SUBMISSION TO THE HOUSING DISCUSSION PAPER
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I commend the Department of Housing and Public Works for the recently released Discussion Paper entitled **Working together for Better Housing and Sustainable Communities**. In particular, the holistic view of housing and homelessness services and the commitment to engaging with community members, industry and academia is encouraging. The below recommendations and rationale is a response to the question: *How can we maximise the contribution of housing to social and economic development and environmental outcomes in Queensland? What are the key issues we need to work on together?*

Queensland’s Housing Context

The inner and middle-ring suburbs of Queensland’s cities hold the key to the delivery of substantial, appropriate, sustainable, well-serviced and affordable housing. This is particularly pertinent in South East Queensland (SEQ) where 70% of Queensland’s population dwells and housing affordability is particularly problematic (Queensland Government Statistician’s Office, 2015). These suburbs represent the middle-ground between the highly automobile-dependant housing at the city outskirts and the expensive, one and two bedroom apartments typically delivered in the inner city. While both these housing forms provide important options for residents and investors they are not enough to sustainably meet the changing needs of Queenslanders into the future. The SEQ Regional Plan sets a target for at least half of the dwellings forecast to be built in the SEQ region between 2009 and 2031 to be provided through infill in existing neighbourhoods. Much of this development is intended to be delivered in designated high-density growth nodes throughout the city (Queensland Department of Infrastructure and Planning, 2009). While this development pattern has the potential to improve the efficiency of infrastructure provision, it has struggled to achieve housing affordability goals. This has occurred as apartments supplied in these areas are often expensive and inappropriate for lower-income families (Searle, 2010). Many lower-income households have been forced to the city outskirts in search of housing affordability. However, this is not a sustainable or equitable solution. Suburban housing on the outskirts of Australian cities is often ‘locationally disadvantaged’ (Maher et al., 1992), vulnerable to increasing oil prices and lacking in access to employment (Dodson & Sipe, 2008).

Queensland needs a genuine diversity of medium density housing options including townhouses, small-scale walk-up unit blocks, villas, small-lot housing and terraces provided in small precincts in the inner and middle-ring suburbs. This housing form currently accounts
for a small portion of Brisbane’s housing supply in a region dominated by detached housing (78%) and apartments (12%) (Australian Bureau of Statistics, 2011). Medium density housing can supply the sustainable and affordable development that Brisbane needs. Research has suggested that there is unmet demand for this housing form with a mismatch between demand and availability in Sydney and Melbourne (Kelly, Breadon, & Reichl, 2011) and Brisbane (Council of Mayors, 2011). These housing forms provide a lower-maintenance and more affordable housing option suitable across the housing lifecycle from young couples and singles, to families, and empty nesters looking to downsize and remain in their neighbourhood. They retain the environmental and maintenance benefits yielded by apartments but often avoid the costs and restrictions of body corporate and strata title structures. They can be delivered by a larger range of developers as they do not require a specialised construction workforce, are subject to less stringent financing requirements (Rowley & Phibbs, 2012), and are significantly cheaper to construct than higher density buildings (National Housing Supply Council, 2010). In addition, they often attract less community opposition than higher-density alternatives as they have less impact on the existing area and can be delivered in existing neighbourhoods with access to employment, transport and services (Rowley & Phibbs, 2012).

There are currently a number of barriers to delivering innovative forms of medium-density housing. Despite the fact that some of Brisbane’s best loved and most valuable suburbs such as West End and Spring Hill feature housing lots between 200m² and 300m², most suburbs have not developed in this fashion and do not allow for lots at this size. This has resulted in a proliferation of large lots at odds with research suggesting that a growing proportion of the Australian population feel their yard is currently too large or will become too large in the future (Kellett, 2011). Developers have reported the challenge of delivering innovative housing forms whilst negotiating planning policies designed to assess detached housing or apartments. Developers have also noted challenges with the amalgamation of sites to support greyfield development. There is also a lack of community familiarity with townhouses, small-lot housing and duplexes, partially contributing to lower demand for these housing types and higher levels of community opposition (Newton et al., 2011).

**Stakeholder Perspectives**

This submission has been produced based on review of existing housing research, conversations conducted with planners, developers, residents, architects and councillors in Brisbane and my own opinions on the future of housing provision in Queensland. Discussions with the Queensland housing industry, planners and housing consumers have revealed an increasing (although not unanimous) acceptance and demand for medium density housing. Some indicative statements are included below;

**Developers:**

- “Apartments are the most expensive form of construction. It is $3,000 to $5,000 a square meter. Whereas when you use domestic construction, single and 2 storey
homes and even 3 storey townhouses, you’re in $1,000 to $1,500 a square meter territory.”

- “Freehold attached accommodation is becoming highly sought-after although difficult to deliver as it has not been anticipated by local planning schemes. So you have a shared wall but in fact there is a tiny little gap down the middle and a cap on the top and they are individually titled with no body corporate because there is a lot of people that feel restricted by body corporate and things like pets.”

Planners:

- “Gen Ys might live in units now and eventually they will want another form of housing. I don’t necessarily think it will be in the suburbs, I think they want another form of housing and at the moment we only have units or houses and in the future we will find this middle ground which is small housing or small infill product. We are seeing a lot of work that we are doing with 180m², 120m² blocks, attached terrace housing, vertical townhouses, modern day terraces houses. We are seeing a lot of it in Melbourne and Sydney but it isn’t quite here yet. But I think that is starting to happen. It isn’t just units or the quarter acre block. Ultimately, the bit in the middle, the really critical bit, just isn’t here yet.”

- “I don’t think Brisbane is psychologically ready for granny flats and infill yet. I think we will get there eventually. If you look at NSW they have a policy that says that you can have dual occupancy anywhere in an urban residential zone in NSW. That policy has been in place since the early 80s. Done properly it works really well. There are 3 houses in my street that have granny flats attached to them and you wouldn’t know.”

Residents

- “I don’t like units because I don’t like body corporates, I don’t like the idea of buying a place and then paying fees for the things you do yourself and manage yourself in a house situation”

- “I’m not pro-body corporates because I know they have their problems with their structure and management and things. So that’s one huge deterrent for me to go into high density. And we’re at the retirement stage, so I just want the flexibility of closing up and going away for 6 months.”

Potential Solutions

Innovative precincts such as Brisbane’s Fitzgibbons Chase provide an encouraging case study of how this form of housing can be supplied and evidence that there is demand for these housing forms when appropriately priced. The future of affordable, sustainable and appropriate housing requires a greater commitment to facilitating medium density housing with a diversity of dwelling types. Below are some options for encouraging greater housing affordability through the promotion of diverse, medium-density housing.
Additional government investment into stimulating developer innovation in medium density construction processes, especially given that Australia is known for poor construction innovation (Newton et al., 2011).

Updating planning codes and processes that support the development of medium density such as terrace housing and small-lot housing to help increase affordability. The Brisbane City Plan 2014 has already gone a long way to improving this, but could go further.

Greater local and state support for a variety of lot sizes in small-scale developments from 120m² through to the larger 600m² and 800m² blocks to support housing diversity and access to homeownership.

A greater focus on small-scale, well-serviced and located greyfield and brownfield locations rather than just focusing on large, brