Activity Centre between 2011 and 2016 lived elsewhere in Brighton, followed by nearby suburbs of Brighton East, Elwood and Hampton. New residents were far more likely to rent, while residents who did not move generally owned their properties outright.

Figure 33: Zone of dwellings in Bay Street activity centre by built date, 1912-2011 compared to 2012-2016.



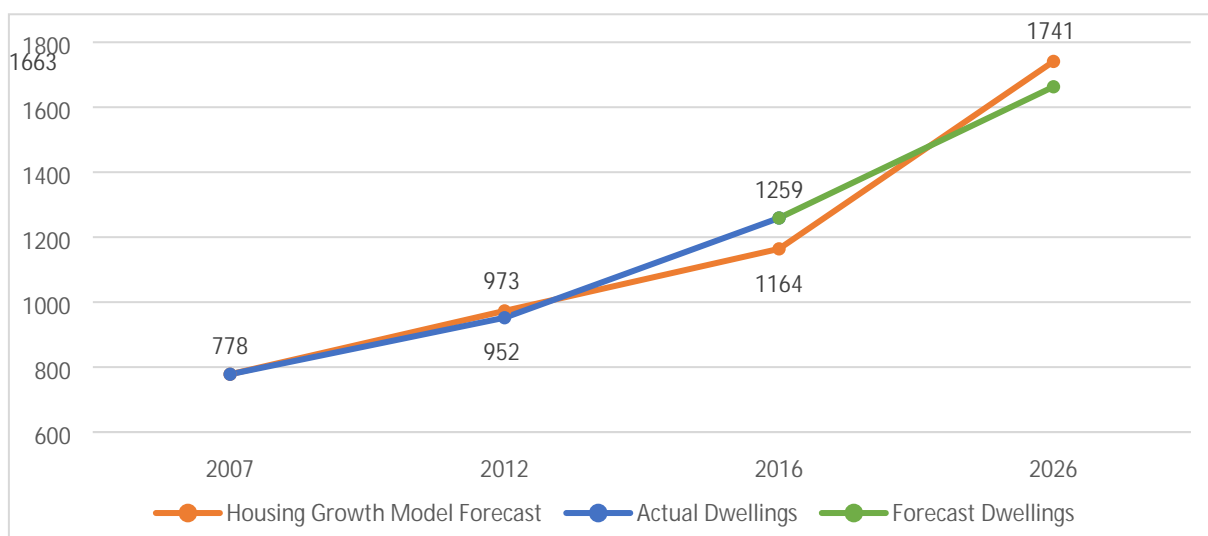
Source: Bayside City Council, Valuations Database, 2018.

The number of dwellings built on commercial land has increased since 2011 with new as-of-right residential development introduced in the Commercial 1 Zone, now accounting for 30.7% of dwellings. Residential zones still account for the majority of residential development in the Bay Street Major Activity Centre, totalling 65.9% (refer Figure 33).

67% of new dwellings consisted of 2 bedrooms, followed by 1 bedroom (18%) and 3 bedrooms (13%). Dwelling types constructed outside the Major Activity Centre were significantly larger with 34% having 4 bedrooms and 36% having 3 bedrooms.

As of 2016, Bay Street is experiencing slightly stronger growth than forecast. Housing supply is being provided through large developments on fewer lots, rather than smaller scale developments over many lots suggesting there is remaining housing capacity within the activity centre to meet forecast needs (refer Figure 34).

Figure 34: Forecast dwellings compared to actual number of dwellings, Bay Street activity centre.

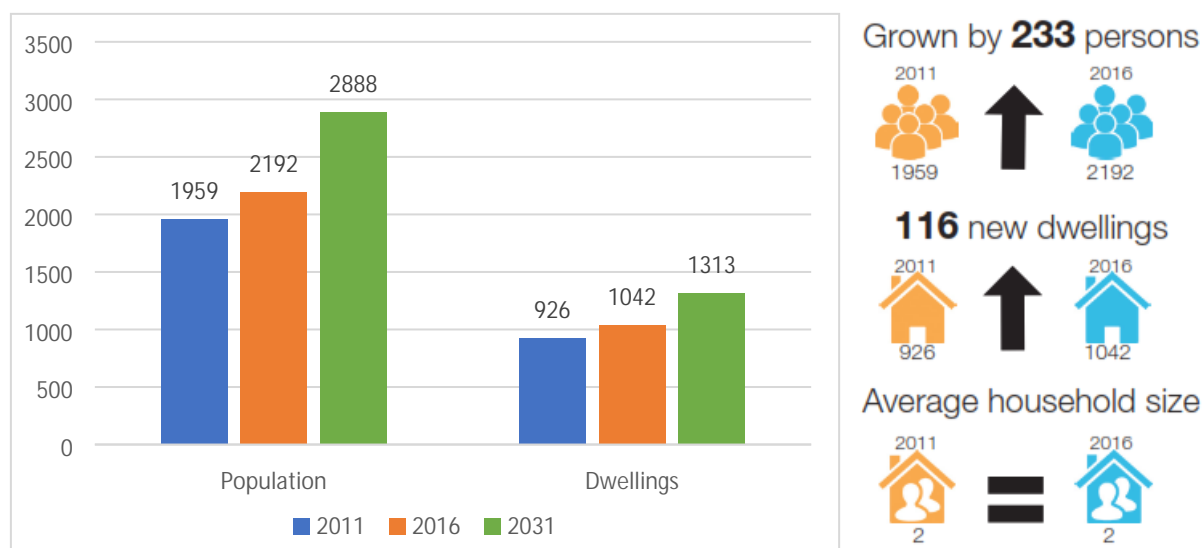


Source: CPG Australia, Bayside Housing Growth Model, 2011; Department of Environment, Land, Water and Planning, Project layer depicting housing activity over the years from 2005 and 2016, 2017; id consulting, City of Bayside Population Summary, 2016.

5.3.3 Church Street (Brighton)

Church Street is expected to experience the least amount of growth across Bayside Major Activity Centres. The centre grew by 233 persons over 2011-2016 across 116 new dwellings. An additional 696 residents are expected to be housed across 271 additional dwellings by 2031 (refer Figure 35).

Figure 35: Population and dwelling stock change in Church Street Activity Centre 2011 to 2016 and 2031 forecast (usual residential population).



Source: .id consulting, City of Bayside Population Summary, 2016.

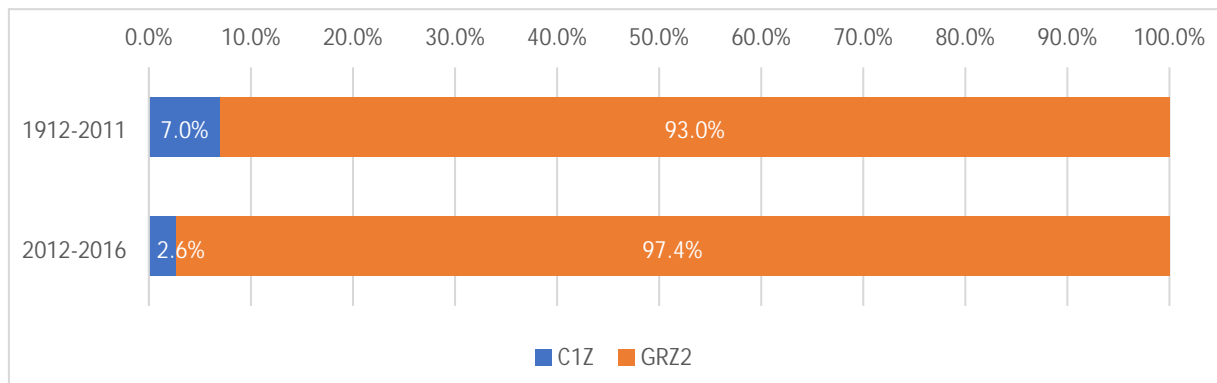
The proportion of lone person households increased by 4.9% to 30.66%, while family households decreased by 2.8% to 59.64%. The average household size has remained consistent over the 5 year period, although it is expected to decrease by 0.03 by 2031.

The broad age category makeup of the population has remained largely unchanged, with the majority of the population being in the 20-64 age group.

In 2016, 50.64% of dwellings were separate houses. 33.68% of dwellings were in medium density developments, while 13.68% were in high density. The proportion of residents who own or mortgage their properties have decreased by 1.7% over the 5 year period to 65.58%, while residents who rent have increased by 0.5% to 26.04%.

Most residents who moved into the Church Street Major Activity Centre between 2011 and 2016 lived elsewhere in Brighton, followed by nearby suburbs of Brighton East, Hampton and Sandringham – Black Rock. New residents were much more likely to rent, while residents who did not move were more likely to own their properties outright.

Figure 36: Zone of dwellings in Church Street activity centre by built date, 1912-2011 compared to 2012-2016.



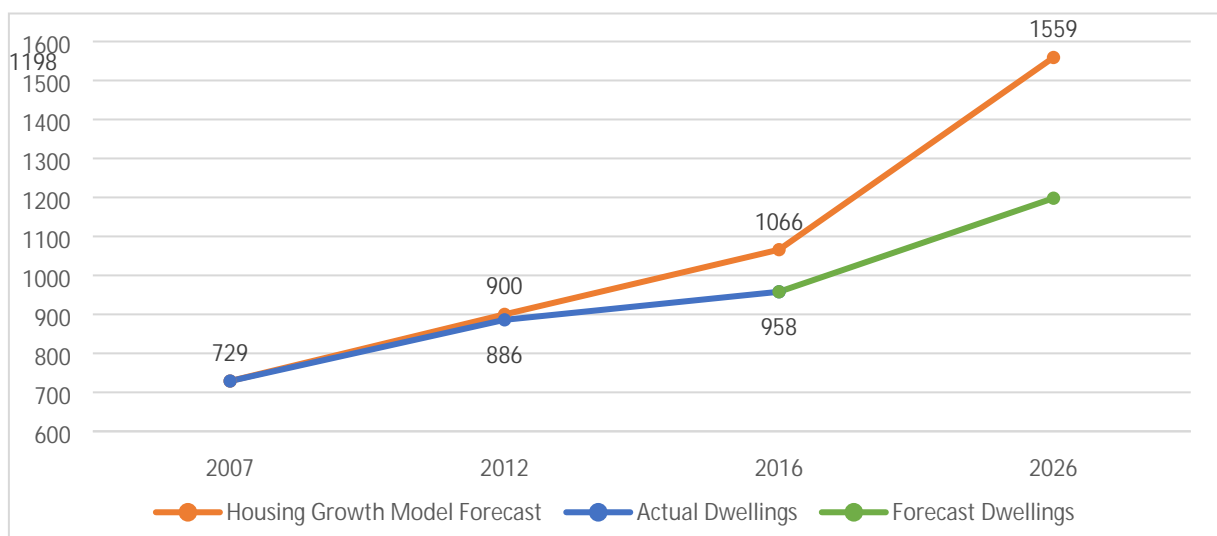
Source: Bayside City Council, Valuations Database, 2018.

The majority of developments have occurred in land covered by General Residential Zone, Schedule 2. No residential development has occurred on commercial land in the activity centre since the new Commercial 1 Zone was introduced in 2013. Most developments that occurred between 2002 and 2013 consisted of 10 or less dwellings, with one exception which offered 26 dwellings (refer Figure 36).

New development has predominantly delivered 2 (55%) and 3 (37%) bedroom dwellings, which is uncommon amongst Bayside Major Activity Centres. Only 5% were 1 bedroom dwellings, and 3% were 4 bedrooms. Dwelling types constructed outside the Major Activity Centre were notably larger with 34% having 4 bedrooms and 36% having 3 bedrooms.

As of 2016, Church Street is experiencing slightly weaker growth than forecast. Housing supply is being provided through large scale developments on fewer lots, rather than smaller scale developments over many lots suggesting there is remaining housing capacity within the activity centre to meet forecast needs (refer Figure 37).

Figure 37: Forecast dwellings compared to actual number of dwellings, Church Street activity centre.

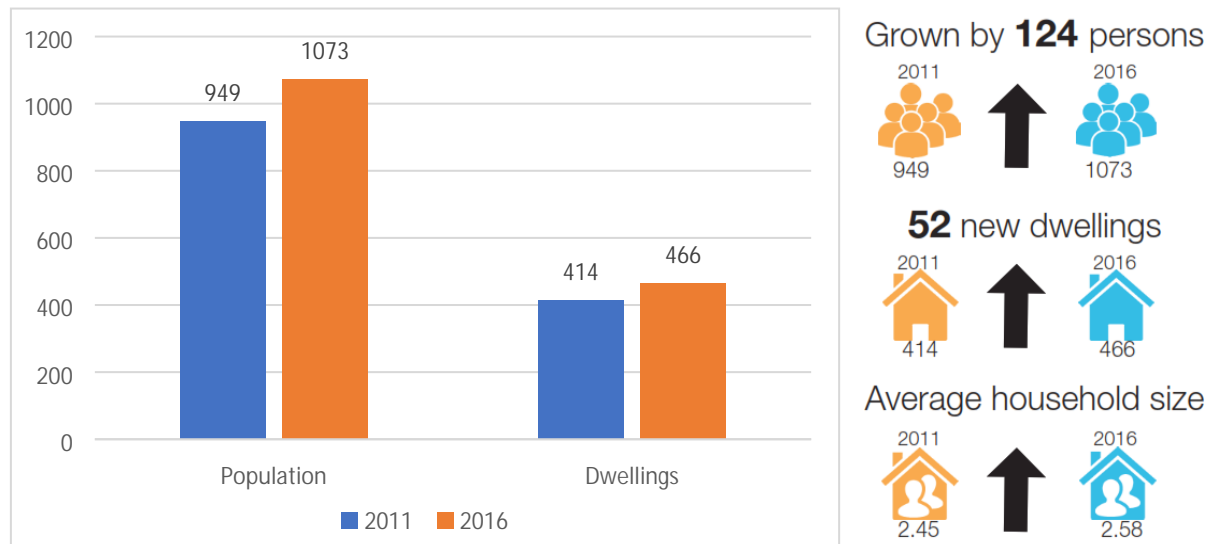


Source: CPG Australia, Bayside Housing Growth Model, 2011; Department of Environment, Land, Water and Planning, Project layer depicting housing activity over the years from 2005 and 2016, 2017; id consulting, City of Bayside Population Summary, 2016.

5.3.4 Hampton East (Moorabbin)

From 2011 to 2016, the population within the Hampton East Major Activity Centre increased by 124 persons across 52 new dwellings. As the Major Activity Centre designation was established relatively recently, no forecast data is available at the time of drafting this document (refer Figure 38).

Figure 38: Population and dwelling stock change in Hampton East Activity Centre 2011 to 2016 and 2031 forecast (usual residential population)*.



* No official .id forecast is available for this activity centre

Source: i.d. consulting, City of Bayside Population Summary, 2016.

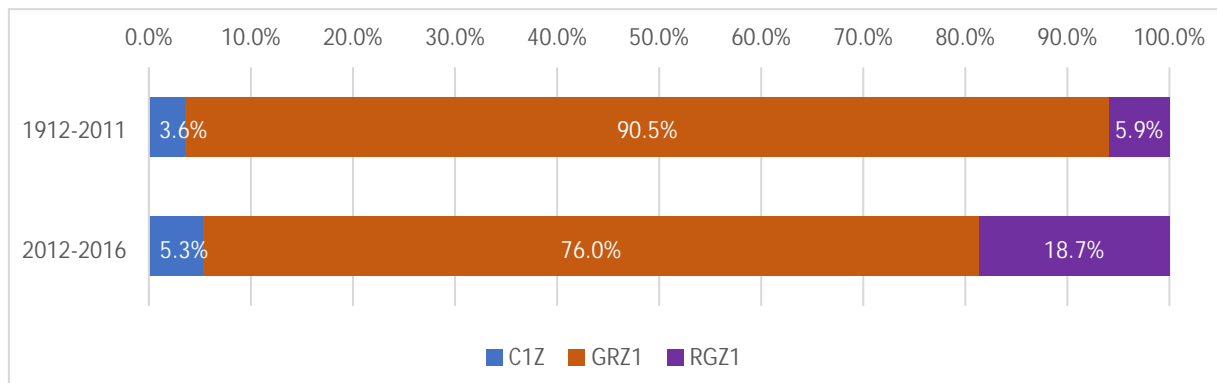
The proportion of lone person households has decreased by 3.6%, this is reflected in the increase in household size by 0.13, the highest amongst Bayside activity centres.

The board age category makeup of the population has remained largely unchanged, with the majority of the population being in the 25-49 age group.

The majority of dwellings consisted of separate houses (58.1%). However, this number has decreased significantly since the 2011 figure (77.9%). 34.7% of dwellings were in medium density developments, while 6.5% were in higher density.

Most residents who moved into the activity centre between 2011-2016 lived elsewhere in the Hampton East - Hampton, followed by nearby suburbs of Brighton East, Bentleigh – McKinnon and Brighton. New residents were much more likely to rent, while residents who did not move were more likely to own a property with mortgage.

Figure 39: Zone of dwellings in Hampton East activity centre by built date, 1912-2011 compared to 2012-2016.



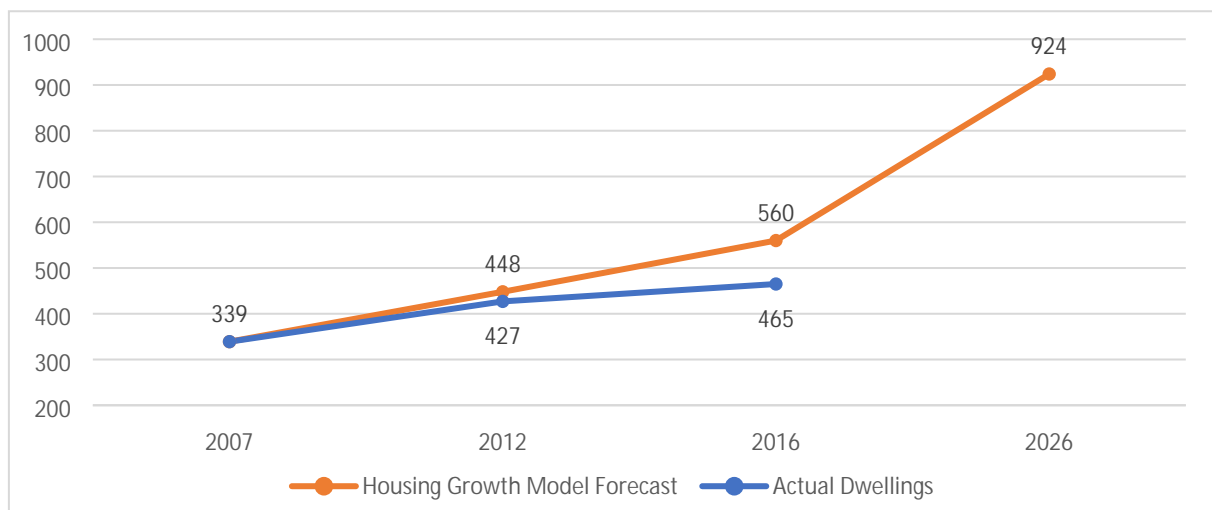
Source: Bayside City Council, Valuations Database, 2018.

As shown in Figure 39, new dwellings in the Hampton East Major Activity Centre were generally constructed in residentially zoned land, the majority of which are within General Residential Zone, Schedule 1 (76.0%), while developments in the Residential Growth Zone has also increased after 2012 (18.7%).

In contrast to other Major Activity Centres, only 1% of new dwellings were one bedroom units. 58% of dwellings had 3 bedrooms (58%), followed by 28% of 2 bedroom dwellings. 41% of Hampton East residents changed address within 2011-2016. Outside of the Major Activity Centre, the vast majority of dwellings consisted of 3 bedrooms (48%) or 4 bedrooms (40%).

As of 2016, Hampton East is experiencing less growth than forecast. Housing supply is being provided through larger developments on fewer lots, rather than smaller scale development over many lots suggesting there is remaining housing capacity within the activity centre to meet forecast needs. Nevertheless, the Housing Growth model expects a further increase of 459 dwellings by 2026, or double of the existing number as of 2016 (refer Figure 40).

Figure 40: Forecast dwellings compared to actual number of dwellings, Hampton East activity centre.*



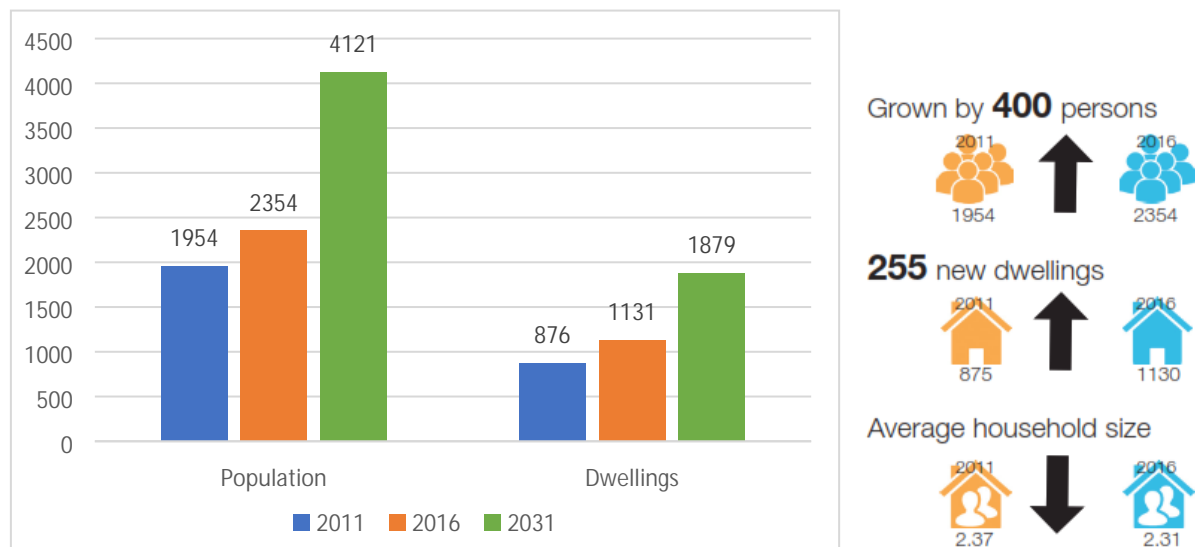
* No official .id forecast is available for this activity centre, 2026 forecast is not depicted.

Source: CPG Australia, Bayside Housing Growth Model, 2011; Department of Environment, Land, Water and Planning, Project layer depicting housing activity over the years from 2005 and 2016, 2017.

5.3.5 Hampton Street

From 2011 to 2016, the population of the Hampton Street Major Activity Centre increased by 400 persons across 255 new dwellings. While current growth has been moderate, Hampton Street is expected to experience the highest level of growth in number of dwellings by 2031 amongst all Bayside Major Activity Centres. An additional 17,672 residents are expected to be housed in 748 new dwellings.

Figure 41: Population and dwelling stock change in Hampton Street Activity Centre 2011 to 2016 and 2031 forecast (usual residential population).



Source: .id consulting, City of Bayside Population Summary, 2016.

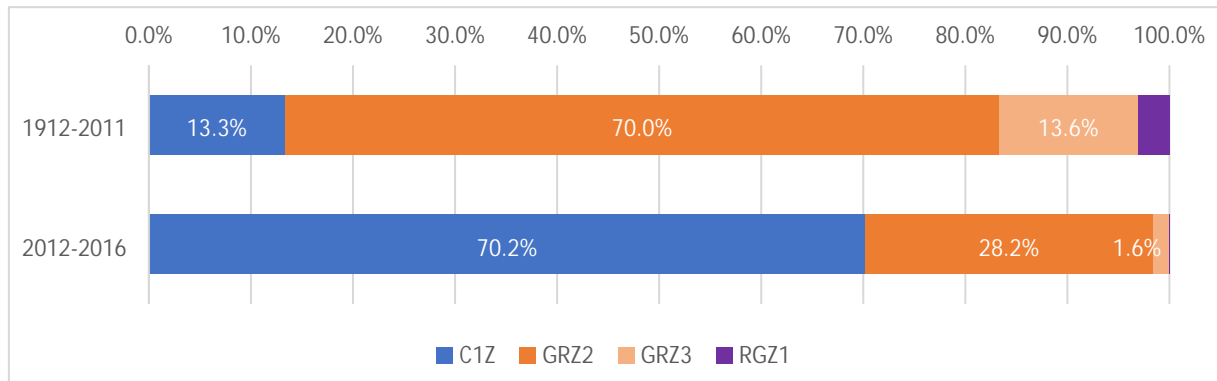
The proportion of lone person households increased by 2.7% to 28.42%, while family households decreased by 1.6% to 63.02%. The average household size has decreased by 0.06 over the 5 year period, this is expected to slightly increase by 0.01 by 2031.

The broad age category makeup of the population has remained largely unchanged, with the majority of the population being in the 20-64 age group.

The number of dwellings that are separate houses (39.63%) and medium density developments (39.22%) are approximately equal. An additional 19.39% of dwellings are high density developments. The proportion of residents who own or mortgage their properties have decreased by 4.6% over the 5 year period to 63.38%, while residents who rent have increased by 4.7% to 28.39%.

Most residents who moved into the Hampton St Major Activity Centre between 2011 and 2016 lived elsewhere in Hampton, followed by nearby suburbs of Brighton, Sandringham – Black Rock and Brighton East. New residents were far more likely to rent, while residents who did not move generally owned their properties outright.

Figure 42: Zone of dwellings in Hampton Street activity centre by built date, 1912-2011 compared to 2012-2016.



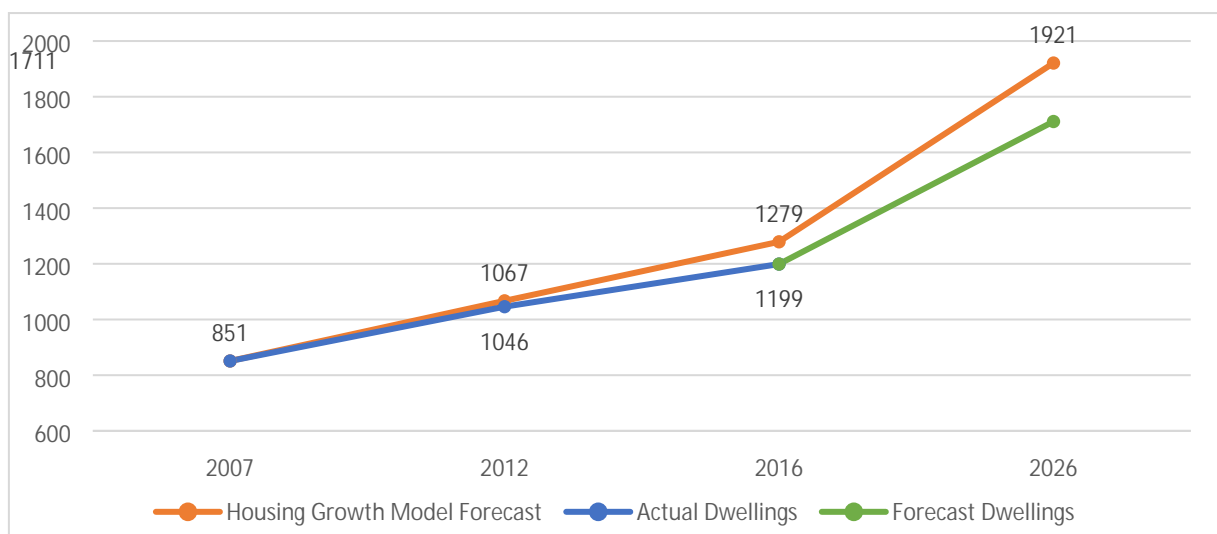
Source: Bayside City Council, Valuations Database, 2018.

The amount of dwellings built on commercial land has significantly increased since 2012 with new as-of-right residential development introduced in the Commercial 1 Zone, now accounting for 70.2% of new dwellings. Residential zones now account for a much lower proportion of development in the Major Activity Centre at 29.8% (refer Figure 42).

Most new dwellings in the activity centre consisted of 2 bedrooms (55%), followed by 1 bedroom (32%) and 3 bedrooms (9%). Prior to 2013, more dwellings were constructed with 3 bedrooms (29%) or 4 bedrooms (16%).

As of 2016, Hampton Street is experiencing slightly weaker growth than forecast. Housing supply is being provided through large scale developments on fewer lots, rather than smaller scale developments over many lots suggesting there is remaining housing capacity within the activity centre to meet forecast needs (refer Figure 43).

Figure 43: Forecast dwellings compared to actual number of dwellings, Hampton Street activity centre.

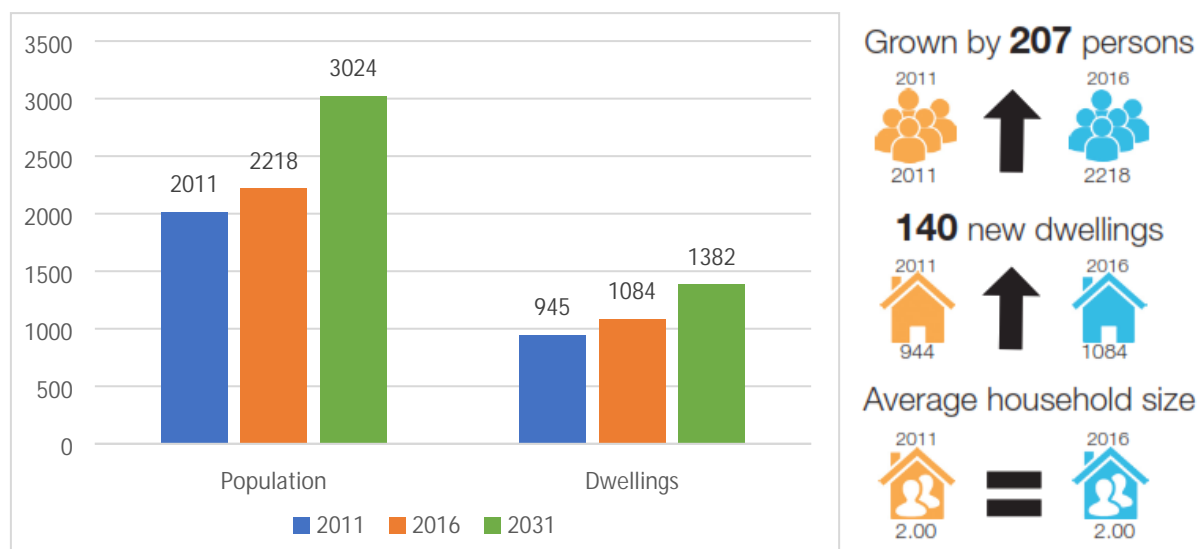


Source: CPG Australia, Bayside Housing Growth Model, 2011; Department of Environment, Land, Water and Planning, Project layer depicting housing activity over the years from 2005 and 2016, 2017; i.d. consulting, City of Bayside Population Summary, 2016.

5.3.6 Sandringham Village

From 2011 to 2016, the population within Sandringham Village Major Activity Centre increased by 207 persons across 140 new dwellings. By 2031, the centre is expected to house a further 806 persons across 298 dwellings (refer Figure 44).

Figure 44: Population and dwelling stock change in Sandringham Village Activity Centre 2011 to 2016 and 2031 forecast (usual residential population).



Source: i.d. consulting, City of Bayside Population Summary, 2016.

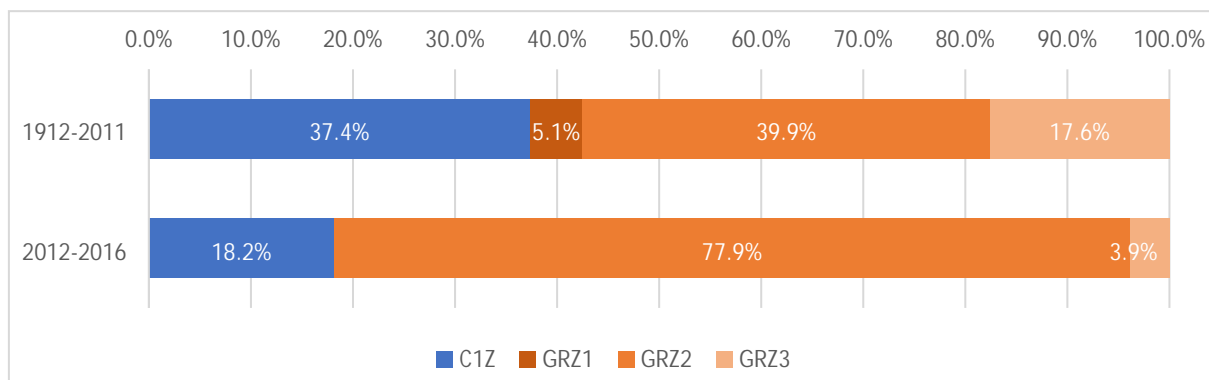
The proportion of lone person households increased by 2.7% to 28.42%, while family households decreased by 1.6% to 63.02%. Although the average household size remained unchanged, it is expected to increase by 0.09 by 2031.

The number of residents who are 19 or under saw a sharp drop of 21% while residents who are 65 and over increased by 41%. 23% of residents were born overseas.

Most residents who moved into Sandringham Village between 2011 and 2016 lived elsewhere in Sandringham - Black Rock, followed by nearby suburbs of Hampton, Brighton and Cheltenham. New residents were much more likely to rent, while residents who did not move were more likely to own their properties outright.

The density of dwellings in Sandringham village is distributed evenly between separate houses (32.53%), medium density (35.92%) and high density (30.43%). The proportion of residents who own or mortgage their properties have decreased by 3.8% over the 5 year period to 59.29%, while residents who rent have increased by 1.6% to 33.48%.

Figure 45: Zone of dwellings in Sandringham Village activity centre by built date, 1912-2011 compared to 2012-2016.



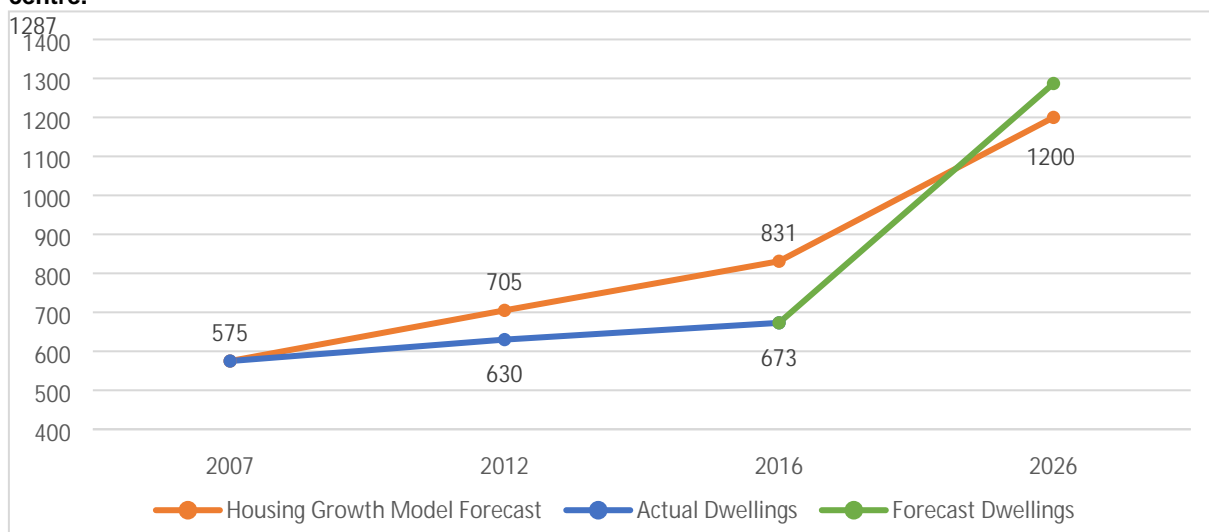
Source: Bayside City Council, Valuations Database, 2018.

As shown in Figure 45, fewer dwellings have been developed on commercial land since 2012 (18.2%), suggesting a shortage of suitable plots. Most new developments have occurred in residential zoned areas (81.8%).

Most new dwellings in the activity centre consisted of 2 bedrooms (51%), followed by 3 bedrooms (23%) and 1 bedroom (19%). 2 bedrooms were also the most common outside of the activity centre (39%). There is a much larger proportion of dwellings with 4 bedrooms (16%) and 5 or more bedrooms (4%).

As of 2016, Sandringham is experiencing less growth than forecast. Housing supply is being provided through large developments on fewer lots, rather than smaller scale development over many lots suggesting there is remaining housing capacity within the activity centre to meet forecast needs (refer Figure 46).

Figure 46: Forecast dwellings compared to actual number of dwellings, Sandringham Village activity centre.



Source: CPG Australia, Bayside Housing Growth Model, 2011; Department of Environment, Land, Water and Planning, Project layer depicting housing activity over the years from 2005 and 2016, 2017; i.d. consulting, City of Bayside Population Summary, 2016.

Implications for the Housing Strategy

- The Housing Strategy has been very effective in directing medium and high density development to Bayside's activity centres and strategic redevelopment sites, whilst retaining the low rise nature of the established residential areas.
- Approximately 425 net new dwellings have been delivered per year between 2012 and 2016. This figure is somewhat less than what is forecast to be required by VIF2016 figures (562 net new dwellings per year).
- However, a greater increase in housing is being delivered in the Major Activity Centres across fewer sites than anticipated through the Housing Strategy. Whilst there is the land use policies and capacity to enable more intense development within activity centres, it is not being delivered at the rate originally anticipated.
- There are also, a number of adopted Structure Plans that are yet to be implemented into the Bayside Planning Scheme that will provide additional housing capacity, as will the CSIRO strategic redevelopment site.
- Significant amount of change is occurring in the established residential areas in the form of one for one dwelling replacements. This is an important part of housing renewal but can cause community concern as it does involve change to the physical environment, short term disruptions to the flow of traffic and often clearing of mature vegetation. This type of development generally does not require planning permission.

Recommended changes to the Housing Strategy

- Update Chapter 4 of the Housing Strategy to reflect the information in this chapter.
- Continue to encourage increased density in activity centres and housing growth areas in line with adopted structure plans.
- Update the Housing Growth Model to better understand the increased housing capacity that will be available once all adopted structure plans are implemented into the Bayside Planning Scheme.
- Undertake market research to better understand factors that may be constraining higher density development in Bayside's Major Activity Centres.

Chapter 6 - Policy Context

Since the Bayside *Housing Strategy* was adopted in September 2012, there have been a number of changes to the policy context that influences Bayside's approach to housing and growth. These changes, and their implications for Bayside's *Housing Strategy* are outlined below.

6.1 State Policy

The State Government provides the overarching strategic direction in relation to accommodating future housing within Victoria.

6.1.1 Plan Melbourne

Plan Melbourne is Victoria's Metropolitan Planning Strategy. *Plan Melbourne* sets the vision and policy direction for the growth of Melbourne to 2050. *Plan Melbourne* replaced *Melbourne 2030*, the former Metropolitan Planning Strategy in 2014 and was refreshed in 2017.

Between 2015 and 2051, Melbourne is projected to grow by 3.4 million people, from a population of 4.5 million to almost 8 million. To remain liveable, it is important that Melbourne does not continue to sprawl to accommodate these additional people. The more Melbourne sprawls, the greater the risk it will become an unsustainable city, divided by disadvantage and inequity.

For population growth to be sustainable, housing needs to be provided in locations that capitalise on existing infrastructure, jobs, services and public transport. To achieve this, *Plan Melbourne* encourages housing development in and around activity centres, proximate to services, transport, and jobs. In addition, it seeks to increase the supply of social and affordable housing and to provide greater choice and diversity of housing.

Victoria in Future projections indicate that around 65 per cent of all new dwellings will be in Melbourne's established areas, with 35 percent in growth area greenfield sites.

Bayside is included within the Inner South East Region, which also includes the municipalities of Stonnington, Boroondara and Glen Eira. For the Inner South East Region this equates to 110,000 net new dwellings between 2015 and 2051 (refer Figure 48).

However, *Plan Melbourne* includes an aspirational scenario of 70 percent of new housing being provided within Melbourne's established areas and 30 percent being provided in growth area greenfield sites. Under, this scenario, an additional 15,000 new dwellings would be needed in the Inner South East Region to 2051 (total of 125,000 net new dwellings) as shown in Figure 48.

Figure 48: Plan Melbourne metropolitan regions and housing distribution scenarios.



Scenario 1 VIF 2016

Region	Net dwelling additions 2015–51		
	Total	Established	Greenfields
Inner Metro	215,000	215,000	0
Western	385,000	150,000	235,000
Northern	355,000	175,000	180,000
Inner South East	110,000	110,000	0
Eastern	175,000	175,000	0
Southern	310,000	185,000	125,000
Total Melbourne	1,550,000	1,010,000	540,000
	100%	65%	35%

Scenario 2 Aspirational scenario

Region	Net dwelling additions 2015–51		
	Total	Established	Greenfields
Inner Metro	230,000	230,000	0
Western	365,000	160,000	205,000
Northern	340,000	180,000	160,000
Inner South East	125,000	125,000	0
Eastern	190,000	190,000	0
Southern	300,000	195,000	105,000
Total Melbourne	1,550,000	1,080,000	470,000
	100%	70%	30%

Source: Department of Environment, Land, Water and Planning, 2017, Plan Melbourne.

There is a clear imperative within *Plan Melbourne* to deliver increased housing density in established residential areas, particularly, in activity centres and other places that offer good access to jobs, services and public transport. This is consistent with the policy objectives of the previous metropolitan plan, *Melbourne 2030*, with both encouraging housing development in and around activity centres,

close to services transport and jobs. However, *Plan Melbourne* has a stronger focus on delivering social and affordable housing.

6.1.2 Bayside Planning Scheme - State Planning Policy

Plan Melbourne is implemented through the individual local government planning schemes. Planning schemes are made up of State provisions, which are fixed state policy content, zones and overlays and local provisions which are specific to a particular municipality.

Since the adoption of the *Housing Strategy* in 2012, the State provisions of the Bayside Planning Scheme have changed quite considerable. The key changes are summarised below.

6.1.3 Amendment C106 and VC110, New Residential Zones.

On 1 July 2013, new residential zones were introduced into the Victorian planning system, including the Neighbourhood Residential Zone (NRZ), General Residential Zone (GRZ) and Residential Growth Zone (RGZ). Councils were given a year to amend their planning schemes to apply the new residential zones. If a Council was unable to do this, from 1 July 2014, all land in the municipality previously zoned Residential 1, 2 or 3 would be transitioned to the General Residential Zone.

The new residential zones were applied in Bayside on 18 June 2014, through Amendment C106. In Bayside, the Residential 1 Zone that previously applied to the majority of residential land was largely replaced with the Neighbourhood Residential Zone. The General Residential Zone was applied to land identified in the *Bayside Housing Strategy* as Moderate Residential Growth Areas, with a small amount of land adjacent to Hampton Station and a small amount of land directly adjacent to the commercial strip in Hampton East (Moorabbin) being zoned Residential Growth Zone. The public housing estate in New Street Brighton was also rezoned Residential Growth Zone in 2018 through Amendment C157.

Changes to the new residential zones were introduced to improve the operation of them in March 2017 (Amendment VC110). In particular, the changes:

- Allowed Councils to define the neighbourhood character and design objectives to be achieved in Schedules to the Zone;
- Strengthened building height controls in the Neighbourhood Residential Zone (NRZ) and the General Residential Zone (GRZ). The mandatory maximum height for development in the NRZ was changed from 8 metres to 9 metres (2 storey maximum remained). The discretionary height limit or development in the GRZ was changed from 9 metres to a mandatory maximum height of 11 metres (3 storeys);
- Introduced a new mandatory requirement for a minimum garden area to be provided in residential developments in the Neighbourhood Residential Zone (NRZ) and General Residential Zone (GRZ); and
- Removed the limit in the number of dwellings that can be built on land in the Neighbourhood Residential Zone (NRZ).

Prior to the introduction of these new zones, some residential areas of Bayside had mandatory height controls in place by way of Design and Development Overlays, however, the majority of Bayside did not. With the introduction of the new zones, the majority of residential areas of Bayside now have mandatory height controls in place, providing more certainty in relation to built form for both the community and developers. The only residential areas that do not have mandatory controls are 3 areas that are zoned Residential Growth Zone, that is: the public housing estate in New Street, Brighton; a small amount of land adjacent to Hampton Station; and a small amount of land directly adjacent to the commercial strip in Hampton East (Moorabbin).

Greater clarity on the interpretation and application of the minimum garden area requirement was provided through Amendment VC143. This amendment, amongst other things introduced the ability for Council's to remove the minimum garden area requirement in the General Residential Zone and also exempted lots in the GRZ and NRZ from the minimum garden area requirement if they are *'designated as a medium density housing site in an approved precinct structure plan or an approved equivalent strategic plan or in an incorporated plan or approved development plan.'*

Currently in Bayside, the minimum garden area requirement applies across all GRZ land, including land within activity centres that have adopted Structure Plans. To avoid any ambiguity, and challenges at VCAT, it is recommended that for GRZ land within identified Housing Growth Areas that have adopted structure plans, Council clarifies whether the minimum garden area requirement is to be applied.

6.1.4 Amendment VC148

This came into effect on 31 July 2018, with the aim of simplifying and modernising Victoria's planning policy and rules to make planning schemes more efficient, accessible and transparent.

This Amendment, amongst other things, reduced car parking requirements for land within walking distance (400m) of the Principal Public Transport Network. It also included within the Planning Scheme, as an incorporated document, a map of the Principal Public Transport Network.

The Principal Public Transport Network is a network of public transport routes where high quality public transport services are, or will be, provided. It is a statutory land use planning tool that supports integrated land use and transport planning by providing certainty about locations that are, or will be, served by high quality public transport and by encouraging more diverse and dense development in these locations to help support public transport usage.

For Bayside, areas within walking distance of the Principal Public Transport Network includes land within existing activity centres that is close to train stations, trams and high quality bus routes. However, it also extends to areas outside activity centres that are currently, or will be, served by high quality bus routes. These areas, outside activity centres, are currently zoned Neighbourhood Residential Zone, where minimal growth is encouraged.

State policy supports increased density of housing along the Principal Public Transport Network, with a Strategy under Clause 18.02-2R of the Bayside Planning Scheme stating *‘Maximise the use of existing infrastructure and increase the diversity and density of development along the Principal Public Transport Network, particularly at interchanges, activity centres and where principal public transport routes intersect.*

One of the options considered in developing the *Bayside Housing Strategy, 2012*, was to focus development in activity centres and along the Principal Public Transport Network. However, this option was not taken forward into the final *Housing Strategy* because, outside of activity centres, the Principal Public Transport Network in Bayside is bus based, with buses often unreliable and with limited service.

The *Bayside Housing Strategy 2012* therefore seeks to increase housing density in activity centres and other locations in close proximity to the fixed rail component of the Principal Public Transport Network, but not in locations that are only served by bus.

6.1.5 Homes for Victorians, 2017

Homes for Victorians is the State Government’s plan to increase and renew public housing and address homelessness. It includes 5 main initiatives:

1. Supporting people to buy their own home;
2. Increasing the supply of housing through faster planning;
3. Promoting stability and affordability for renters;
4. Increasing and renewing social housing stock; and
5. Improving housing services for Victorians in need.

As part of implementing this Plan, the Public Housing Renewal Program has identified numerous public housing sites across Melbourne as suitable for redevelopment for a mix of social, affordable and private homes.

One of these sites is the public housing site in New Street Brighton. There are currently 127 dwellings on the site and it is proposed that they will be replaced by at least 140 new public housing homes as well as private housing. The Department of Health and Human Services has established a Consultative Committee made up of key community members and representatives of local organisations to provide advice on the redevelopment of the estate.

6.1.6 Changes to Planning and Environment Act (1987)

On 1 June 2018, changes to the *Planning and Environment Act (1987)* (the Act) came into effect to help facilitate the supply of affordable housing through the planning system. These changes were:

- *Adding a new objective to the Act “to facilitate the provision of affordable housing in Victoria”;*
- *Providing a definition of affordable housing – “affordable housing is housing, including social housing, that is appropriate for the housing needs of very low, low, and moderate-income households”; and*

- *Affirming the use of section 173 for voluntary affordable housing agreements
“...a Responsible Authority may enter into an agreement with an owner of land
for the development or provision of land in relation to affordable housing”.*

These changes make it clear that the planning system has a role in facilitating affordable housing and clarifies that Responsible Authorities can enter an agreement under section 173 of the *Planning and Environment Act 1987* for the provision of affordable housing as part of a development.

6.2 Local Government Policy

Since the *Bayside Housing Strategy* was adopted in 2012, a number of important Council Plans/Strategies have been adopted. The key documents are summarised below.

6.2.1 Bayside Community Plan 2025

The *Community Plan* expresses a vision for Bayside for the next 10 years. Based on an extensive and ongoing community engagement process, it sits at the heart of Council's planning framework. In relation to housing and neighbourhoods, the community's aspiration is that, *by 2025, members of our community will live close to public transport, in a home that suits their stage of life and is close to the services and facilities needed. Development will be sensitive to the neighbourhood character and will enhance what is currently enjoyed in Bayside.*

6.2.2 Bayside Council Plan

The *Council Plan* sets out Council's vision, goals, strategic objectives and strategies for the Council's 4 year term in office. The following goals are of particular relevance to the *Housing Strategy Review*:

- Goal 1- Infrastructure - *‘Council will work together with the Bayside community to plan and deliver community infrastructure that responds to the changing needs of the Bayside community.’*
- Goal 2 – Transport - *‘Sustainable transport is the mode of choice, facilitated through the creation of a well- connected, safe, accessible and convenient transport system that positively contributes to a strong economy, the health and wellbeing of the community and a low-carbon future within Bayside.’*
- Goal 3 – Housing and neighbourhoods - *‘Neighbourhood housing development across Bayside will respect and enhance Bayside’s valued built and natural heritage and neighbourhood character. New housing growth will be focused on identified activity centres, demonstrating strong environmental credentials and providing a range of housing types to accommodate changing community needs.’*
- Goal 4 – Open space - *‘We will work together to build our open space network to support biodiversity, improve health and wellbeing and community connections, and provide access for current generations.’*
- Goal 5 – Environment - *‘Council and the Bayside community will be environmental stewards, taking action to protect and enhance the natural*

environment, while balancing appreciation and use with the need to protect natural assets for future generations.'

6.2.3 Wellbeing for All Ages and Abilities Strategy, 2017 – 2021

This Strategy outlines the health and wellbeing priorities for Bayside City Council for the next four years. Goal 1, An engaged and supportive community has two relevant objectives 1) *'Support opportunities that build social networks and community connections'* and 2) *'Improve access to affordable, appropriate and inclusive services'*. Goal 3, Safe and sustainable environments has two relevant objectives to 1) *'improve environmental sustainability'* and 2) *'improve community resilience to extreme weather events'*.

6.2.4 Bayside Integrated Transport Strategy, 2018 – 2028

This Strategy sets out a framework and specific actions to achieve a well connected, safe, accessible and convenient transport system that positively contributes to a strong economy, the health and wellbeing of the community and a low carbon future. Strategic Direction 15 of the *Integrated Transport Strategy* states:

'New land uses and development will be located in accessible locations that provide the greatest access to public transport and facilitate walking and cycling.'

6.2.5 Bayside Environmental Sustainability Framework, 2016 – 2025

This framework sets consistent direction and guidance for environmental planning and decision-making within Bayside City Council. Goal 4: Sustainable Places, has as a target:

'Improved environmental standards for new residential and commercial buildings and renovations in the planning and approval process.'

The indicator for this target being achieved is *'Environmental Sustainability requirements incorporated into planning scheme process, including Built Environment Sustainability Scorecard (BESS) or other superior rating tool.'*

6.2.6 Improving Housing Affordability and Social Housing Options in the City of Bayside – Advocacy Action Plan, June 2018

This Action Plan guides Council's advocacy efforts in relation to affordable and social housing in Bayside. Council has 2 objectives:

- To increase the supply of social and affordable housing on State Government land.
- To encourage and facilitate the private sector to deliver affordable housing stock.

The advocacy action plan aims to influence outcomes that:

- Maximise the provision of public and affordable housing;
- Achieve social integration;

- Respect neighbourhood character; and
- Ensure compliance with planning controls.

6.2.7 Bayside Climate Change Strategy – A Plan for Council’s Operations, 2012

This sets out how Council is responding to the challenges of climate change. It recognises that Council will need to plan for; increasing temperatures and extreme heat, longer dry spells interrupted by more storms and floods and rising sea levels.

To better understand how Bayside can address climate change hazards through land use planning, Council is involved in the Port Phillip Bay Coastal Planning Project. This project is currently underway and is being undertaken by the Municipal Association of Victoria (MAV) in conjunction with the Association of Bayside Municipalities (ABM), an association of ten municipalities (including Bayside City Council), that abut Port Phillip Bay.

The aim of the project is to assist the 10 Council’s around Port Phillip Bay to develop a consistent approach to addressing climate change hazards in land use planning.

The findings of this project will need to be considered and possible changes made to the Bayside Planning Scheme.

6.3 Bayside Planning Scheme - Local planning policy

Plan Melbourne is implemented through the individual local government planning schemes. Planning schemes are made up of State provisions, which are fixed state policy content, zones and overlays and local provisions which are specific to a particular municipality.

Since the adoption of the *Housing Strategy* in 2012, the local planning provisions of the Bayside Planning Scheme have been updated to show Key Focus, Moderate Residential and Minimal Residential Growth Areas and strategic redevelopment sites. In addition:

- Policies and controls to implement the Bay Street, Church Street, Sandringham and Hampton Major Activity Centre Structure Plans and the Black Rock Large Neighbourhood Activity Centre Structure Plan have been introduced into the Planning Scheme;
- Planning Scheme amendments to implement the structure plans for Martin Street and Hampton East Activity Centres have been progressed and are with the Minister for Planning awaiting a decision;
- A Planning Scheme amendment to provide built form guidance for all of Bayside’s Small Activity Centres has been progressed; and
- Structure Plans for the Highett Activity Centre and Pennydale Housing Growth Area have been adopted by Council and authorisation to commence an amendment has been sought from the Minister for Planning.

Implications for the Housing Strategy

- Strong State and local policy support for the Housing Strategy's approach to directing housing growth to activity centres and other locations in close proximity to transport and services and strategic redevelopment sites.
- Explicit State Government support for Local Council's to seek affordable housing from developers on a voluntary basis.
- Increased State Government focus on increasing development along the Principal Public Transport Network.
- Introduction of mandatory maximum heights and a minimum garden area requirement in the Neighbourhood Residential Zone and General Residential Zone.
- More research is being undertaken on how land use planning can address hazards associated with climate change.

Recommended changes to the Housing Strategy

- Update Chapter 1 – Introduction, and Chapter 2 – Policy Context, of the Housing Strategy to reflect the current policy context as outlined above.
- For General Residential Zone land within identified Housing Growth Areas that have adopted structure plans, clarify whether the minimum garden area requirement is to be applied.
- Update the Housing Strategy to reflect the findings of the Port Phillip Bay Coastal Planning Project once completed.

Chapter 7 - Recommendations of Planning and Advisory Panels

There have been a number of Planning and Advisory Panels that have been held to consider the implementation of the *Bayside Housing Strategy* specifically, and more widely the implementation of the State Government's new residential zones.

The following panel and advisory committee reports have been reviewed to determine, what if any changes are required to the *Housing Strategy* as a result of their recommendations:

- Residential Zones Standing Advisory Committee Report - Bayside Draft Amendment C125, 27 November 2014;
- Planning Panel Report – Bayside Amendment C140, May 2016; and
- Managing Residential Development Advisory Committee – Residential Zone Review, July 2016.

7.1 Residential Zones Standing Advisory Committee Report – Bayside Draft Amendment C125, 27 November 2014

Amendment C125 to the Bayside Planning Scheme proposed 3 percent of all Bayside's residential zoned land be zoned Residential Growth Zone (RGZ).

This Amendment was an outcome of discussions with the Minister for Planning's office concerning the proposed application of the new residential zones in Bayside under Amendment C106. To accommodate population projections of *Plan Melbourne*, the Minister for Planning's office considered that Bayside needed to identify 3-5 percent of land for inclusion in the RGZ (in addition to the approximately 3 hectares already proposed as part of Amendment C106). The Frankston rail corridor was identified as a key public transport asset and corridor for Melbourne that could support population growth. Council then identified appropriate areas along the Frankston rail corridor where the RGZ could be applied, and Amendment C125 was initiated. Amendment C125 proposed to apply the Residential Growth Zone to existing residential areas around activity centres at Hampton East (Moorabbin), Highett, Southland and Cheltenham.

Council referred the Amendment to the Residential Zones Standing Advisory Committee, a committee appointed by the Minister for Planning to provide advice on the introduction of the reformed residential zones across Victoria.

The Standing Committee found that whilst the intent of the Amendment to apply the Residential Growth Zone to existing residential areas around activity centres at Hampton East (Moorabbin), Highett, Southland and Cheltenham had broad strategic state and local policy support, the detail of where the zone was to be applied lacked local level strategic direction. It was based on a 400/800/1200 metre walking distance from the train stations at Moorabbin, Highett, Southland (proposed) and Cheltenham, however there was no detailed strategic rationale, specifically in the

form of structure plans, to support this. The Committee found that the application of the RGZ should be based on a thorough analysis of potential areas to accommodate growth rather than using a percentage figure as a starting point.

The Committee acknowledged that, notwithstanding the extent of opposition to the draft Amendment C125, there were areas around the activity centres on both the Frankston and Sandringham railway lines that could be identified as Residential Growth Zone in response to the request from the Minister.

The Residential Zones Standing Advisory Committee recommended that:

- Draft Amendment C125 be abandoned;
- Council should prepare structure plans for Hampton East (Moorabbin), Cheltenham and Southland activity centres, in conjunction with the City of Kingston, to identify a robust basis on which to apply the Residential Growth Zone; and
- Council should review the Highett Structure Plan (2004), in conjunction with the City of Kingston, to identify a robust basis on which to apply the Residential Growth Zone.

7.2 Planning Panel Report – Amendment C140, May 2016

Amendment C140 sought to implement the policy components of the *Bayside Housing Strategy* by making changes to local policy and changes to Schedule 3 to the Neighbourhood Residential Zone (NRZ).

The amendment sought to introduce clear local policy directing housing and population growth to identified Housing Growth Areas, areas with convenient access to shops, services and public transport. At the same time it sought to enhance the valued neighbourhood and garden character in the Minimal Residential Growth Areas by increasing setbacks and increasing the amount of space provided for private recreation and enjoyment in the Neighbourhood Residential Zone.

To achieve this, the amendment proposed to introduce a minimum subdivision lot size of 400 square metres and to impose stricter standards for residential development relating to permeability, open space and rear setbacks in the Neighbourhood Residential Zone.

Council utilised a Housing Growth Model to model the impacts of the proposed planning changes on housing capacity in Bayside. The Model found that the proposed policy changes would still enable sufficient housing to be provided to meet the projected population increase in Bayside.

However, the Planning Panel appointed to consider the Amendment concluded that the Amendment had several fundamental flaws and should be abandoned, primarily because the Panel considered:

- There was no justification for the proposed changes to Schedule 3 to the NRZ. These changes were not proposed by, nor supported by the *Housing Strategy*;

- The approach proposed to stifle nearly all development in the established residential areas through the changes to the NRZ Schedule was not a sound response to State policy. State policy seeks to provide a diverse mix of housing within each municipality and the changes to the Schedule would fail to meet the apparent housing demand in Bayside for semi-detached or detached dwellings; and
- Council's reliance on a Housing Growth Model to demonstrate that aggregate housing numbers can be provided for is not sound planning. Rather it should be an input to a more fulsome strategic review of the *Housing Strategy* and Bayside's housing needs.

The Panel also criticised the definition of low density housing in the *Housing Strategy*, that is, 'residential developments in residential zones of up to two dwellings no more than two storeys and which present a single dwelling appearance to the streetscape...' (pg 72, *Bayside Housing Strategy*, 2012)

It was the view of the Panel that the 'single dwelling appearance to the streetscape' part of the definition was too restrictive and that other forms of development may be appropriate depending on the circumstances of the site and the surrounding area.

The Panel also criticised the Amendment's 'blanket approach' to the protection of neighbourhood residential character on the basis that all residential areas within the NRZ are essentially the same. The Panel was concerned that this approach did not reflect a more sophisticated and nuanced view of residential character. The protection of the residential character of an area must be properly founded on sound research and detailed planning. In addition, any further controls must be balanced against the need to provide growth and housing choice.

The Panel went on to recommend that Council review the *Housing Strategy* having regard to the comments by the C140 Panel and other recent Panel and Advisory Committee reports. The Panel recommended that this review should include a detailed review of the activity centres – especially the capability of activity centres along the Sandringham rail line and the Pennydale area to accommodate additional housing.

7.3 Managing Residential Development Advisory Committee

The Managing Residential Development Advisory Committee was appointed by the Minister for Planning in November 2015 to report on the application of the zones that provide for residential development in metropolitan Melbourne and four regional centres.

In January 2016, the Advisory Committee prepared a *Residential Zones State of Play Overarching Report*, reports for each *Plan Melbourne* subregion and a combined report for the regional centres.

These reports established the demographic and housing supply context for reviewing the application of the new residential zones, looking at Victoria's (then) current and projected demographic changes and how these may ultimately influence housing

demand, as well as detailed information on housing supply trends. The purpose of these reports was to assist the community, the development industry and the Managing Residential Development Advisory Committee to review the implementation of the new residential zones.

Following on from these *Residential Zones State of Play* reports, in July 2016, the Committee released a *Residential Zone Review*. This Review discussed the implementation and monitoring of the new residential zones and recommended improvements to the zones that provide for residential development. The findings of this report, and the implications for Bayside are discussed in more detail below.

7.3.1 Residential Zone Review, July 2016

This review considered the roll out and application of the reformed residential zones.

The Review found that the roll out and application of the reformed zones had caused widespread angst and confusion. The former Residential 1 Zone was the default residential zone, and the reformed General Residential Zone was intended to be the new default zone. In many municipalities, it was. However, in some of the early planning scheme amendments that implemented the reformed residential zones (including Bayside), land that was largely in the Residential 1 Zone was directly translated to the more restrictive Neighbourhood Residential Zone, through a section 20(4) process (no public notice).

This caused other Councils to seek similar levels of Neighbourhood Residential Zone protection, and the situation emerged where much of inner and middle suburban Melbourne was perceived to be 'locked up' to protect the suburbs. Data from the *Residential Zones State of Play* reports indicate that 12% of metropolitan Melbourne is located within the Neighbourhood Residential Zone, but when that data is unpacked, there are six municipalities within the inner and middle band that have over 50% of residential land in the Neighbourhood Residential Zone, with three Councils (one being Bayside) having in excess of 70%.

One of the key findings of the Committee was that there was a lack of rigour and transparency in the early application of the zones, particularly the Neighbourhood Residential Zone. It was not until the Residential Zones Standing Advisory Committee process that questions were asked about why and how the Neighbourhood Residential Zone had been applied as the default zone in many municipalities. The Committee considered that in instances where the application of the Neighbourhood Residential Zone had been applied as the default zone, this zoning should be further reviewed.

Implications for the Housing Strategy

- Support for Structure Plans to be undertaken for Housing Growth Areas and for the use of the Residential Growth Zone to be considered in these locations.
- Perception by State Government that the widespread application of the Neighbourhood Residential Zone in Bayside will stymie housing development.
- Perception by State Government that too much of Bayside is zoned Neighbourhood Residential Zone.
- Housing Growth Model to inform *Housing Strategy Review* but not drive it. Focus on realising opportunities for increasing housing density in areas that are in close proximity to fixed rail public transport, shops and services.

Recommended changes to the Housing Strategy

- Update the Housing Strategy to recognise that:
 - Structure plans have been prepared and adopted for Hampton East (Moorabbin), Cheltenham and Southland activity centre (now known as Pennydale, not an activity centre) to identify what type and level of growth is appropriate in each location.
 - Highett Structure Plan (2004) has been reviewed, and a revised plan adopted.
 - Reviews of the Bay Street, Church Street, Hampton Street and Sandringham Major Activity Centre Structure Plans have been undertaken to look at the effectiveness of the implementation of these structure plans and ensure that the key strategic planning issues facing the centres are identified and addressed. These reviews did not look at zoning or boundary changes as the existing controls are generally working well and delivering increased housing density and diversity.
- Amend the Strategic Framework Plan in the Housing Strategy and relevant text to reflect the above structure plans.
- Remove reference to 'single dwelling appearance to the streetscape' from the definition of low density in the Housing Strategy.
- Update the Housing Strategy, using the most current ABS census data. Outline Bayside's housing needs and how these needs will be met, focusing on housing need, affordability and diversity.
- Given the commentary in the *Residential Zone Review*, include a new section in the Housing Strategy which demonstrates that Council's application of the residential zones is delivering housing density and diversity, and reinforce the role that Bayside is playing in implementing Plan Melbourne.

Chapter 8 - Implementation of the Bayside Housing Strategy

The *Bayside Housing Strategy* includes a detailed implementation plan that sets out 65 actions that need to be undertaken by Council.

The majority of these actions have either been completed or are underway, including:

- New residential zones applied across Bayside, consistent with the Residential Strategic Framework Plan from the *Housing Strategy*;
- Structure Plans completed for all Major Activity Centres and the Pennydale Housing Growth Area;
- Structure Plans completed for all Large Neighbourhood Activity Centres;
- Design frameworks completed for all Small Activity Centres;
- Open Space Strategy completed and open space levy introduced to fund provision of and improvements to open space in Bayside;
- Special Building Overlay updated in conjunction with Melbourne Water to ensure that the risk of flooding on development can be managed and similarly the effect of development on flooding can be assessed;
- Excellence in design recognised through the Bayside Built Environment Awards;
- Advocating to the State Government for the redevelopment of current public housing stock to increase and improve the public housing supply in Bayside;
- Review of vegetation controls in the Bayside Planning Scheme undertaken and list of preferred trees to be included in landscaping plans developed; and
- Monitoring residential development and changing demographic trends and associated demand for housing.

The actions that have not commenced or are only partially commenced, predominately relate to the following issues:

- **Amending the Planning Scheme** - to reflect the policy components of the *Housing Strategy*;
- **Environmentally Sustainable Design** - incorporating Sustainable Design in the Planning Process into the Bayside Planning Scheme and investigating other mechanisms to ensure development in Bayside delivers best practice Environmentally Sustainable Design;
- **Residential Aged and Disability Care** – providing information to developers about the demand for residential aged and disability care accommodation and ensuring these developments respect built form, neighbourhood character and the streetscape;
- **Adaptable Housing Design** – advocating for and encouraging adaptable housing design;
- **Social and Affordable Housing** – encouraging more social and affordable housing in Bayside to be provided;

- **Vegetation** – encouraging the retention of existing canopy trees and the planting of new canopy trees on development sites;
- **Physical and social infrastructure provision** – developing a timeframe for prioritised provision of physical and social infrastructure to meet the needs of the increasing population; and
- **Monitoring and review** – monitoring of key infrastructure, physical and social/community to ensure it is, and will continue to, meet the needs of the community.

Each of these issues is discussed in further detail in the Key Issues and Challenges section as is the *Housing Strategy*'s approach to managing growth, given this is a fundamental component of the Strategy.

Chapter 9 - Key Issues and Challenges

9.1 Amending the Planning Scheme

One of the most important components of the *Housing Strategy*, the approach to managing growth, was implemented into the Planning Scheme in June 2014 with the introduction of the new residential zones and the introduction of the Residential Strategic Framework Plan. However, a number of the other policy components of the *Housing Strategy* were never implemented into the Planning Scheme:

- Including the *Housing Strategy* vision into the Planning Scheme; and
- Including the recommended objectives and strategies from the *Housing Strategy* in the Planning Scheme.

This has meant there are gaps in the Bayside Planning Scheme. For example, the current Strategic Vision in the Planning Scheme does not reflect the Vision outlined in the *Housing Strategy*.

In addition, the *Bayside Housing Strategy* recommends preparing Structure Plans for all Housing Growth Areas. The majority of these Structure Plans have now been completed, with the exception of Cheltenham and Elsternwick Housing Growth Areas.

The Cheltenham and Elsternwick Housing Growth Areas are predominately residential in nature, on the periphery of the activity centre, and now have mandatory 3 storey height controls in place through the General Residential Zone.

Planning Practice Note 58 – Structure Planning for Activity Centres provides guidance to councils on the activity centre structure planning process. Amongst other things, a structure plan should:

- Articulate the shared vision for the centre;
- Define the activity centre boundary;
- Provide for housing choice and diversity; and
- Provide opportunities for further retail, entertainment, office and other commercial/business services.

Both Elsternwick and Cheltenham Activity Centres have existing structure plans which define the activity centres as being located wholly within Glen Eira and Kingston Councils respectively.

Given the above, it is recommended that a more targeted urban design framework or neighbourhood character study be undertaken rather than a structure plan. A neighbourhood character study would assess the character of each area and determine what the preferred future character of each area is, recognising that they are both locations where increased housing density is encouraged. An Urban Design Framework would take this one step further and look at specific design details at a practical level, including movement patterns and urban form.

Implications for the Housing Strategy

- The Vision, Objectives and Strategies from the Housing Strategy have not been included in the Bayside Planning Scheme. This has meant there are gaps in the Bayside Planning Scheme. For example, the current Strategic Vision in the Planning Scheme does not reflect the Vision outlined in the Housing Strategy.
- The remaining Housing Growth Areas around Cheltenham station and Elsternwick are predominately residential in nature, on the periphery of the activity centre, and now have mandatory 3 storey height controls in place through the General Residential Zone.

Recommended changes to the Housing Strategy

- Following this Review, update the Housing Strategy and commence a Planning Scheme amendment to implement the Vision, Objectives and Strategies of the updated Housing Strategy.
- Update the Housing Strategy to require a neighbourhood character study or Urban Design Framework to be undertaken for the Housing Growth Areas around Cheltenham station and Elsternwick instead of a Structure Plan.

9.2 Managing Growth

As discussed previously, the *Housing Strategy* sets out how and where increased housing density in Bayside will be located. It focuses medium and high density development in Housing Growth Areas (activity centres, residential areas in close proximity to fixed rail public transport in Kingston and Glen Eira and strategic redevelopment sites).

The Minimal Residential Growth Areas are those areas located outside of the Housing Growth Areas, they make up the majority of residentially zoned land in Bayside. These areas are expected to contribute to accommodating housing growth within Bayside, but to a lesser extent, whilst maintaining the low density scale of these areas.

There is continued policy support for the *Housing Strategy's* approach to directing housing growth to activity centres and other locations close to public transport, shops and services. This approach is consistent with Plan Melbourne and State planning policy which seeks to locate new housing in designated locations that offer good access to jobs, services and transport (Clause 16.01-2S). This enables development to take full advantage of investment in transport, utility, social, community and commercial infrastructure and services.

9.2.1 Principal Public Transport Network

Recent changes to State planning policy has increased the prominence of the Principal Public Transport Network (PPTN) in the Planning Scheme. Substantial areas of land included within these maps are not identified as Housing Growth Areas in the *Bayside Housing Strategy* (Figure 49).

Please note, Figure 49 uses the Residential Strategic Framework Plan from the Bayside Planning Scheme as the base map. As such, it does not reflect the updated boundaries for the Highett Activity Centre, Hampton East Activity Center or Pennydale Housing Growth Area as detailed in the respective adopted Structure Plans. Whilst these plans have been adopted by Council, they have not yet been implemented into the Planning Scheme.

Figure 49: Principal Public Transport Network Area - Bayside



As part of this review, consideration has been given to whether these areas should be included as Housing Growth Areas. It is considered that the current approach outlined in the *Housing Strategy* should be retained for the following reasons:

- **The existing approach is consistent with State Government policy, which seeks to increase density in areas with the best access to public transport, job and services.**

Whilst State Policy supports increased housing density along the Principal Public Transport Network (PPTN), in Bayside, the areas along the PPTN that are outside activity centre/housing growth area boundaries are not currently well served by high quality public transport. For example, Bus Route 822 and 828 which are included within the Bay Road PPTN route have a 20 -30 minute frequency at peak times, whilst bus route 703 and 630 which are included within the PPTN in Brighton have a 10-15 minute frequency at peak times. In addition to low service frequencies, bus routes are circuitous, non-direct and slow and there is poor coordination with rail services.

A *Metropolitan Bus Service Review for Bayside/Kingston, Boroondara/Glen Eira, 2010* was undertaken by the Department of Transport. The primary objective of the review was to develop a bus network that would serve community needs now and into the medium term future. It recommended a number of changes to existing bus routes in Bayside to improve coverage and service times, these changes have not been implemented.

Council has identified a range of actions that would add significant value to the public transport network in Bayside:

- Improve bus service frequencies for all bus routes to every 10 minutes during peak hours; and every 20 minutes during the inter-peak and off-peak periods;
- Extend bus services later into the evening;
- Conduct a full bus services review of all rail-bus interchange connections within the municipality to improve bus-rail service connectivity;
- More bus shelters at bus stops within Bayside;
- Bike racks on all bus routes to integrate bicycle trips with bus trips; and
- Resource genuine community engagement as part of the designing and implementing of public transport service changes effecting Bayside.

These actions have yet to be implemented by the State Government.

- **The existing approach is supported by the community.**

The *Draft Housing Strategy, 2011* included a number of different options for how Bayside could accommodate housing growth. One of these options was to focus development in Activity Centres and along the PPTN. Following extensive public consultation, this option was not taken forward into the final *Housing Strategy*, with housing development instead focused in Major Activity Centres and Neighbourhood Activity Centres and strategic redevelopment

sites. The reason increased density along Principal Public Transport Network was not taken forward was because, in Bayside, most of this network is bus based, with buses often unreliable and with limited service. Unlike fixed rail, there is no guarantee that bus routes will remain the same and the State Government has not committed to increasing reliability or service in Bayside. As such, their ability to meaningfully accommodate growth is questionable.

The development potential of small activity centres on Hawthorn Road (along which the route 64 tram runs) has been considered under Amendment C126.

- **Significant housing density being provided under existing planning policy and controls.**

Should additional housing capacity be required in the future, and the State Government delivers improved reliability and service for buses in Bayside, locations along the PPTN can be reconsidered for increased housing density.

9.2.2 Activity centre boundaries

There has also been some community concern with the current activity centre boundaries, with some community members seeking a review of the boundaries with a view to reducing the extent of the activity centre.

One of the actions in the *Council Plan 2017-2021* is to ‘Undertake a review of Council’s Housing Strategy and Neighbourhood Character and Residential Design Policy Framework to review the boundaries of activity centres’ (Goal 3, Housing and Neighbourhoods).

However, there is no justification to review existing activity centre boundaries. These boundaries were determined through a rigorous structure planning process involving significant community involvement and were tested by Planning Panels before being implemented into the Bayside Planning Scheme. Currently, it is anticipated that there will be sufficient housing capacity within identified housing growth areas (including activity centres) to deliver the required number of houses in the short to medium term (to 2031). However, in the longer term, given the increasing population of Melbourne, it is likely that additional housing capacity will be required. If this is the case, a future review of the *Housing Strategy* can consider where additional housing density could be delivered. This could involve increasing activity centre boundaries, or could involve consideration of other locations, for example residentially zoned land abutting the Principal Public Transport Network.

Should a future review of the *Housing Strategy* identify that activity centre boundaries should be reviewed, the review of individual boundaries would need to be undertaken as part of a structure plan review process, noting that most activity centres have had reviews in recent years.

It is also important to recognise that any review of activity centre boundaries is likely to result in an increase, rather than a decrease, in the extent of the activity centre. This is due to the increasing population of Melbourne and the State policy imperative

of increasing housing density in activity centres and other locations that are well located in relation to jobs, services and public transport. The increased prominence of the Principal Public Transport Network in the Scheme also indicate that there is substantial land outside Bayside's identified Housing Growth Areas that are likely to be designated for growth if activity centre boundaries are reviewed.

9.2.3 Strategic redevelopment sites

The *Housing Strategy* identified seven strategic redevelopment sites where increased housing density would be supported. Four of these sites are now within Small Activity Centres, with specific planning controls relating to this designation, one site is now within the Hampton East Major Activity Centre, with specific planning controls relating to this designation and one has been developed (Jack Road, Mirvac development). This leaves one strategic redevelopment site, the CSIRO site.

To be identified as a strategic redevelopment site in the *Housing Strategy*, the site had meet the definition within the Clause 16.01-3 of the Bayside Planning Scheme. That is:

- In or within easy walking distance of a Major Activity Centre.
- In or beside a Neighbourhood Activity Centre that is served by public transport.
- On or abutting tram, train, light rail or bus routes that are part of the Principal Public Transport Network and close to employment corridors...and Major Activity Centres.
- In or near major modal public transport interchanges that are not in Major Activity Centres.
- Able to provide ten or more dwelling unit, close to activity centres and well served by public transport.

As a result of changes to the State section of the Bayside Planning Scheme, this definition no longer exists. Rather Clause 16.01 – 2S refers to locating new housing in designated locations that offer good access to jobs, services and transport. The Victorian Planning Authority refers to urban renewal precincts that can deliver on key policy commitments that benefit the wider community.

To remove any ambiguity, and to enable Council to fairly and transparently identify and/or consider requests from land owners for their site to be considered a strategic redevelopment site, the following updated definition of a strategic redevelopment site is proposed to be included in the updated *Housing Strategy*:

- Within 800m walk of a train station; or
- Within 400 metres of the Principal Public Transport Network and major community infrastructure (eg. School, large open space); and
- Able to deliver on key Council policy commitments such as providing affordable housing and sustainable green spaces to the wider community; and
- Not within the Bayside Business District, a key employment precinct in Bayside.

Implications for Housing Strategy

- Increased State government support for housing density along the Principal Public Transport Network, which includes land in Bayside that is currently zoned Neighbourhood Residential Zone.
- Community interest in reviewing and reducing activity centre boundaries.
- Definition of strategic redevelopment sites no longer included in Clause 16 of Bayside Planning Scheme.

Recommended changes to the Housing Strategy

- Retain existing approach to managing growth in the updated Housing Strategy. This approach seeks to increase density in areas with the best access to public transport, job and services, recognising that bus services in Bayside are often unreliable and with limited service.
- Clearly outline the scope of the Housing Strategy. Its role is to set the strategic framework for housing in Bayside, not to undertake detailed planning for specific areas. As such, any review of activity centre boundaries should be undertaken as part of a structure plan review, not as part of the *Housing Strategy Review*.
- Include an updated definition of strategic redevelopment sites.

9.3 Environmentally Sustainable Design in the Built Environment

The *Bayside Housing Strategy* included a number of actions to improve the environmental performance of dwellings within Bayside including incorporating Sustainable Design Assessment in the Planning Process (SDAPP) into the Bayside Planning Scheme and investigating other mechanisms to ensure development in Bayside delivers best practice Environmentally Sustainable Design (ESD).

Many of these actions have been completed or are ongoing, including:

- Advocating to the State Government to strengthen the environmental performance requirements for new developments;
- Working with the State Government to plan for potential impacts of climate change within Bayside;
- Educating and informing the community about ecologically sustainable initiatives they could incorporate into new and existing dwellings (eg. 'Speed Date a Sustainability Expert' and promotion of 'Sustainable House Day');
- Seeking to make the Water Sensitive Urban Design Policy in the Bayside Planning Scheme a permanent policy;
- Advocating to the Australian Building Code Board to incorporate into the Building Code of Australia a requirement that all new developments must achieve a 6 Star Green Certified Rating; and
- Introducing a new category into the Bayside Built Environment Awards show casing exemplar environmentally sustainable developments.

However, the inclusion of SDAPP into the Bayside Planning Scheme has not yet commenced. This is a key step in reducing the area's carbon footprint and achieving other positive environmental, economic and social outcomes. The following section sets out a recommended approach to implementing ESD through the planning system in Bayside.

9.3.1 Current ESD Policy Setting in Bayside

Currently, planning permit applicants can voluntarily address sustainable criteria in their application using the SDAPP framework. A number of Victorian Councils developed SDAPP to be a consistent and transparent sustainable design assessment process in relation to planning applications.

SDAPP refers to the inclusion of 10 key environmental performance considerations into the planning permit approvals process in order to achieve more sustainable building outcomes for the long-term benefit of the wider community. These include:

1. Indoor environment quality;
2. Energy efficiency;
3. Water resources;
4. Storm water management;

5. Building materials;
6. Transport;
7. Waste Management;
8. Urban Ecology;
9. Innovation; and
10. On-going building and site management.

The framework has been used for the past decade and there is a precedent supported by the Victorian Civil & Administrative Tribunal (VCAT) that upholds these requirements for large developments. In Bayside, all applicants are encouraged to voluntarily consider the 10 key Sustainable Building Categories within their design, however it is not a requirement in the Bayside Planning Scheme.

In other aspects of environmentally sustainable design, Council also applies its planning powers to implement Water Sensitive Urban Design (WSUD) principles to reduce stormwater going into the Port Phillip Bay. Additionally, Council implements the state standard requirements for apartment developments (Clause 55.07 of the Bayside Planning Scheme) and objectives and standards for residential subdivision (Clause 56) which both have regard to ESD principles. Bayside City Council also organises the Bayside Built Environment Awards, which includes a best ecologically sustainable design category as part of an education approach to ESD.

9.3.2 The need for an ESD Policy

There is a recognised need for greater statutory weight of ESD principles. One of the actions of the *Housing Strategy* was to require all developments to apply SDAPP tools to residential, commercial and industrial developments.

This is further supported by the *Bayside Environmental Sustainability Framework*, which outlines that the development of an ESD policy is a key action for creating a more ecologically sustainable Bayside. Reducing carbon emissions, the demand for water, and improving the quality of runoff storm water entering Bayside's beaches and Port Philip Bay are all imperatives acknowledged in the framework.

Need for an ESD policy is also referred to in Council's Strategic Vision (Cl. 21.02-4 of the Bayside Planning Scheme), and Council's Built Environment and Heritage policy (Cl. 21.06 of BCC Planning Scheme) identifying further strategic work to:

"Prepare an Environment Sustainability Strategy aimed at identifying ways to achieve more sustainable development outcomes within the municipality."

In short, a formalised ESD process is needed, which is best achieved through amending the planning scheme to include an ESD planning policy.

9.3.3 Approaches to ESD in other councils

Joint planning scheme amendments coordinated through CASBE

ESD is a keystone principle in Victoria's planning system, embedded in the strategic objectives of state and local planning provisions. However, there is often a disconnect between these higher order objectives and achieving on the ground ESD outcomes. As a result, a group of leading Victorian Councils, The Council Alliance for a Sustainable Built Environment (CASBE), adopted a local planning amendment and created the Built Environment Sustainability Scorecard (BESS) to enable local councils to require higher environmental standards in all new buildings and renovations.

Thus far 18 municipalities have successfully incorporated ESD policies into their planning schemes, (including nearby Kingston, Stonnington and Port Phillip councils), with eight more Councils currently progressing amendments.

The purpose of the policy is to provide statutory weight to the current voluntary approach adopted for applications under the SDAPP program, setting policy objectives and application requirements for residential, mixed use and non-residential development.

Function of the ESD policy

Introduced into the Planning Scheme, the policy covers the following ESD principles:

- Energy efficiency;
- Water resources;
- Indoor environment quality;
- Stormwater management;
- Transport;
- Waste management; and
- Urban ecology.

It typically requires all planning applications over a certain size to be accompanied by either a Sustainable Design Assessment (SDA) for smaller developments or a Sustainable Management Plan (SMP) for larger developments.

An SDA is a simple sustainability assessment which is considered to be commensurate to smaller scale developments and can be completed in most cases without the need for a qualified expert. Larger scale development applications are expected to provide a more comprehensive SMP which typically involves engaging qualified experts/sufficiently trained staff.

In either case, the SDA or SMP is informed by using the Built Environment Sustainability Scorecard (BESS) or similar tool. BESS is an assessment tool that allows planning permit applicants to assess how well a proposed development incorporates sustainable design and to experiment with potential improvements along the way. The tool is also used by the statutory/ESD planner in evaluating the ESD credentials of the proposed development.

Twenty four Council's currently subscribe to BESS and make it free to applicants, with more than 350 projects currently being assessed every month using BESS for developments in these municipalities.

9.3.4 What is required to introduce the policy into the scheme?

The amendment follows the same procedure as any other planning scheme amendment, however preparation for it is simplified as much of the research, justification and policy drafting has already been undertaken by the 18 Councils that already have ESD policies in their planning schemes.

The last round of Council's (Brimbank, Greater Bendigo, Greater Dandenong, Hobsons Bay, Kingston, Whittlesea and Wyndham) did not have to exhibit their amendment as the Minister for Planning decided to exercise his power under section 20(4) of the Planning and Environment Act, 1987 to exempt himself from notice and prepare, adopt and approve the amendment.

9.3.5 Benefits of implementing ESD policy

Strategic Benefits

Strategic benefits of implementing ESD policy include:

- Aligning with Council's objectives in the *Bayside Environmental Sustainability Framework*. This will help to create a more ecologically sustainable Bayside, reducing carbon emissions, demand for water, and improving the quality of runoff storm water entering the bay and Bayside's beaches;
- Delivering housing stock that is safer and more suitable for climatic extremes, which is especially relevant for Bayside given the high proportion of older residents, who are particularly vulnerable to heat related illnesses. This helps Council deliver on its liveability goals;
- Reducing living costs associated with heating and cooling through better passive thermal performance, which is especially important for residents living on retirement savings;
- Strengthening ESD decision making and giving weight to VCAT disputes; and
- Saving developers' costs at the planning stage by having ESD incorporated into the design early in the phase of the project.

Environmental and Economic Benefits

Using data from BESS assessments, the City of Whittlesea calculated an average environmental benefit. They found an average dwelling utilising the ESD principles outlined in the policy will see a reduction of 4.3 tonnes of CO₂, 3400KwH, and 24,000 litres of water annually. Using the current price of water, electricity and gas this is an annual saving of \$1,189 per household.

Implications for Housing Strategy

- Eighteen Councils have already introduced an Environmentally Sustainable Design policy into their Planning Schemes requiring planning applications over a certain size to undertake a sustainability assessment. This is to ensure environmental sustainability is considered at the planning stage.
- There is currently no State ESD policy. However, a short term action in Plan Melbourne was to review planning and building systems to support environmentally sustainable development outcomes. This was due to be completed by the end of 2018, but has not yet been. It is therefore anticipated that a State wide ESD policy may be imminent.

Recommended changes to the Housing Strategy

- Housing Strategy to retain section on sustainable development and Environmentally Sustainable Design.
- Retain the following actions in the Housing Strategy relating to ESD:
 - Advocate to the State Government to strengthen the environmental performance requirements for new developments.
 - Work with the State Government and other Councils to incorporate Sustainable Design in the Planning Process (SDAPP) into the planning system.
 - Seek to require all developments to apply SDAPP tools to residential development and commercial and industrial development (eg BESS assessment).
 - Educate and inform the community about environmentally sustainable initiatives that they may incorporate into new and existing dwellings.
- If a State ESD policy is not introduced by the end of 2019, undertake a Planning Scheme amendment to introduce an ESD policy into the Bayside Planning Scheme as a high priority.
- Provide an information sheet to developers as part of planning pre-application discussions illustrating how ESD can be incorporated into dwelling design.

9.4 Aged care and retirement living in Bayside

The *Bayside Housing Strategy 2012* incorporated housing for the elderly as part of Bayside's future housing needs to 2031.

The *Housing Strategy* includes three actions in relation to residential aged and disability care facilities;

- Provide information to developers about the demand for and opportunities to provide, residential aged and disability care accommodation within the municipality and how to deliver these facilities whilst respecting the surrounding built form and neighbourhood character;
- Develop guidelines for the development of residential aged and disability care facilities relating to appropriate built form, whilst respecting the surrounding built form and neighbourhood character interface and streetscape; and
- Investigate the likely demand for residential aged care accommodation.

These actions have not yet commenced. This section explores the current provision of Aged Care facilities and Retirement Villages in Bayside and whether the above actions are still relevant. Disability Care facilities are explored at section 9.5.

9.4.1 Housing for the elderly

Currently, 19% of Bayside's population consists of elderly persons over 65 and trends indicate continuing growth with elderly persons consisting of up to 25% of Bayside's residents by 2031.

Table 9: Number of Older Persons to Accommodate

	2016	Percentage of Total 2016	2031	Percentage of Total 2031
No. of Persons in Bayside over 65	19,488	19.0%	28,668	24.5%
No. of Persons in Victoria over 65	921,639	15.0%	1,449,371	18.7%
No. of small (1 or 2 person) households in Bayside	20,735	51.7%	27,125	56.6%
No. of small (1 or 2 person) households in Victoria	1,229,762	51.7%	1,650,661	53.5%

Source: Department of Environment, Land, Water and Planning, *Victoria in Future 2016*, 2016.

Sections 7.1 and 7.14 of the *Bayside Housing Strategy 2012* directed that medium and high density housing, including Aged Care Facilities and Retirement Villages, be located within identified "Housing Growth Areas" to facilitate good access to public transport, shopping, community facilities and services for the elderly.

In Bayside, accommodation available to meet the needs of the elderly, includes:

- Medium and high density dwellings for small households, such as, townhouses, units, apartments, residential buildings/ boarding houses /hostels;
- Retirement Villages; and
- Aged Care Facilities/Nursing Homes.

Monitoring of new development in Bayside indicated that prior to 2012 only 20% of new dwelling stock was designed to accommodate small households, including, older persons. However, since adoption of the *Bayside Housing Strategy* in 2012, 45% of new dwelling stock could accommodate small households. If this trend continues new development will meet the expected future demand for small households with optimal access to public transport and other resident services.

9.4.2 Retirement Villages

According to the Property Council of Australia, Retirement Villages are a popular accommodation option for older Australians¹.

The 2016 Property Council Retirement Census provides a good indication of the types of dwellings and services sought by elderly Australians that are provided by Retirement Villages. In 2016, 84% of dwellings in Retirement Villages comprised 1 or 2 bedroom dwellings for small households. The majority of Retirement Villages provided a community centre, an emergency call system, a library, organised community outings and activities and visiting health professionals for resident use. The newest villages often provided additional recreational facilities including, gym, pool and communal gardens for residents².

The 2016 Retirement Census also indicated that the traditional target demographic of 55+ no longer reflected market demand. In 2015, the average age of new retirement village residents across Australia was 75 years old and in 2016 only 4% of retirement village residents were younger than 65 years old. Therefore, for the purpose of this report, the target age group for retirement living is based on the over 65s age group similar to the target age group for residential aged care provision currently used by the Australian Government.

In terms of affordability, the 2016 Retirement Census indicated that the cost of a two bedroom unit in a retirement village was lower than the median price in the same postcode, however, units in newer villages were priced closer to the postcode median price.

Data in Table 10 indicates that the current provision rate of retirement village accommodation in Bayside is similar to that provided in Victoria.

¹ Property Council of Australia, Retirement Living Fact Sheet, Profile: Retirement Village Residents /2017/03

² 2016 Pricewaterhouse Coopers /Property Council Retirement Census, November 2016

Table 10: Dwellings/Places for Elderly Persons

	Region	2016 Values	% of over 65 in 2016
Number of Places/Dwellings in Retirement Villages	Bayside	764	3.9%
Number of Places/Dwellings in Retirement Villages	Victoria	38,407	4%
Number of Places in Residential Aged Care Facilities	Bayside	2730	13.8%
Number of Places in Residential Aged Care Facilities	Victoria	53,277	5.8%
Number of Places in Residential Aged Care Facilities	Australia	200,689	5.5%

Source: Bayside City Council, List of Bayside Retirement Living and Aged Care Accommodation, 2017; Australian Institute of Health and Welfare, Report on the Operation of the Aged Care Act 1997, 2017.

9.4.3 Residential Aged Care

The Residential Aged Care system provides for elderly persons who need care and support in a residential setting. The cost of residential aged care is met by both public (Australian Government) and private (individual) funding.

According to the 2016-17 Report, *the Operation of the Aged Care Act 1997*, in June 2017, 53.7% of Victorian places were provided by private “for profit” providers, 36.5% of Victorian places were provided by not for profit providers with only 9.7% of Victorian places provided by government. The overall occupancy rate of operational aged care places in Australia in 2016-17 was 91.8%. The average age of residents on entry was 83.

Data in Table 10 indicates that Bayside currently provides a high ratio of residential aged care accommodation to meet the needs of the elderly (*ie: over 65s*) compared to the amount provided within Victoria and Australia.

9.4.4 Impact on Provision by Planning Decision Making

Bayside’s Planning Application Register indicates that Bayside Council has generally supported the development of Aged Care facilities and other forms of housing for the elderly. Since 2000, Bayside has received 29 planning permit applications for the development of Residential Aged Care and Retirement accommodation. Twenty six of the applications were supported by Council with only three applications refused and later approved by VCAT.

Two of the refused applications were located within the Bay Street Brighton and Sandringham Village Major Activity Centres and were proposed prior to the adoption of structure plans for the centres. Both four storey developments meet the maximum or preferred building heights currently allowed under the adopted Structure Plans.

The third refusal was an application for a 3 to 5 storey Residential Aged Care Facility located in a Neighbourhood Residential Zone at 709-723 Hawthorn Road Brighton

East. Council determined the building form and bulk was excessive in the context of the neighbourhood. VCAT found the built form to be acceptable.

Section 7.14 of the *Bayside Housing Strategy* directs that Residential Aged and Disability Care facilities respect and respond to the preferred built form. Given the relatively bulky built form that characterise these facilities directing them to growth areas enables them to meet both the location and built form objectives of the *Housing Strategy*.

9.4.5 Current Planning Controls

In July 2018 the Victorian Government included policy at Clause 16.01-7S of the Planning Scheme to facilitate the development of well-designed and appropriately located Residential Aged Care Facilities.

In October 2018 the Government also inserted particular State provisions to the Planning Scheme to enable the development of Residential Aged Care Facilities up to a maximum building height of 16m in all Residential zones. These provisions override any specific zone or schedule provisions in the scheme. This means that Residential Aged Care Facilities can exceed the maximum building height specified in the Neighbourhood and General Residential Zones which in Bayside are 9 metres (2 storeys) and 11 metres (3 storeys).

Since 2000, 66% of development proposals for Residential Aged Care Facilities were located within the Neighbourhood Residential Zone and outside the “Housing Growth Areas” designated by the *Housing Strategy*. The remaining 34% of the applications were located in the General Residential Zone, the Public Use or the Mixed Use Zone. All applications sought two or three storey development and only 10% of the applications proposed building heights above the applicable preferred height limit.

Given the high proportion of Bayside’s Residential Aged Care Facilities located in the Neighbourhood Residential Zone, the recent exemptions to building height limits granted to Aged Care facilities by state planning policy, could prompt significant development proposals of four or five storey additions to existing facilities or new facilities in the Neighbourhood Residential Zone where neighbourhood amenity may be substantially impacted.

The State inclusions to the planning scheme related to Residential Aged Care Facilities were designed to assist the development of Aged Care accommodation within Victoria. However, monitoring of development in Bayside since adoption of the *Housing Strategy* suggests there was no need for planning assistance to the sector in Bayside which has a high provision rate of Residential Aged Care accommodation.

Although State planning policy seeks to ensure the location of aged care facilities near services and public transport, similar to the *Bayside Housing Strategy*, building height dispensations granted under state policy provide an incentive for Residential Aged Care Facilities to locate in Neighbourhood Residential Zones and other residential

areas outside of Activity Centres at a considerable distance from services and public transport contrary to state and local planning policy objectives.

Based on the high rate of planning support and provision of Residential Aged Care accommodation in Bayside, there is no apparent need to promote development of Residential Aged Care Facilities outside Bayside's designated housing growth areas by exempting them from built form controls in all residential areas. Therefore the following actions would be appropriate:

- Advocate to the State government to remove the exemption to height controls for Residential Aged Care in Neighbourhood Residential Zones to encourage development of Residential Aged Care Facilities near services and public transport as advocated under state and local planning policy; and
- Provide additional guidance in the Bayside Planning Scheme to protect the amenity of residential neighbourhoods, particularly those zoned Neighbourhood Residential, from the impact of development exempted from height controls.

Implications for Housing Strategy

- In Bayside, accommodation options for elderly persons mostly caters for persons in need of care and support and those elderly persons seeking independent small privately owned dwellings near services.
- Small private dwellings with optimal access to services and aged care residential accommodation is well provided for in Bayside. If current trends continue it is likely that this will meet future demand
- Recent state planning policy changes may encourage the development of larger scale Residential Aged Care Facilities in the Neighbourhood Residential Zone which may negatively impact on the residential neighbourhoods expected to accommodate minimal growth.

Recommended changes to the Housing Strategy

- Retain the current section in the Housing Strategy on Residential Aged Care Facilities.
- Amend the actions in the Housing Strategy relating to Residential Aged Care to be more specific:
 - Advocate to the state government to remove the exemption to height controls for Residential Aged Care in Neighbourhood Residential Zones to encourage development of Residential Aged Care Facilities near services and public transport.
 - Provide additional guidance in the Bayside Planning Scheme to protect the amenity of residential neighbourhoods, particularly those zoned Neighbourhood Residential, from the impact of development exempted from height controls.

9.5 Supported accommodation (Community care accommodation)

In Bayside it is estimated that in 2011, there were 16,600 persons with a disability, with the proportion of persons with a disability increasing as people get older³.

In 2016, 4,213 people living in Bayside, or 4.3% of the population, reported that they needed assistance in their day-to-day lives because of a disability, long-term health condition or old age. There is a clear relationship between disability and age with 10.5 per cent of 65-74 year olds needing assistance, 33.3 per cent of 75-84 year olds and 46.2 per cent of persons aged 85 years and over.

The *Bayside Health and Wellbeing Profile 2017-2021* states that there is a strong relationship between ageing and disability (or limited mobility) and therefore, a high proportion of people with a disability in Bayside, and that require supported accommodation, may also be catered for (have their needs met) in a Residential Aged Care Facility.

In addition, there are a range of support services available in Bayside that enable people with a disability to live at home.

Section 9.6 discusses adaptable housing and its role in providing appropriate housing for the elderly and people with a disability.

Supported accommodation is a type of housing that provides higher level care and support for people with particular needs. It includes:

- Supported accommodation that is in the community, for people with a disability; and
- Aged care homes for older people who can no longer live independently at home.

Under the National Disability Insurance Scheme (NDIS), supported accommodation is separated into two different parts:

- Specialised housing such as shared supported accommodation or community residential units, known as Specialist Disability Accommodation (SDA); and
- Supported services, known as Supported Independent Living (SIL).

The *Housing Strategy* describes **aged care** and **disability care accommodation** as if they are one and the same thing. However, this is not always the case and there are various definitions or descriptions of the types of care that can be provided. Disability care can, and often does occur, within an Aged Care Facility. The Planning Scheme differentiates “residential aged care facility” from other types of “community care accommodation”. The Department of Health and Human Services (DHHS) describes both types as “Supported Accommodation”.

³ Bayside Health and Wellbeing Profile 2017-21

Aged Care Facilities (as discussed in Section 9.4) have been addressed and prioritised through changes in the Victorian Planning Provisions (VPPs) to reflect the growing need for aged care facilities as the population ages (a higher proportion of elderly people in the community).

Community Care Accommodation (as defined in the Planning Scheme) has a broad definition that includes disability care or to use the planning scheme terminology, “people with limited mobility”. It also includes people (particularly women) who have experienced family violence and for this reason, it is exempt from a permit (subject to the requirements of Clause 52.22) in order to sensitively facilitate this land use without “raising a flag” as to the types of occupants that might reside there. Community Care Accommodation is described as:

- *Land used to provide accommodation and care services. It includes permanent, temporary Community care accommodation and emergency accommodation. It may include supervisory staff and support services for residents and visitors.*

9.5.1 Clause 52.22 – Permit Exemptions (what is exempt?)

Amendment VC127 introduced permit exemptions for all residential zones for the use and development of Community Care Accommodation where specific planning requirements that limit the scale and intensity of development are met. This enables all uses within that definition (including community care accommodation) to establish without a permit if the conditions at Clause 52.22-2 are met. The conditions are as follows:

[Use exemption](#)

In summary, the use exemption includes the following conditions:

- The use is funded by, or conducted by or on behalf of, a government department or public authority, including a public authority established for a public purpose under a Commonwealth Act;
- No more than 20 clients are accommodated. This does not include staff; and
- No more than 5 persons at any one time who are not residents may access support services provided on the land.

[Buildings and Works Exemption](#)

Buildings and works are also exempt from the need for a permit if the specified criteria are met, including a number of Clause 55 standards. The buildings and works exemption (as worded and structured) appears not to include a height limit as Standard B7 (Building Height Objective) is not included. This should be addressed and Standard B7 included in the Clause 55 standards that need to be met for Buildings and works to be exempt from the need for a permit.

Exemption from Notice and Review

An application is exempt from notice and review requirements (as specified in detail within Clause 52.22-4) if the application is made by or on behalf of a government department or public authority, including a public authority established for a public purpose under a Commonwealth Act.

Implications for Housing Strategy

- Permit exemptions have been introduced for all residential zones for the use and development of Community Care Accommodation where specific planning requirements that limit the scale and intensity of development.
- Buildings and Works are also exempt from the need for a permit if the specified criteria are met, including a number of Clause 55 standards. However, the exemption appears not to include a height limit as Standard B7 (Building and Height objective) is not included as one of the Standards to be met.

Recommended changes to the Housing Strategy

- Create a new section that discusses the role of “Supported Accommodation” (DHHS definition) and separates “Residential Aged Care” from “Disability Care”. In this section, outline that “Disability Care” accommodation and “Crisis Care” accommodation are definitions that fit within “Community Care Accommodation” category in the planning scheme.
- Provide statistics on “supported accommodation” in Bayside.
- Advocate to DELWP that Community Care accommodation should have to meet Standard B7 (building height objective) for buildings and works to be exempt from the need for a permit.

9.6 Adaptable Housing

The *Housing Strategy* included a number of actions to encourage adaptable housing design in Bayside:

- Provide information to development applicants on adaptable housing design;
- Advocate to the Australian Building Code Board to incorporate into the Building Code of Australia a requirement that a percentage of all multi-unit development meets the Australian Standard – Adaptable Housing AS 4299-1995; and
- Introduce a new category into the Bayside Built Environment Awards showcasing exemplar developments in adaptable housing design.

These actions have not yet been implemented. This section summarises what adaptable housing is and then considers whether the above actions are still needed.

9.6.1 What is adaptable housing?

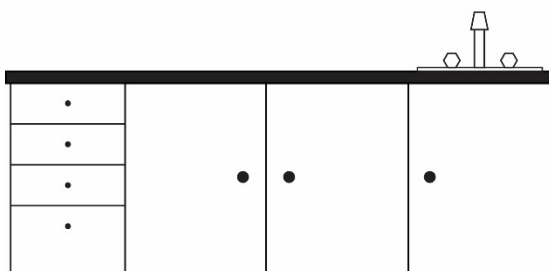
An adaptable house is a house that incorporates design elements that allow parts of the house to be easily adapted without major structural implications. It is designed to be useable by most people, to the greatest extent possible, without the need for specialised design. The intention is to simplify life for everyone by making more housing usable by more people at minimal extra cost.

Mechanisms to support adaptable housing can be introduced relatively cheaply at the design and building stage (refer Figure 50). These include:

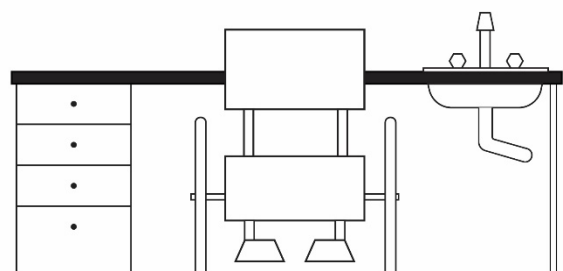
- Ensuring a room that can be used as a bedroom and a full bathroom are located downstairs in new dwellings;
- Constructing the dwelling in such a way as to enable walls to be moved relatively easily (eg. with no structural complications) in order to change the dwelling configuration to suit the needs of a household changing over time;
- Installing easily removable cupboards under kitchen benches to enable wheelchair access; and
- Encouraging landscaping to include raised garden beds to enable gardening to be undertaken standing up or whilst sitting in a wheelchair or using a walking frame.

Figure 50: Examples of adaptations

Kitchen bench before adaptation - easily removable cupboards

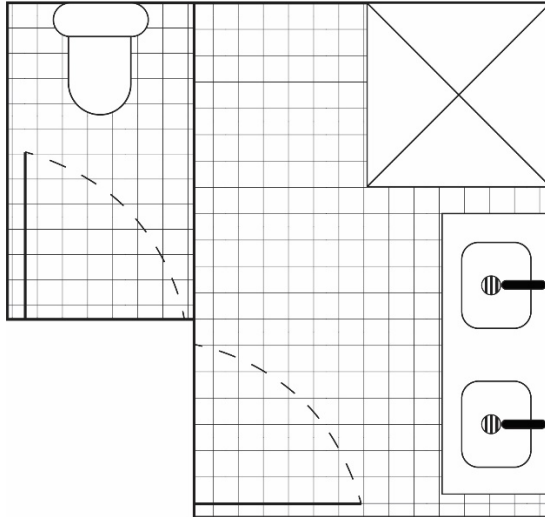


Kitchen bench after adaptation for wheelchair access

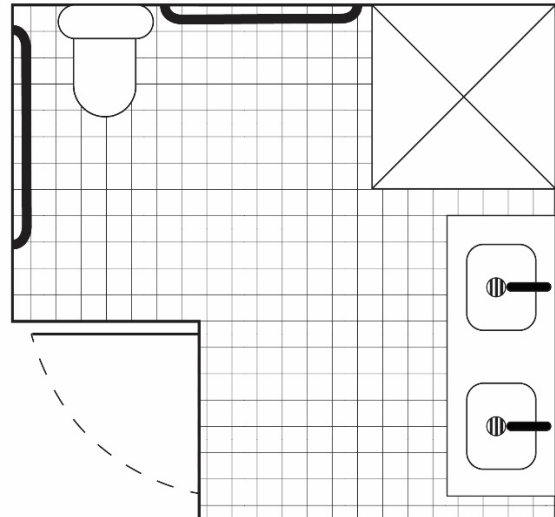


Diagrams not to scale

Toilet and bathroom before adaptation - easily removable walls with no structural implications



Toilet and bathroom after adaptation for wheelchair access



Diagrams not to scale

9.6.2 Why encourage adaptable housing?

One of the key ways in which housing can be flexible enough to respond to changing community needs is by ensuring that development focuses on providing adaptable housing; creating the greatest opportunity for people of all abilities and ages to live and remain in their local communities as their needs change over time. This also enables housing to be used by other household groups over a longer period of time and avoids the need for costly renovations when needs change.

Bayside's population is becoming more diverse and the needs of the community are changing. In 2016, the median age in Bayside was 44 years while the average age in metropolitan Melbourne was 36 years. Further, the largest increase in population between 2016 and 2026 for Bayside is forecast to be in ages 75 to 79. In 2016 4.3% of the Bayside population, reported that they needed assistance in their day-to-day lives because of a disability. Due to Bayside's ageing population and it is expected that the incidence of disability will continue to rise.

The internal layout of a home should provide the flexibility of being able to adapt to the changing needs of its occupants. It should accommodate the needs of aging occupants, and allow families to grow or decrease in size. Adaptable housing helps future proof a home making it liveable for its occupants over a long period of time and preventing them from having to move out when their needs change.

9.6.3 Existing Policy and Standards

Australian Standard 4299 -1995 Adaptable Housing (AS 4299-1995)

AS 4299-1995 provides guidance for designing houses to accommodate varying degrees of physical ability over time.

Starting from the basic premise that every house should be accessible to a visitor using a wheelchair, AS 4299-1995 requires the house to also be adaptable for an occupant using a wheelchair. Although such a need is unlikely in every home, the Standard specifies wheelchair space requirements, as circulation and access present the greatest difficulties. By allowing enough space for wheelchairs, other equipment such as walking frames, prams and trolleys can be better accommodated.

Victorian Planning Provisions

Adaptable housing is cited in a number of areas at Clause 16.01 'Residential Development' of the Planning Scheme.

Clause 16.01-1S seeks to promote a housing market that meets community needs by increasing the supply of housing in existing urban areas and ensuring the appropriate quantity, quality and type of housing is provided. This includes the provision of aged care facilities and other housing suitable for the aging population, supported accommodation for people with disability, rooming houses, student accommodation and social housing.

Clause 16.01-3S seeks to provide a range of housing types to meet diverse needs by facilitating a mix of housing types and housing that incorporates adaptable internal dwelling design and universal design.

Clause 16.01-2R encourages increased housing in locations near employment, transport and other infrastructure, including urban renewal sites, major and neighbourhood activity centres and other areas near existing and proposed railway stations.

Adaptable housing is also cited in Clauses 55 – 'Two or more Dwellings on a lot and Residential Buildings' and Clause 58 - 'Apartment Developments'.

Clause 55.05-1 requires developments of two or more dwellings on a lot and residential buildings to consider the needs of people with limited mobility in the design of new developments. To achieve this objective, the dwelling entries of the ground floor of dwellings and residential buildings should be accessible or able to be easily made accessible to people with limited mobility.

Clauses 55.07 and 58 apply to apartment developments. Clauses 55.07-7 and 58.05 outline accessible design objectives to ensure that at least 50% of dwellings within new apartment developments have:

- A clear opening width of at least 850mm at the entrance to the dwelling and main bedroom;
- A clear path with a minimum width of 1.2 metres that connects the dwelling entrance to the main bedroom, an adaptable bathroom and the living area;

- A main bedroom with access to an adaptable bathroom; and
- At least one adaptable bathroom.

To determine whether these accessible design objectives are being achieved, Council could undertake an audit of a sample of recently completed developments in different suburbs.

[National Construction Code \(NCC\)](#)

The NCC comprises of the existing Building Code of Australia (BCA) volumes 1 and 2 and as well as the Plumbing Code of Australia (PCA) volume 3. The NCC does not set any accessible requirements for houses, townhouses, row houses (etc) which they define as Class 1a buildings. The NCC does set accessible requirements for external design and access to common areas for apartments (which are defined as Class 2 buildings) however there are no requirements for the internal parts of individual apartments within a Class 2 building.

As such, other than the general objectives of the Planning Scheme, incorporating adaptable housing design into developments remains largely voluntary.

[Accessible Housing Options Paper 2018](#)

In September 2018, the Australian Building Codes Board (ABCB) released the *Accessible Housing Options Paper* for consultation. This Options Paper provided a number of options and costings for the possible inclusion of a minimum accessibility standard for housing in the NCC. The definition of accessible housing used in this paper was any housing that includes features that enable use by people either with a disability or transitioning through their life stages.

Following consultation on the Options Paper and refinement of the options, a formal Regulatory Impact Statement will be prepared to determine whether changes to the NCC are warranted, and if so, to what extent. Work on this Regulatory Impact Statement is expected to begin in 2019, with any changes to the NCC expected to take effect in 2022.

[Liveable Housing Design Guidelines](#)

The Liveable Housing Design Guidelines have been created by Liveable Housing Australia to assist developers (at all levels) in designing buildings with adaptability in mind. A resource like this could be provided to developers to assist in understanding the requirements of Clause 55 and 58 and a new category introduced into the Bayside Built Environment Awards showcasing to showcase exemplar developments in adaptable housing design.

Implications for Housing Strategy

- Adaptable housing helps future proof a home, making it liveable for its occupants over a long period of time and preventing them from having to move out when their needs change.
- Adaptable housing elements can be introduced relatively cheaply at the design and building stage.
- Currently, inclusion of adaptable housing design is largely voluntary, except for in apartments where the National Construction Code and the Planning Scheme includes a number of adaptable housing design elements that need to be included.
- The Australian Building Codes Board is currently looking at whether changes to the National Construction Code to include a minimum accessibility standard for houses are warranted.

Recommended changes to the Housing Strategy

- Retain and reword current actions in the Housing Strategy:
 - Provide information to development applicants through the Bayside website and pre-application discussions on adaptable housing design to encourage voluntary inclusion of accessible design features into new and existing homes.
 - Advocate to the Australian Building Codes Board to include accessibility standards for all dwellings
 - Introduce a new category into the Bayside Built Environment Awards showcasing exemplar developments in adaptable housing design.
- To determine whether the accessible design objectives outlined in the Planning Scheme are being achieved, include as a new action that Council undertake an audit of a sample of recently completed developments in different suburbs.
- Consult with disability organisations and people with disabilities on key Housing Strategy actions re: adaptable housing.

9.7 Social and affordable Housing in Bayside

The *Housing Strategy* included a number of actions relating to social and affordable housing in Bayside:

- Work with adjacent Councils and the State Government to identify appropriate policies and mechanisms to encourage provision of greater amounts of affordable housing;
- Advocate to the State Government for the redevelopment of current public housing stock in Bayside to ensure the community needs are met, including consideration of:
 - accessibility and adaptability of housing;
 - ecologically sustainable design;
 - provision of support services for residents and active place management;
 - reducing concentrations of disadvantage through introducing a mix of social and market-based housing;
- Develop relationships with community housing associations to advocate for and encourage development of appropriate social housing in Bayside;
- Monitor research into developments in affordable housing including 'intermediate' products such as shared equity schemes and, where appropriate, promote their use in Bayside;
- Consider placing conditions on the sale or transfer of Council land for residential development to require a proportion of new dwellings to be affordable or social housing units. To be considered on a site by site basis; and
- Require illegal rooming / boarding houses that Council becomes aware of to become registered and ensure they are of a suitable quality for habitation and are in full compliance with the *Building Act 1993*, *Building Regulations 2006* and the *Public Health and Wellbeing Act 2008*.

Most of these actions have been implemented or are underway (refer Appendix 2). The following section summarises what social and affordable housing is and then considers what further actions Council could undertake to encourage social and affordable housing in Bayside.

9.7.1 What is affordable housing

Affordable housing is defined in the *Planning and Environment Act 1987* as 'housing, including social housing, that is, appropriate for the housing needs of any of the following: very low income households; low income households; moderate income households.'

9.7.2 What is social housing?

Homes for Victorians, the State Government policy document released in March 2017 sets out definitions for social, public and community housing.

Social housing is short and long term rental housing that is owned and run by the government or not-for-profit agencies. It is an umbrella term that includes both public housing and community housing. Its provision usually involves some degree of subsidy.

Public housing is housing owned and managed by the Director of Housing (through the Department of Health and Human Services). The Government provides public housing to eligible disadvantaged Victorians including those unemployed, on low incomes, with a disability, with a mental illness or at risk of homelessness.

Community housing is housing owned or managed by community housing agencies for low income people, including those eligible for public housing. Community housing agencies are not-for-profit organisations regulated by the Government.

Both public and community housing provide secure and affordable housing to a range of individuals and families and are regulated by the *Housing Act 1983*. Community housing agencies are also registered and regulated by the state government through a regulatory framework overseen and implemented by the Registrar of Housing.

9.7.3 What are very low, low and moderate income households?

The Governor in Council Order specifies the income ranges for very low, low and moderate income households for affordable housing that is not social housing. The Order will be published annually in the Government Gazette. Under the *Planning and Environment Act 1987*, social housing has the same meaning as in section 4(1) of the *Housing Act 1983*, that is, public housing (non-profit housing in the public sector) and housing owned, controlled or managed by a participating registered agency (a registered housing association or a registered housing provider).

As of 1 June 2018, the income bands for households that are deemed to be eligible for affordable housing delivered under the *Planning and Environment Act 1987* are outlined at Table 11.

Table 11: Income Bands Greater Capital City Statistical Area of Melbourne, June 2018

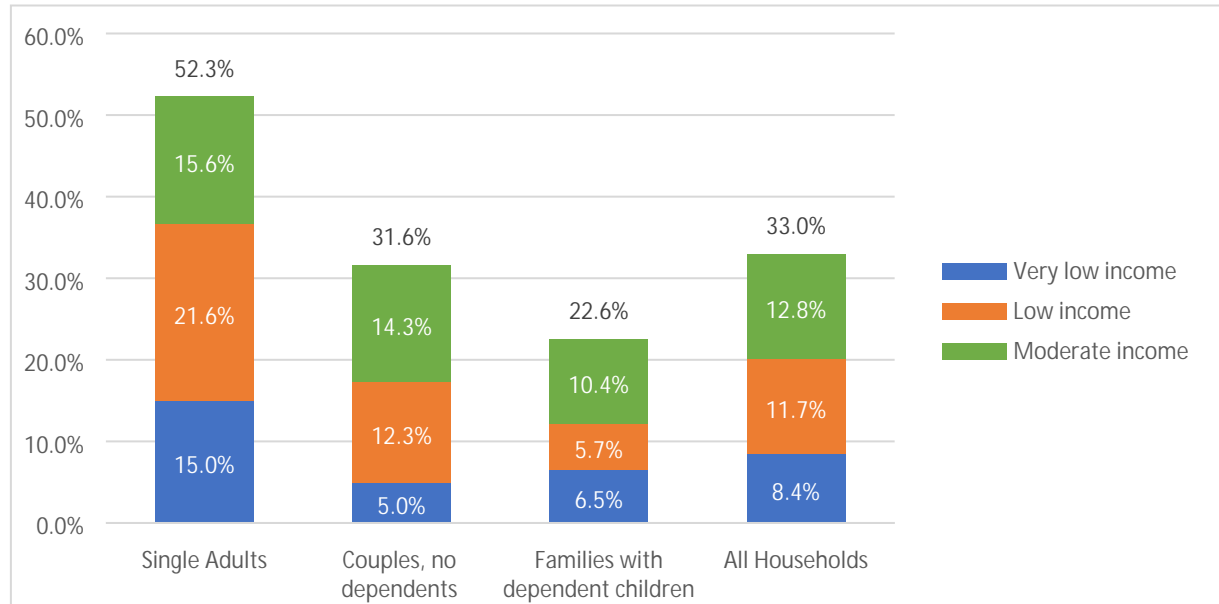
	Very low income range (annual)	Low income range (annual)	Moderate income range (annual)
Single adult	Up to \$25,220	\$25,221 to \$40,340	\$40,341 to \$60,510
Couple, no dependant	Up to \$37,820	\$37,821 to \$60,520	\$60,521 to \$90,770
Family (with one or two parents) and dependent children	Up to \$52,940	\$52,941 to \$84,720	\$84,721 to \$127,080

Source: Government of Victoria, Government Gazette, No S256, 1 June 2018.

Figure 50 shows that in 2016, approximately one third of Bayside households would be eligible for affordable housing based on the *Planning and Environment Act, 1987* definition. 8.4% of households are within the very low income range, 11.7% are within the low income range and 12.8% are within the moderate income range. Single adults are most likely to fall under eligible categories (52.3%), followed by

couples without dependents (31.6%), while families with dependent children are least likely to be eligible (22.6%).

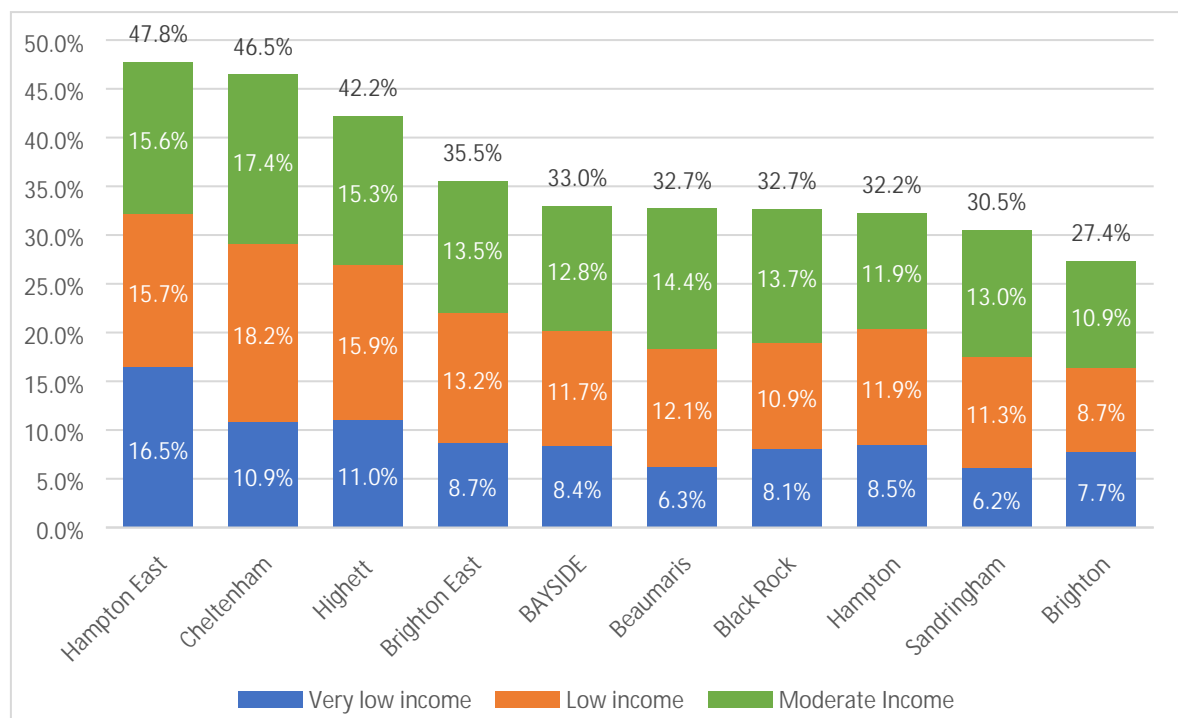
Figure 50: Percentage of very low, low and moderate income households in Bayside.



Source: Australian Bureau of Statistics, Cat. No. 2001.0, 2016.

When these figures are broken down by suburb (refer Figure 51), Hampton East (47.8%), Cheltenham (46.5%) and Highett (42.2%) had the highest numbers of households which are eligible for affordable housing. Conversely, Brighton (27.4%), Sandringham (30.5%) and Hampton (32.2%) had the least.

Figure 51: Percentage of very low, low and moderate income family households in each Bayside suburb.



Source: Australian Bureau of Statistics, Cat. No. 2001.0, 2016.

However, due to the large proportion of elderly people in Bayside, it is likely that a number of households that would be eligible for affordable housing (based on the *Planning and Environment Act, 1987* definition) are retired and already own their own home. Whilst they may be income poor, it is likely that they are asset rich. This could help explain the high numbers of single adults and “couples without dependents” households which are eligible for affordable housing.

9.7.4 Options for increasing affordable housing in Bayside

Council adopted the *Improving Housing Affordability and Social Housing Options in the City of Bayside – Advocacy Action Plan* on 19 June 2018. This Plan guides Council's advocacy efforts, providing clarity on where to focus effort, what actions to undertake and which people to engage.

It has two objectives:

- to increase the supply of social and affordable housing on State Government Land; and
- to encourage and facilitate the private sector to deliver affordable housing stock.

In relation to the first objective, Council has been very active in advocating for increased public housing supply in Bayside, particularly for families, as part of the Victorian Government's Public Housing Renewal Program.

In December 2016, the Victorian Government, as part of its commitment to increase the State's housing stock, launched the \$185 million Public Housing Renewal Program to redevelop public housing at sites across Melbourne. To undertake renewal of the sites within the Public Housing Renewal Program, the State is partnering with private developers which resulted in Council no longer being in charge of planning controls for these developments.

The first site in Bayside to be renewed under the Public Housing Renewal Program is at the northern end of New Street in Brighton. Whilst Council is supportive of the Program, it has been advocating for more public dwellings to be provided (given the significant percentage of private housing being created on the site) and for the dwelling types to reflect the family demographic of the area.

To achieve objective 2, Council has committed to:

- advocating to the State Government for legislative change to the Victoria Planning Provisions to include requirements for developer contributions to increase the supply of community and/or public housing (eg. Inclusionary zoning);
- identify incentives to attract and engage the private sector in affordable and accessible housing provision; and
- seek opportunities to negotiate affordable housing outcomes through the implementation of section 173 agreements.

The below sections look at what incentives Council could offer to attract and engage the private sector to provide affordable and accessible housing in Bayside. It is important to recognise however, that land use planning approaches will only make a small contribution towards affordable housing supply requirements. There will therefore continue to be a need for significant Federal and State Government investment to enable affordable housing to be delivered at the scale required to meet community needs.

Value sharing

Value sharing is where concessions are given to developers (for example, in the form of additional building height, car parking dispensations, developer contribution waiver) in return for a social housing contribution.

It can also be used on sites where a planning change is proposed (for example a rezoning), which will result in a land value uplift. In this case, this uplift in value can be used to include affordable housing in any new development.

The developer then either provides a discount on the dwellings for a Registered Housing Association to purchase, gifts the social housing contribution to a Registered Housing Association or provides a monetary contribution to the equivalent value.

One way of achieving this value sharing which is being trialled in Fishermans Bend is a Floor Area Uplift (FAU) Scheme. This is where developers may secure additional development capacity in return for a public benefit (eg. Open space, affordable housing, etc).

In Bayside, one option for Council to consider is a concession on building height in the commercial areas of activity centres for developers providing affordable housing as part of the development.

Currently the commercial areas of activity centres have preferred building heights, however there are instances where these preferred heights have been exceeded. For example, 439 Bay Street, Brighton (in the Bay Street Major Activity Centre) has a planning permit for a 4 storey development in a 3 storey preferred height area. 380 - 386 Bay Street Brighton is a five storey development in a 3 storey preferred height area, 5A Railway Crescent, 2-6 Willis Street and 1-25 Koolkuna Lane Hampton has a planning permit for a 20 metre high development in a 6 storey (18.5 metres) preferred height area. This planning permits were all refused by Council but overturned at VCAT.

The commercial areas of activity centres are very well located in relation to transport and services and are an ideal location for affordable housing, particularly one and two bedroom dwelling typologies. In these areas, Council could support increased height, above the preferred height controls, in exchange for an affordable housing contribution.

Council could also look to waive car parking requirements for the affordable housing component of the development recognising that car ownership is generally lower in very low to low income households.

For this approach to be effective, Council would need to:

- Be clear that building heights over the preferred height will only be supported if affordable housing is delivered.

To achieve this, Council could investigate whether mandatory height controls could be justified. For example, Council could undertake a site by site built form analysis of each Major Activity Centre to determine whether additional height above the preferred height limit could be accommodated without negatively impacting on the activity centre. If it is determined that in some locations, additional height could be accommodated, Council could undertake a planning scheme amendment to specify that in these areas, heights above the preferred height limit will be supported if affordable housing is delivered on site but that the building height must not exceed the mandatory height limit specified.

This approach would provide the community with certainty about building height through the introduction of mandatory height controls (albeit higher than the current preferred heights), whilst also facilitating the provision of affordable housing in Bayside.

- Define what is expected in terms of the affordable housing contribution.
For example, discount, gift or equivalent monetary value and how this will be calculated.
- Determine how long the property is to remain as affordable housing.
This generally depends on the 'public benefit of the provision'; That is, what the value of the planning incentive provided (eg. additional height) is relative to the market value of each dwelling proposed for affordable housing.

Unless dwellings are gifted, the value provided by the planning process is only part of the total value required to make the affordable housing outcome viable. Housing Agencies are committed to 'in-perpetuity' affordable outcomes and to growing housing stock in accordance with their mission but they are required to respond to need and have to follow asset management plans. This means that they may wish to sell the housing in the municipality at some stage and reinvest the money somewhere else.

Priority development assessment

This would involve Council fast-tracking the planning approval process for developments of a prescribed scale in exchange for a percentage of affordable housing. The Affordable Housing Industry Advisory Group, in their paper '*Advancing Land-Use Planning Approaches to Facilitate Affordable Housing, October 2017*' recommended a maximum 3 month planning approval process.

Council could also consider waiving planning application fees for private development incorporating affordable housing.

In Toronto for example, Toronto City Council have an Open Door Affordable Housing Program which aims to accelerate affordable housing construction. It is designed to

support affordable housing developments that provide a mix of housing opportunities for low and moderate income households through a dedicated development approval process coupled with other financial benefits for developments that include a minimum of 20 percent affordable housing.

Council rate relief

In this option Council could provide a rate reduction or exemption for affordable housing that is owned by a Housing Association.

For example, between 2004 and 2011, Yarra City Council waived rates on properties owned by accredited housing associations. However, this could result in a financial burden for Council in the future if public housing (which is not exempt from rates) is transferred to Registered Housing Associations in the future.

To address this, Council could consider only applying this rate exemption to newly-built affordable housing or providing ongoing annual funding to support affordable housing initiatives.

Yarra City Council's rates waiver has now been replaced by a Yarra Affordable Housing Fund which provides \$52,000 annually to support local affordable housing initiatives.

Use of Council land for affordable housing provision

In this option, Council could lever existing Council assets, and lease its land to housing associations for a nominal fee. This would remove the high land costs which often make building affordable housing unviable.

Port Phillip City Council pioneered this approach by developing community housing in air space over Council car parks and community facilities.

Cause we Care House in Vancouver is another example of this approach. There's a library on the first floor, which is topped by five floors of housing for women escaping domestic violence.

Council could also seek to partner with housing associations to allow temporary dwellings to be provided on any vacant Council land. For example, the Harris Transportable Housing Project led by Launch Housing makes use of vacant land owned by VicRoads for 57 new architecturally designed transportable dwellings.

Shared equity

A shared equity scheme is a way to share the cost of buying a home with an equity partner, such as a private investor, not-for-profit organisation or the Government.

Shared equity seeks to address two key barriers to entry for Victorians who would like to become home owners:

- The difficulty of saving a deposit while paying rent; and
- Insufficient capacity to service a large debt that would have otherwise been required to enter home ownership.

HomesVic pilot program

The Victorian Government, under the HomesVic pilot, is assisting up to 400 first home buyers who meet the eligibility criteria to enter the market earlier by reducing the amount of money required for their home loan.

Under HomesVic, the Government will provide a contribution of up to 25% of the acquisition price on behalf of participants. Participants will need to contribute at least 5% of the acquisition price from genuine savings and be able to cover all other acquisition costs (eg. Conveyancing, legal costs, stamp duty etc). The balance of the acquisition price is to be secured through a home loan from a panel financier on the HomesVic Panel of Financial Institutions (that is either Bank Australia or Bendigo Bank).

When the properties are sold, participants will pay the proportional beneficial interest, which the Government will reinvest in other homes. Participants do not pay interest on the Government's proportional beneficial interest.

Eligibility targets applicants with incomes of up to \$75,000 for singles or up to \$95,000 for couples or families.

If a participant exceeds the scheme's income thresholds for two consecutive years, then the participant will be required to pay the Government's proportional beneficial interest in whole or part as their circumstances permit.

The HomesVic pilot does not apply to any suburbs in Bayside. Council could consider advocating to the State government for some suburbs in Bayside to be included. This would assist local first homebuyers access the housing market.

BuyAssist shared equity program

BuyAssist is a 100% subsidiary of the National Affordable Housing Consortium (NAHC), a not for profit company and endorsed Charity that facilitates the delivery of social and affordable housing.

BuyAssist (on behalf of investors) supports the purchase of approved new properties for eligible home buyers by providing up to 25% of the price of the property to cover the purchase deposit.

In return, purchasers need to pay a monthly BuyAssist service and administration fee and to repay the financial support amount when the property is sold.

BuyAssist does not own equity in a property, rather they receive an agreed upon percentage of the home's value when the property is sold. The percentage received is the same as the percentage of the home's price that they provided as assistance. For example, if BuyAssist provided 25% of the purchase price, the repayment to BuyAssist on sale would be 25% of the home's agreed upon value.

As of 12 December 2018 there were no BuyAssist approved properties for sale in Bayside, although there were two available on the Nepean Highway, Cheltenham in Kingston.

As part of its advocacy efforts, Council could seek to encourage the development of more shared equity properties in Bayside.

Implications for Housing Strategy:

- The planning system has a role to play in facilitating affordable housing.
- Council, through its *Improving Housing Affordability and Social Housing Options in the City of Bayside – Advocacy Action Plan, June 2018*, has committed to advocate to:
 - Increase the supply of social and affordable housing on State Government Land.
 - Encourage and facilitate the private sector to deliver affordable housing stock.
- Council has been, and will continue to be, very active in advocating for increased public housing supply in Bayside, particularly for families, as part of the Victorian Government's Public Housing Renewal Program
- There are a number of options Council could consider to encourage and facilitate the private sector to deliver affordable housing, including:
 - Value sharing.
 - Priority development assessment.
 - Council rate relief.
 - Use of Council land for affordable housing provision.
 - Advocating for the development of shared equity properties within Bayside.

These options should be tested with the community to determine what incentives the community consider appropriate to facilitate the delivery of affordable housing in Bayside.

Recommended changes to the Housing Strategy

- Include a specific section on affordable and social housing in the Housing Strategy and set out what Council will do to advocate for, and facilitate the delivery of, more social and affordable housing in Bayside based on community feedback on the options outlined above.

9.8 Vegetation and tree protection

The *Housing Strategy* included a number of actions in relation to protecting and enhancing vegetation in Bayside:

- Develop a list of preferred trees to be included in landscaping plans for new developments;
- Support the implementation of Bayside's Tree Strategy;
- Review vegetation controls in the Bayside Planning Scheme that relate to residential areas with the aim of:
 - encouraging the retention of existing canopy trees
 - encouraging the planting of canopy trees on development sites; and
- Prepare landscape guidelines to assist developers with appropriate species selection and siting.

Most of these actions have been completed and some require ongoing review. Whilst a review of vegetation controls in the Bayside Planning Scheme that relate to residential areas was undertaken by Planisphere in 2013 and 2015, no changes to the Bayside Planning Scheme have yet been made, despite an attempt through Amendment C140.

Any future amendment process needs to be based on robust strategic work that can support proposed planning scheme changes through the exhibition and panel process.

9.8.1 Previous review of the regulatory framework

Planisphere was engaged in 2013 to undertake a review of the existing regulatory framework (within the Bayside Planning Scheme) that guides tree and vegetation protection in Bayside.

The 2013 Planisphere report, *Review of Vegetation Related Provisions in the City of Bayside*, which involved comprehensive community consultation, recommended three options (out of 10) for further investigation:

- Option one: Amend the Municipal Strategic Statement (MSS) and local policies;
- Option two: Prepare a Vegetation Retention and Enhancement Policy (local policy at Clause 22 within the Planning Scheme); and
- Option five: Amend existing overlays, such as the Vegetation Protection Overlay (VPO), Design and Development Overlays (DDO) or schedules to the Neighbourhood Residential Zone and General Residential Zone to standardise decision guidelines.

At the 30 April 2013 Ordinary Meeting, Council resolved to commence the implementation of Options 1, 2, and 5 of the Review of Vegetation Related Provisions in the City Of Bayside ('the Review').

In 2015/16, Amendment C140 was proposed to implement the *Bayside Housing Strategy* and to make changes to the Planning Scheme that included strengthening provisions relating to tree cover and vegetation protection. However, that amendment

was abandoned in October 2016 following the Panel report which stated that there was a lack of strategic justification for the proposed planning scheme changes.

Amendment C140 attracted a large number of submissions opposing the amendment and community consultation during that period also highlighted a number of issues that are not addressed in the Planning Scheme, including:

- The strength and enforcement of local laws;
- Specific issues relating to the protection of trees that are not actually removed, but sometimes damaged through development/construction, lopping or pruning; and
- Impacts on property rights as a result of stricter controls.

9.8.2 Where to now?

There is a growing awareness from Council and the community regarding the loss of trees due to development that is occurring within the Neighbourhood Residential Zone, but also generally across the municipality.

As identified through the review undertaken by Planisphere, there are a number of opportunities to strengthen Council's position to either introduce new policies or make changes to existing policies and/or schedules, based on new or updated strategic work.

Bayside Planning Scheme – local provisions

The Bayside Planning Scheme contains provisions that regulate the removal of trees and vegetation on private land, which can be modified if there is sufficient strategic justification to do so. These combined with the existing Neighbourhood Character Policy will remain the primary guidance for statutory planners in determining whether a proposed development includes adequate vegetation cover.

The clauses that can be changed to strengthen provisions relating to tree cover and vegetation protection include:

- Clause 21 and 22 policies – noting that these provisions will be relocated elsewhere in the new format Planning Scheme, to be implemented to Bayside City Council in 2019;
- Schedules to the Neighbourhood Residential Zone and General Residential Zone, which vary provisions found in clauses 54 and 55; and
- Schedules to the DDO and VPO, as well as site specific controls such as the DPO or IPO.

Local policies together with revised schedules to the Neighbourhood Residential Zone and General Residential Zone would have the most widespread influence for this issue within the Planning Scheme, as they would apply widely to private properties. The specific provisions that assist in protecting existing trees or providing opportunities for future tree growth can be incorporated into schedules to the General Residential Zone and Neighbourhood Residential Zone, as follows:

- Minimum street setback;

- Site coverage;
- Permeability;
- Landscaping;
- Side and rear setbacks; and
- Private open space.

Front and rear setbacks have been identified as a key opportunity to allow adequate space on properties for the provision of trees and vegetation. This should be identified in any future review of Neighbourhood Character.

State Planning Policy

Plan Melbourne, the State Government's Metropolitan Planning Strategy, sets out the following principle and direction in relation to planning for climate change:

Protecting Melbourne's biodiversity and natural assets is essential for remaining a productive and healthy city. There is an urgent need for Melbourne to adapt to climate change and make the transition to a low-carbon city.

There is a growing interest in recognising and undertaking work to enhance the urban forest at a regional level. *Resilient Melbourne* is the name of the group that is progressing work in this space. The *Resilient Melbourne* project is auspiced by the City of Melbourne in collaboration with the councils that make up Greater Melbourne, and other associated partners. The project is led by the Chief Resilience Officer who has been funded by the 100 Resilient Cities initiative – pioneered by the Rockefeller Foundation. The City of Melbourne provides the project team and additional investment.

A number of Councils (including Melbourne, Yarra and Stonnington) have already undertaken and adopted an *Urban Forest Strategy* to address the emerging issues surrounding climate change, air quality, urban ecosystems and the recognition of the "urban heat island" effect, which poses a risk to the community during extended periods of heat (heat waves) in summer.

In addition to the work currently being undertaken by Council, an *Urban Forest Strategy* would have the benefit of reinforcing the existing policy framework in terms of the need to protect and enhance the role of tree canopy cover and vegetation across the municipality from an environmental and human health perspective.

This would lend further weight to future planning scheme changes and also inform open space and urban design projects across the municipality.

Local Laws and Enforcement

Council has an existing Local Law that seeks to protect trees that meet specific criteria and which predominantly fall under two categories, both requiring a permit for removal:

- Significant Trees included on the Significant Tree Register; and
- Canopy trees that have a trunk circumference (or combined trunk circumference) of 155cm measured at 1m above the ground.

Other Councils across inner Melbourne have similar Local Laws that define the two categories and also specify criteria in terms of trunk size, but this varies across Councils. The measure used by Bayside is quite high (155cm) and could be reviewed to recognise younger trees that are yet to mature.

Another measure used by other Councils (such as City of Melbourne) to protect public trees is the requirement to enter into a bond agreement. This ensures that when (usually larger) developments occur, trees in the public realm are protected and if they are damaged, measures can be taken to replace the tree using the bond submitted to Council. This is something Council could consider.

[Landscape Guidelines](#)

The Landscape Guidelines document is a resource developed for residents and developers who need to submit a landscape plan with a planning application. This only applies to trees protected by the Bayside Planning Scheme which require a planning permit to be removed and development sites that require a planning permit.

A Landscape Plan is required to be submitted with a planning application under the following situations:

- Vegetation removal applications made for properties in areas protected by the VPO;
- Tree removal applications made for properties in areas protected by the Significant Landscape Overlay (SLO); and
- Buildings and development works which may require the removal or planting or retention of vegetation under other provisions of the Bayside Planning Scheme, including the Heritage Overlay (HO).

[Evidence, monitoring and enforcement measures through improved technology](#)

A number of Councils (including Bayside) are employing progressively more sophisticated techniques of collecting tree data in order to monitor and review the extent of tree canopy and vegetation cover across municipalities. This is predominantly achieved through aerial mapping, which gathers visual data that can be catalogued in a database and displayed through Council's GIS system. This can provide a range of useful applications including the ability to monitor planning permit conditions, landscaping requirements and tree removal permits, as well to enforce/take action when trees are illegally removed.

Council is currently investigating available interactive tools to ensure that vegetation data can be obtained to improve internal access to tree information. This will assist internal processes and ensure Council can track and monitor changes to tree canopy across Bayside.

Implications for Housing Strategy:

- Protecting and enhancing vegetation in Bayside remains a priority.
- There are opportunities to strengthen Council's ability to protect and enhance Bayside's vegetation and tree cover.

Recommended changes to the Housing Strategy

- Update the actions in the Housing Strategy in relation to protecting and enhancing vegetation in Bayside to:
 - Commence an update/review of the Neighbourhood Character Policy;
 - Undertake an "Urban Forest Strategy" which would be based on a comprehensive inventory of all trees within the municipality and identify issues and opportunities to enhance Bayside's tree canopy and vegetation cover, to achieve a number of environmental benefits for the community;
 - Review existing local laws and the criteria used to identify trees that require a permit for removal;
 - Investigate the option of introducing a bond scheme that seeks the retention of trees in the public (and potentially private) realm;
 - Investigate options to incentivise tree retention and educate the community (particularly younger generations) about the environmental benefits of retaining and protecting trees on private land, including through publications and information on the Council web-site.

9.9 Physical and social infrastructure

9.9.1 Why is planning for physical and social infrastructure important?

Planning for physical and social infrastructure (also called community infrastructure) is an integral part of land use planning for areas experiencing growth. The purpose of infrastructure planning is to ensure that areas for growth are sufficiently supplied with physical and social infrastructure, that infrastructure is distributed as equitably as possible, and is effectively and efficiently configured so that service providers can respond to changing local community needs over a longer period.

The *Bayside Housing Strategy 2012* acknowledges that increased development will require increased infrastructure, both physical (roads, car parks, water supply, sewers, stormwater, drainage and power) and social (children and family services, aged and disability services, libraries, community centres and recreational facilities). In order to ensure appropriate infrastructure is provided, it is necessary to plan ahead to avoid attempting to retrofit infrastructure which can be challenging and costly.

For the purpose of further strategic work, it will be important for Council to define types of services to be included in a strategy in order to ensure the infrastructure items are manageable.

As communities mature, the demographic profile will evolve and change and demand for a wider variety of services, activities and programs will be generated. Communities will become more organised and can engage with the local political process to obtain resources that respond to local needs at that point.

A physical and social infrastructure profile for a broader regional, municipal or local level can be developed which considers services and facilities which may not be provided within it (e.g. a hospital, mental health service or university). Consideration can also be given to the additional demand the subject land's population may generate for services and facilities located elsewhere.

9.9.2 What is the approach to social infrastructure planning elsewhere?

There are a range of publications available in relation to social infrastructure planning that the Victorian Planning Authority uses to guide its social infrastructure planning. One of Council's major gaps has been the preparation of a similar piece of work which outlines its own approach, having regard to the residential strategic framework plan.

The City of Yarra has developed its *Strategic Community Infrastructure Framework 2016* which is a high level planning tool to inform and guide future planning and delivery of community infrastructure. It operates to influence Council Plans, policies and strategies and promotes continuity for community infrastructure planning over the long term. The document acknowledges the pressures on Yarra's community infrastructure portfolio including:

- Steady population growth and changing service needs;

- Aging facilities that are no longer fit-for-purpose and are costly to maintain; and
- Reduced revenue stream for capital works.

The City of Yarra document also acknowledges challenges and influences universal to all Victorian Councils, as:

- A number of State and Federal government legislative changes will reduce revenue streams;
- Community expectations and preferences for community services are changing, with rapid developments in technology having a greater impact than ever before;
- Private service providers are establishing in areas historically provided by Councils, which impacts the demand for Council operated services and facilities especially where there are many options available to the community;
- Victoria's Competitive Neutrality Policy, which requires Councils to implement a fully cost-reflective pricing structure where the policy applies, to ensure there are no unfair competitive advantages or disadvantages that result from local government ownership of a business activity; and
- The National Disability Insurance Scheme and My Aged Care national roll-out, which both introduce market-based models to service provision which will have an impact on local service delivery.

Whilst the approach will vary between municipalities, the Yarra approach aims to get more out of existing infrastructure and does not take a formulaic approach to determining needs and requirements. For 'hard' infrastructure, this could mean changes to improve utilisation and access, recognising that more assets don't necessarily result in better outcomes for the community. For 'soft' infrastructure, this could mean ensuring that service levels are in keeping with the community's needs (preventing over-servicing) to ensure an overall net community benefit.

The flexible approach takes a variety of considerations into account, such as the quality and utilisation of existing infrastructure, unique characteristics of communities and neighbourhoods, and service and policy trends that influence demand.

The City of Melbourne's *Community Infrastructure Framework* 2014 outlines a series of principles and assessment criteria to guide decisions relating to community infrastructure projects. The principles include:

- Pursue development of community hubs and co-located services;
- Plan and develop facilities that address community needs and aspirations;
- Implement best practice in urban and environmental design;
- Ensure equity and access for the community;
- Effective and efficient facility management; and
- Financial sustainability.

Having completed a number of hubs throughout the City of Melbourne, the key priorities for future community infrastructure are in areas where significant urban renewal is to occur. Four of the five key priorities for the City of Melbourne will occur in growth areas covered by a proposed development contributions plan.

The Framework identifies key neighbourhood priorities for the five growth areas within the document, with recommendations as to the preferred locations (generally) for new hubs, further investigation of funding mechanisms, feasibilities and advocacy to ensure that the hubs are delivered.

9.9.3 What does the Bayside Housing Strategy provide for in relation to physical and social infrastructure?

The *Housing Strategy* acknowledges that much of Bayside's physical infrastructure is reaching the end of its useable life and requires updating and replacing. At the time the Strategy was prepared, Council's Asset Management Strategy was based on an assessment of requirements on an as needs basis, without a longer term capital works / asset management strategy. The development of a long ranging infrastructure needs assessment, associated asset management strategy and capital works budget is required in order to better plan and accommodate housing growth. This assessment of infrastructure need should consider the recommendations of the *Housing Strategy*.

Another major issue will relate to the funding of infrastructure. Council will not be in a position to fund all the infrastructure required to meet the needs of the future community. It will require a joint approach from a range of providers including Council, the State Government, the not-for-profit sector, and also the private sector.

Objective 6 of the *Housing Strategy* was to '*provide the necessary physical and social infrastructure to meet the needs of the existing and future population*' and would be delivered through the following strategies:

- Determine the physical and social infrastructure required to support the current and future population and its changing needs;
- Ensure planning for water supply, sewerage and drainage works receives high priority in early planning for new development within 'Housing Growth Areas';
- Ensure there is a coordinated approach to the planning and provision of infrastructure
- Ensure residential development does not exceed known physical infrastructure capacity;
- Identify the appropriate location of physical and social infrastructure.
- Ensure that development contributes to the cost of new or upgraded physical and social infrastructure;
- Provide social and community infrastructure, including child care centres and aged care facilities in appropriate locations; and

- Develop community hubs by co-locating community facilities in areas with good access to shops, services, public transport and open space which are accessible by walking.

Housing Strategy actions relating to physical and social infrastructure include:

- Liaise with Melbourne Water to determine the potential cumulative impacts of increased development in the Housing Growth Areas on the function of the 1:100 year flood plain, considering potential impacts of climate change (action 10);
- Liaise with the relevant agencies to advocate for the provision of infrastructure to meet community needs (action 11);
- Determine the physical and social infrastructure requirements associated with accommodating future growth within the Housing Growth Areas (action 37);
- Develop a timeframe for the prioritised provision of the physical and social infrastructure to meet the needs of the increasing population (action 38);
- Prepare a Development Contributions Plan for each Housing Growth Area identifying the physical and social infrastructure required, the prioritisation of works, an estimated cost and an appropriate allocation ratio. This should consider issues such as drainage, roads / car parking and community facilities (action 39);
- Develop a five year capital works plan focusing on the upgrade and renewal of existing Council owned and managed assets (action 40); and
- Examine the future provision of car parking within 'Housing Growth Areas' and prepare Car Parking Precinct Plans for each area (action 54).

9.9.4 Progress so far

Since the completion of the *Bayside Housing Strategy*, Council has:

- Completed the Drainage Development Contributions Plan and included Development Contributions Plan Overlay into the Scheme to require new development to contribute to the cost of upgrading drainage infrastructure;
- Updated the flood mapping for the Special Building Overlay in Bayside in conjunction with Melbourne Water, having regard to Melbourne Water's updated modelling;
- Completed a number of strategic renewal documents which relate to particular infrastructure and/or service areas, including:
 - Open Space Strategy 2012;
 - Early Years Infrastructure Plan 2018-2028;
 - Property Strategy 2018-2021;
 - Library Services Strategic Plan 2018-2022;
 - Public Toilet Strategy 2019-2023;
 - Recreation and Open Space Service-Driven Asset Management Plan 2016;
 - Sportsground Pavilion Improvement Plan 2013;
 - Roads Service-Driven Asset Management Plan 2016;

- Drainage Service-Driven Asset Management Plan 2015;
- Drainage Upgrade Strategy 2015;
- Drainage Development Contributions Plan 2017; and
- Completion of a number of reserve master plans.

These documents frame Council's approach to managing public infrastructure in certain locations or of certain types (eg. Roads, drains, early years buildings, etc);

- Invested in a Community Services Inventory, which mapped all public and private uses in Bayside (and nearby surrounds) which provide services for the community. The Inventory was incorporated into Council's internal systems, however has not been updated in recent years. Whilst this could underpin future strategic analysis, the inventory is required to be updated in order to inform future strategic work; and
- Completed the Integrated Transport Strategy that provides a framework and specific actions to achieve a well-connected, safe, accessible and convenient transport system.

Whilst Council has undertaken a significant amount of work, an overarching strategic vision in relation to community infrastructure still remains an outstanding action.

9.9.5 Where to now?

The current work occurring as part of the preparation of a master plan for Council owned land within the Hampton Major Activity Centre will go some way to achieving this, however this only considers one growth area in Bayside. Whilst the creation of a community hub is a likely outcome of this work, the effects of population growth and demographic change on public land outside of the Major Activity Centre will also need to be considered at a municipal level and across other Major Activity Centres.

Council has significant land holdings across its Major Activity Centres and established residential areas and a detailed assessment of the current condition, opportunities and constraints of each to meet future community need should be completed. This information can then be reconciled with a broader social needs assessment to determine how Council can best meet community needs with its existing land holdings or where deficiencies may exist.

Identifying the key redevelopment priority sites and composition of uses will assist Council to ensure that land is appropriately zoned for the intended use, and that proper planning controls can be put in place to facilitate Council's strategic vision for land use.

In relation to Open Space, Council's Open Space Strategy and associated action plan sets out a number of priority actions to address identified deficits in open space provision. Given that Housing Growth Areas are where increased population is to be located, actions to improve the provision of and access to open space in these areas should be prioritised over established residential areas.

Implications for Housing Strategy:

- Planning for physical and social infrastructure is an integral part of land use planning for areas experiencing growth.
- The Housing Strategy acknowledges that much of Bayside's physical infrastructure is reaching the end of its useable life and requires updating and replacing.
- Council will not be in a position to fund all the infrastructure required to meet the needs of the future community. It will require a joint approach from a range of providers including Council, State Government, the not-for-profit sector and the private sector.
- Whilst Council has undertaken a significant amount of work, an overarching strategic vision in relation to social/community infrastructure still remains an outstanding action.

Recommended changes to the Housing Strategy

Update the actions in the Housing Strategy to:

- Undertake a community infrastructure needs assessment to inform a strategic approach to asset management and the provision of services based on community need;
- Ensure the scope of the community infrastructure needs assessment is focused on services/assets provided either by Council or the private sector, removing items such as sewer, power and water, which are generally beyond Council's ability to influence;
- To inform the needs assessment, investigate spatial analysis tools that model service delivery based on community need both now and in the future, taking into account where housing growth is being focused in Bayside.
- Improve data accuracy and data processing in relation to asset management.
- Investigate the re-establishment of the Community Services Inventory as a tool to guide future social needs analysis;
- Following completion of any community infrastructure needs assessment, investigate the options for a Development Contributions Plan to contribute to funding any new infrastructure provision.
- Undertake a municipal wide Car Parking Strategy. Following completion of this Strategy, consider preparing Car Parking Precinct Plans for specific Housing Growth Areas.
- Continue to implement the Bayside Open Space Strategy, 2012 and associated Suburb analysis and action plan, prioritising the provision of additional open space in Housing Growth Areas.

Chapter 10 - Monitoring and review

The *Bayside Housing Strategy* outlines a number of actions to monitor development trends and review the effectiveness of policy throughout the life of the Strategy. Part of the purpose of the monitoring and review actions is to ensure that an adequate supply of housing is provided. The Strategy outlines that:

‘Should it be determined that Bayside has less than a five year supply of housing capacity available throughout the municipality as a whole (rather than on a centre by centre basis), the recommendations contained within the Strategy should be reviewed.’

There are ten actions outlined to support this which are outlined at Appendix 2.

Whilst Council does not report on this annually, the data available to Council and outlined at Chapter 5 indicates that Council is delivering its strategic objectives relating to housing.

There are internal systems that can be improved to assist Council to better capture housing data, including a process where Council can measure and track housing characteristics and typology at the time new rates records are created or updated.

It is considered that there are more efficient ways to measure and monitor the housing trends than those actions currently outlined in the *Housing Strategy*, and the individual actions could be reviewed to better capture, record and report data on a range of matters.

Further, to improve community understanding about what development is occurring, Council could consider undertaking a regular communications program which reports on development trends to ensure the community is provided with up to date information about development characteristics.

Implications for Housing Strategy:

- The data available to Council and outlined at Chapter 5 indicates that Council is delivering its strategic objectives relating to housing.

Recommended changes to the Housing Strategy:

- Improve internal data collection processes to track and record housing characteristics and other development data.
- Consider methods to report and communicate data collection to the broader community to present information in a way that is interesting and useful to the community.

Chapter 11 - Have Your Say

The *Housing Strategy* is effectively focusing development within Bayside's activity centres and other Housing Growth Areas. The focus of the review has therefore not been about 'where' or 'how' to accommodate increased housing but rather how to respond to the pressures of accommodating over 11,000 new residents in houses that meet their needs.

The key outstanding actions in the *Housing Strategy* relate to the following issues:

- **Amending the Planning Scheme** - to reflect the policy components of the *Housing Strategy*;
- **Environmentally Sustainable Design** - incorporating Sustainable Design in the Planning Process into the Bayside Planning Scheme and investigating other mechanisms to ensure development in Bayside delivers best practice Environmentally Sustainable Design;
- **Residential Aged and Disability Care** – providing information to developers about the demand for residential aged and disability care accommodation and ensuring these developments respect built form, neighbourhood character and the streetscape;
- **Adaptable Housing Design** – advocating for and encouraging adaptable housing design;
- **Social and Affordable Housing** – encouraging more social and affordable housing in Bayside to be provided;
- **Vegetation** – encouraging the retention of existing canopy trees and the planting of new canopy trees on development sites;
- **Physical and social infrastructure provision** – developing a timeframe for prioritised provision of physical and social infrastructure to meet the needs of the increasing population; and
- **Monitoring and review** – monitoring of key infrastructure, physical and social/community to ensure it is, and will continue to, meet the needs of the community.

We want to know what you think.

For further information and to provide your feedback, please go to **www.bayside.vic.gov.au/yoursay**

Please make sure you provide your feedback by Sunday, 19 May 2019.

Project officers for the *Housing Strategy Review* can be reached during business hours on 9599 4647 or by emailing planningstrategy@bayside.vic.gov.au

11.1 Proposed Next Steps

We will use your feedback, as well as the information in this Review to update the *Housing Strategy*.

There will be another opportunity for you to provide comment on the updated *Housing Strategy* later in 2019.



Appendix 1 – Characteristics of apartment dwellers in Bayside

For more details on the characteristics of apartment dwellers in Bayside see:
Research report - Apartments in Bayside overview 2018

<i>Characteristics</i>	<i>Residents living in Bayside apartments</i>	<i>All residents in City of Bayside</i>
<i>Age and gender</i>	Younger - predominately aged in their twenties and thirties 15.7% older adults aged 70+ years 44.7% males / 55.2% females	Predominately aged in their forties and fifties 13.7% older adults aged 70+ years 47.6% males / 52.4% females
<i>Country of birth and language spoken</i>	More diverse - 56.3% Australian-born, 29.9% born overseas 67.9% spoke English only at home, 19.1% spoke other languages	69% Australian-born, 25.3% born overseas 80.2% spoke English only at home, 14.6% spoke other languages
<i>Household and family type</i>	More couple only families, lone persons, group households 38.3% couples with no children 29.5% lone persons 26.2% parent/s living with children 4.5% group households	25.4% couples with no children 24.4% lone persons 47.2% parent/s living with children 2.1% group households
<i>Employment status</i>	57.8% employed, 2.8% unemployed 26.7% not in the labour force	58.5% employed, 2.8% unemployed 33.3% not in the labour force
<i>Travel to work (employed only)</i>	More train travellers, fewer home-based workers 56.1% travelled by car as the driver 22.7% travelled by train 4.2% worked from home	57.6% travelled by car as the driver 15.3% travelled by train 7.9% worked from home
<i>Personal and household income</i>	Fewer low income earners due to exclusion of public housing tenants 22% high income earners (> \$1,750 per week) 19% low income earners (< \$500 per week)	24.4% high income earners (> \$1,750 per week) 31.5% low income earners (< \$500 per week)

<i>Previous address five years ago</i>	<p>More mobile due to apartment construction over 5 years (17% at same address)</p> <p>Very local catchment – moved from same suburb or adjoining suburbs</p> <p>Sandringham & Black Rock apartments – some residents came from southern suburbs in Kingston</p> <p>Beaumaris apartments – wider catchment including interstate</p>	<p>More stable (56.6% same address)</p>
	<p><i>Note: public housing apartments excluded from this analysis</i></p>	
<i>Dwelling tenure and landlord type</i>	<p>Strong rental market but also high proportion of owner occupied</p> <p>42.5% apartments rented</p> <p>39.0% owned outright/mortgaged (22% owned, 17% mortgaged)</p>	<p>22.3% apartments rented</p> <p>70.7% owned outright/mortgaged (39.1% owned, 31.6% mortgaged)</p>
	<p>Smaller households</p> <p>Median number of residents was 2.1</p> <p>47.6% one resident, 40.9% two residents</p> <p>24% one-bedroom apartments, 50% two-bedroom apartments</p>	
<i>Household size and number of bedrooms</i>	<p>Average number of residents was 2.6</p> <p>24.4% one resident, 31.6% two residents</p> <p>4% one-bedroom dwellings, 22.7% two-bedroom dwellings</p>	
	<p>Fewer vehicles</p> <p>9.5% no vehicle</p> <p>49.4% one vehicle</p> <p>22.5% two vehicles</p>	
<i>Vehicle ownership</i>	<p>5% no vehicle</p> <p>32.9% one vehicle</p> <p>40.5% two vehicles</p>	
<i>Source/s:</i>	<p>Census 2016 TableBuilder Pro : Place of Enumeration count for persons and dwellings variables</p>	<p>Dwellings data includes public and social housing dwellings.</p> <p>https://profile.id.com.au/bayside : Usual Resident count for persons variables and Place of Enumeration for dwellings variables</p>

Appendix 2 – Audit of Actions from Bayside Housing Strategy 2012

	Not commenced		Commenced, but not completed.		Completed, or ongoing
--	---------------	--	-------------------------------	--	-----------------------

	Action	Status	Priority
Amendments to the Bayside Planning Scheme			
1.	Amend Clause 21.02-4 to incorporate the vision in this Strategy.	Not commenced. This was proposed as part of Amendment C140 which was abandoned.	High
2.	Amend the Strategic Framework – Land Use Plan to delete the Residential Opportunity areas. This Framework Plan should be retitled 'Strategic Framework – Existing Land Use.'	Complete. The Residential Strategic Framework Plan was amended to reflect the Housing Strategy through Amendment C134 (7 August 2014).	High
3.	Introduce a 'Strategic Framework Plan – Residential and Housing'. This plan should broadly identify 'Housing Growth Areas' and 'Established Residential Areas – Minimal Growth' in accordance with the recommendations of this Strategy. In addition, introduce location specific 'Strategic Framework Plans – Residential and Housing' for each identified 'Housing Growth Area' in order to clearly identify the designations.	Complete. The Residential Strategic Framework Plan at Map 2 at Clause 21.02 outlines the level of growth encouraged for each of the growth areas in Bayside.	High
4.	Amend Clause 21.03 to include the recommended objectives and strategies contained in this Strategy.	Not commenced. This was proposed as part of Amendment C140 which was abandoned.	High

5.	Introduce Local Area Plans within Clause 21.11 for each of the identified 'Housing Growth Areas' and identify the role and associated objectives for each area as recommended in this Strategy.	Commenced. Structure Plans or Urban Design Frameworks have been now been completed for all Housing Growth Areas except for the residential areas in close proximity to the Elsternwick and Cheltenham Activity Centres. These are in various stages of implementation into the Planning Scheme.	High
6.	Rezone all Residential 1 zoned land not within a 'Housing Growth Area' to Residential 3 with the recommended Schedule.	Complete. All residential land not within a Housing Growth Area has been rezoned to Neighbourhood Residential Zone	High
7.	Delete the Design and Development Overlay 2 from those areas to be included within a Residential 3 Zone and retain it in all other areas.	Complete. Amendment C106 removed the DDO2 from all residentially zoned land but retained it for land that was not residentially zoned (and therefore did not have any building height guidance). Amendment C106 also introduced Schedule 3 to the Design and Development Overlay for non-residential buildings in the Neighbourhood Residential Zone and General Residential Zone areas that were not covered by a Structure Plan. It was introduced in these areas because the NRZ and GRZ does not provide building height guidance for non-residential buildings (except for Residential Aged Care facilities).	High
8.	Include references to the Bayside Housing Strategy as a Reference Document in the relevant sections of the Bayside Planning Scheme.	Complete. The Bayside Housing Strategy 2012 is included as a reference document at Clauses 21.02 and 21.03 of the Bayside Planning Scheme.	High

9.	Include references to 'Other Actions' and 'Further Strategic Work' and 'Monitoring and Review' in the relevant sections of the Bayside Planning Scheme.	Not commenced. This was proposed as part of Amendment C140 which was abandoned.	High
Other Implementation Actions			
Physical and Social Infrastructure			
10.	Liaise with Melbourne Water to determine the potential cumulative impacts of increased development in the 'Housing Growth Areas' on the function of the 1:100 year flood plain, considering the potential impacts of climate change.	Complete. The Special Building Overlay has been updated through Amendment C153, which is currently with the Minister for Planning for a decision.	High
11.	Liaise with the relevant agencies to advocate for the provision of infrastructure to meet community needs.	Ongoing. Council has a range of strategic policy documents which provide for the upgrade and renewal of Council owned community infrastructure to meet future community needs.	Medium
Built Form			
12.	Recognise excellence in design through the Bayside Built Environment Awards.	Ongoing. The 13th annual built environment awards is scheduled for 17 October 2018.	High
Environmentally Sustainable Development			
13.	Advocate to the State Government to strengthen the environmental performance requirements for new developments.	Ongoing. Council is a member of CASBE (Council Alliance for a Sustainable Built Environment). This is an association of Victorian councils committed to the creation of a sustainable built environment within and beyond their municipalities. One of CASBE's projects is to advocate for strengthened environmental	Medium

		performance requirements for new developments.	
14.	Work with the State Government to plan for potential impacts of climate change within Bayside.	Complete. Council adopted its Climate Change Strategy in 2012 which provides for how Council will approach climate change in Bayside. This includes partnerships with Government through the 'Choosing a Preferred Pathway for Port Phillip Bay' project and a range of advocacy and other actions.	Medium
15.	Educate and inform the community about ecologically sustainable initiatives that they may incorporate into new and existing dwellings.	Ongoing. There are a number of ongoing initiatives and information on the Bayside City Council website. For example, 'Speed Date a Sustainability Expert' and promotion of 'Sustainable House Day'.	Ongoing
16.	Seek to make the Water Sensitive Urban Design Policy (Clause 22.08) of the Bayside Planning Scheme a permanent policy to ensure water sensitive urban design continues to be included in new developments.	Complete. The expiry provision is still referenced at Clause 22.08-6. However, it only expires when superseded by a state wide requirement.	Medium
17.	Work with the State Government and other Councils to incorporate Sustainable Design in the Planning Process (SDAPP) into the planning system.	Not commenced.	Medium
18.	Seek to require all developments to apply SDAPP tools to residential development (STEPS) and commercial and industrial development (SDS).	Not commenced.	Medium

19.	Advocate to the Australian Building Code Board to incorporate into the Building Code of Australia a requirement that all new developments must achieve a 6 Star Green Certified Rating.	Complete. All new homes, home renovations, alterations and additions need to comply with the Energy Efficiency provisions in the National Construction Code (NCC) which includes the option of complying with the 6 Star Standard.	Medium
20.	Investigate other mechanisms Council could use to ensure development in Bayside delivers best practice Ecologically Sustainable Development.	Not commenced. Implementation of a local ESD policy into the Bayside Planning Scheme is considered the best mechanism to deliver ESD in the built environment.	Medium
21.	Introduce a new category into the Bayside Built Environment Awards showing casing exemplar environmentally sustainable developments.	Complete. Whilst not awarded every year, the category exists for nominations to be made against.	High
Vegetation			
22.	Develop a list of preferred trees to be included in landscaping plans for new developments.	Complete. Council has adopted Landscape Guidelines as a resource for residents and developers who need to submit a landscape plan with a planning permit application. The Guidelines provide information about when a landscape plan is required and what needs to be included in a landscape plan. Appendix 3 of the document includes a list of preferred tree species.	Medium
23.	Support the implementation of Bayside's Tree Strategy.	Commenced. See item 47 for further commentary.	Ongoing

Residential Aged and Disability Care Facilities			
24.	Provide information to developers about the demand for and opportunities to provide, residential aged and disability care accommodation within the municipality and how to deliver these facilities whilst respecting the surrounding built form and neighbourhood character.	Not commenced.	Medium
Adaptable Housing Design			
25.	Provide information to development applicants on adaptable housing design.	Not commenced.	Medium
26.	Advocate to the Australian Building Code Board to incorporate into the Building Code of Australia a requirement that a percentage of all multi-unit development meets the Australian Standard: Adaptable Housing AS4299-1995.	Not commenced.	Medium
27.	Introduce a new category into the Bayside Built Environment Awards showcasing exemplar developments in adaptable housing design.	Not commenced.	High
Social and Affordable Housing			
28.	Work with adjacent councils and the State Government to identify appropriate policies and mechanisms to encourage provision of greater amounts of affordable housing.	Ongoing. The 'Improving Housing Affordability and Social Housing Options in the City of Bayside – Advocacy Action Plan, June 2018' guides Council's advocacy efforts in relation to affordable and social housing in Bayside.	Medium

29.	<p>Advocate to the State Government for the redevelopment of current public housing stock in Bayside to ensure the community needs are met, including consideration of:</p> <ul style="list-style-type: none"> • accessibility and adaptability of housing • ecologically sustainable design • provision of support services for residents and active place management • reducing concentrations of disadvantage through introducing a mix of social and market-based housing. 	Ongoing. Council has advocated in relation to the proposal to redevelop the New Street Public Housing estate in Brighton through the Ministerial Advisory Committee process. Council has developed an Affordable Housing Action Plan to outline its advocacy priorities in relation to public and affordable housing.	Medium
30.	Develop relationships with community housing associations to advocate for and encourage development of appropriate social housing in Bayside.	Commenced	High
31.	Monitor research into developments in affordable housing including 'intermediate' products such as shared equity schemes and, where appropriate, promote their use in Bayside.	Commenced.	Ongoing
32.	Consider placing conditions on the sale or transfer of Council land for residential development to require a proportion of new dwellings to be affordable or social housing units. To be considered on a site by site basis.	Not commenced.	Medium
33.	Require illegal rooming / boarding houses that Council becomes aware of to become registered and ensure they are of a suitable quality for habitation and are in full	Ongoing	Medium

	compliance with the Building Act (1993), Building Regulations (2006) and the Public Health and Wellbeing Act (2008).		
Further Strategic Work			
Managing Growth			
34.	Prepare and review all Structure Plans for all 'Housing Growth Areas'. This review should consider whether the 'Key Focus Residential Growth Areas' should be extended to included developments adjacent to this area and located within the 'Moderate Residential growth Area'.	Commenced. Structure Plans have been prepared, or are in the process of being prepared for all Housing Growth Areas in Bayside. This will include an ongoing review component for each of the Structure Plans. Urban Design Frameworks are yet to commence for the land in Bayside in close proximity to the Elsternwick and Cheltenham Major Activity Centres.	Critical
35.	Consider appropriate planning mechanisms to assist with ensuring that any future development of golf course land is undertaken in a manner which consistent with the directions contained in the Housing Strategy.	Not commenced. The Planning Scheme notes that Council's preferred tool is the Development Plan Overlay however there is no current plan to apply the DPO to these sites.	Low
Environmental Risks			
36.	Liaise with Melbourne Water to assess the development potential of land within a 'Housing Growth Area' affected by a Special Building Overlay to determine the potential cumulative impacts of development on overland flows and define appropriate responses. This should also consider revised flood levels prepared by Melbourne Water which have not been	Complete. The Special Building Overlay has been updated through Amendment C153.	High

	incorporated into Bayside Planning Scheme.		
Physical and Social Infrastructure			
37.	Determine the physical and social infrastructure requirements associated with accommodating future growth within the 'Housing Growth Areas'.	<p>Commenced. Council is currently developing an approach to be trialled in the Hampton Major Activity Centre to planning for social and community infrastructure. This could then be rolled out to other Major Activity Centres as required.</p> <p>Whilst Council has undertaken a significant amount of work, an overarching strategic vision in relation to community infrastructure across the municipality still remains an outstanding action. Undertaking a community needs assessment, focussing on where housing growth is being directed, would help inform a strategic approach to asset management and the provision and upgrade of community infrastructure.</p>	Medium
38.	Develop a timeframe for the prioritised provision of physical and social infrastructure to meet the needs of the increasing population.	Not commenced. This will occur following the development of an approach to providing community infrastructure.	Medium
39.	Prepare a Development Contribution Plan for each Housing Growth Area identifying the physical and social infrastructure required, the prioritisation of works, an	Commenced. Council has implemented a Drainage Development Contributions Plan and has amended the Schedule	Low

	estimated cost and an appropriate contribution allocation ratio. This should consider issues such as drainage, roads / car parking and community facilities.	<p>to Clause 52.01 to require a 5% public open space contribution.</p> <p>Any further development contributions could be prepared having regard to the outcome of the social needs assessment project in Hampton or a municipal wide community infrastructure assessment.</p>	
40.	Develop a five year capital works plan focusing on the upgrade and renewal of existing Council owned and managed assets.	<p>Ongoing.</p> <p>To ensure Council provides affordable, long term infrastructure based serves that meet the needs of the Bayside community, Service Driven Asset Management Plans have been developed to set out 10 year financial requirements for the operation, maintenance, renewal and upgrading of Council facilities.</p> <p>To date, the following Management Plans have been developed:</p> <ul style="list-style-type: none"> • Buildings Service Driven Asset Management Plan 2016 • Drainage Service Driven Asset Management Plan 2015 and Drainage Upgrade Strategy. • Road Service Driven Asset Management Plan. • Recreation and Open Space Asset Management Plan. • Early Years Infrastructure Plan. • Library Service Review 	High

Neighbourhood Character and Heritage			
41.	Review the Neighbourhood Character Local Planning Policy and amend to recognise the 'Housing Growth Areas' and the development which is likely to occur within these areas.	This action is scheduled to commence in the 2019/20 Financial Year.	Medium
42.	Provide guidelines for development of properties affected by a Heritage Overlay or Neighbourhood Character Overlay within 'Housing Growth Areas' to provide direction about how balance the need to protect heritage sites and precincts, whilst accommodating future growth.	Commenced. Council has heritage guidelines in place to guide how to accommodate development of heritage sites. Further opportunity exists to clarify and improve these guidelines and to develop greater guidance for areas of significant neighbourhood character.	Medium – Low
43.	Ensure Structure Plans define a preferred future character statement for each 'Housing Growth Area' which recognises these areas will undergo change.	Commenced. This has been prepared through the Structure Plans and implemented through the amendments which have implemented the Structure Plans into the Scheme. The only areas remaining for consideration are the Cheltenham and Elsternwick areas. These will be further refined through the scheduled review of the Neighbourhood Character policy.	high
Built Form			
44.	Prepare Structure Plans for all 'Housing Growth Areas' which include recommendations about appropriate built form.	Commenced. Structure Plans have been prepared, or are in the process of being prepared for all Housing Growth Areas and Key Focus Growth Areas in Bayside. This will include an ongoing review program for each of the Structure Plans.	High

45.	Prepare Built Form Design Guidelines for all Small Neighbourhood Activity Centres and identified strategic redevelopment sites.	Complete. The Small Activity Centres Strategy implementation provides guidance on the future built form outcomes and land use objectives for Bayside's small activity centres. A planning scheme amendment is currently underway to implement the Small Activity Centres Strategy 2014 into the Bayside Planning Scheme.	High
46.	Develop guidelines for the development of residential aged and disability care facilities relating to appropriate built form, whilst respecting the surrounding built form and neighbourhood character interface and streetscape.	Not commenced.	High
Vegetation			
47.	<p>Review vegetation controls in the Bayside Planning Scheme that relate to residential areas with the aim of:</p> <ul style="list-style-type: none"> encouraging the retention of existing canopy trees encouraging the planting of canopy trees on development sites. 	<p>Commenced. The <i>Review of Vegetation Related Provisions in the City of Bayside, Planisphere, 2013</i>, undertook a review of the existing regulatory framework that guides tree and vegetation protection in Bayside and identified a number of options for further investigation.</p> <p>At the 18 December 2018 Ordinary Council Meeting, Council resolved to:</p> <ul style="list-style-type: none"> Review the current planning provisions in the context of the planning scheme review project that is already underway and provide a report in May 2019 on identified opportunities to strengthen policy provisions relating to tree 	High

		<p>protection and regeneration.</p> <ul style="list-style-type: none"> • Further investigate/ research the benefits of undertaking an “Urban Forest Strategy. • Commence the Neighbourhood Character Study review in the 2019/20 financial year. • Undertake a review of the following policies in the 2019/20 financial year: <ul style="list-style-type: none"> • Tree Reward and Vandalism Policy 2013 • Significant Trees Management Policy 2013 • Management of Tree Protection on Private Property Policy 2015; • Investigate the option of introducing a bond scheme and or contribution that seeks the retention of trees in the public (and potentially private) realm. • Consider the resource allocation for a new position in the GIS team, to build the capability to monitor tree canopy. • Identify opportunities to strengthen the Landscape Guidelines as part of retention of existing canopy trees in good condition in all setbacks amongst others. 	
48.	Prepare landscape guidelines to assist developers with appropriate species selection and siting.	Complete.	Medium

Open Space			
49.	Prepare an Open Space Strategy and Leisure and Recreation Strategy to identify priorities for open space provision and infrastructure improvement.	Complete. The Bayside Open Space Strategy was completed in 2012 and provides guidance for the future of open space provision. A number of ancillary strategies, including the Sports Pavilion Improvement Plan 2014 and the Playground Improvement Plan provide guidance in relation to Council's other sports and leisure infrastructure.	High
50.	Introduce an open space levy to fund provision of and improvements to open space to meet the needs of the community.	Complete. The Schedule to Clause 52.01 requires payment of a 5% public open space contribution. This was amended through C110, gazetted in June 2014.	High
Environmentally Sustainable Development			
51.	Prepare an Environmentally Sustainable Development Strategy.	Not commenced. The Bayside Environmental Sustainability Framework was completed in 2016 and provides Council's direction and guidance for environmental planning and decision making. This however relates primarily to Council actions rather than providing any guidance for the development sector.	Medium
52.	Introduce an Environmentally Sustainable Development Local Planning Policy in the Bayside Planning Scheme.	Not commenced.	Medium

Economic			
53.	Undertake a Retail Strategy to examine the critical floor space and mix of commercial and office uses required to support the existing and future population throughout the municipality and particularly within the 'Housing Growth Areas' and the Bayside Business Employment Area.	Complete. The Retail, Commercial and Employment Strategy was completed in 2016 and provides guidance in relation to this action. Amendment 150 which proposes to implement this Strategy is currently with the Minister for Planning for a decision. The RCE Strategy sets the direction for Bayside's employment lands and identifies the further work required to sustain these precincts as vital employment areas.	Critical
Traffic and Car Parking			
54.	Examine the future provision of car parking within 'Housing Growth Areas' and prepare Car Parking Precinct Plans for each area. Precinct Plans should also consider the cost of providing additional car parking and associated funding mechanisms.	Commenced. Council has undertaken various studies in each Major Activity Centre to inform further work. Following Council's consideration of the <i>Future Management of Car Parking Discussion Paper</i> in 2016, the preparation of a Car Parking Strategy is to commence in 2019/20.	Medium
Residential Aged and Disability Care Facilities			
55.	Investigate the likely demand for residential aged care accommodation.	Commenced. This is being undertaken as part of the review of the Housing Strategy.	Medium

Monitoring and Review			
56.	Undertake an annual review of all residential development approved under the Bayside Planning Scheme, including the number and type of dwellings provided, including the amount of private open space, based on location.	Ongoing. Council has developed its Monitoring and Review program to monitor the outcomes being delivered in Major Activity Centres and whether these align with adopted Council policy.	High
57.	Undertake an annual review of all residential developments completed (Certificates of Occupancy) in order to determine the amount of dwellings provided, including the number and type of dwelling provided based on location.	Ongoing. Council has developed its Monitoring and Review program to monitor the outcomes being delivered in Major Activity Centres and whether these align with adopted Council policy.	High
58.	Undertake an annual review of the diversity of houses being provided.	Ongoing. Council has developed its Monitoring and Review program to monitor the outcomes being delivered in Major Activity Centres and whether these align with adopted Council policy. Part of this is monitoring the number of bedrooms being provided per dwelling.	High
59.	Review the Housing Strategy when it is identified that less than five years supply of land is available to meet the forecast population contained in this Strategy.	Commenced. A review of the Housing Strategy is occurring during the 2018/19 Financial Year although housing supply is not presently an issue. The review is focused on the implication of the Strategy and looking at where improvements to its implementation can be made.	Medium
60.	Review the recommendations of the Housing Strategy when the latest ABS Census data,	Commenced. A review of the Housing Strategy is occurring during the 2018/19 Financial	High

	VIF figures and Forecast i.d figures are released.	year following the release of the 2016 census data.	
61.	Monitor the changing demographic trends and the associated demand for housing as well as social and community infrastructure and services.	Ongoing. Council has developed its Monitoring and Review program to monitor the outcomes being delivered in Major Activity Centres and whether these align with adopted Council policy.	High
62.	Monitor developments occurring in the 'Housing Growth Areas' within a Special Building Overlay in order to assess the potential cumulative impacts on overland flows.	<p>Not commenced.</p> <p>This is considered no longer necessary. One of the purposes of the Special Building Overlay is to ensure that new development will not cause any significant rise in flood level or flow velocity.</p> <p>Melbourne Water is responsible for assessing developments within a Special Building Overlay.</p> <p>In relation to the impact of increased impervious surfaces as a result of increased development, Amendment VC 154 introduced requirements for developments to mitigate the impacts of stormwater on the environment, property and public safety and to provide cooling, local habitat and amenity benefits.</p>	High
63.	Monitor the capacity and performance of key infrastructure including drainage, stormwater, public car parking and roads and open space.	Ongoing.	High

64.	Monitor developments in affordable housing including 'intermediate' products such as shared housing options, including partnerships with Community Housing Associations.	Ongoing.	Medium
65.	Monitor the demand for and provision of social and community infrastructure services and demographic trends.	Not commenced.	Medium



Bayside City Council
76 Royal Avenue
Sandringham VIC 3191
Tel (03) 9599 4444
Fax (03) 9598 4474
enquiries@bayside.vic.gov.au

We acknowledge the Boonwurrung people of the Kulin Nation as the traditional owners of this land and we pay respect to their Elders past and present.

We acknowledge that together we share a responsibility to nurture this land, and sustain it for future generations.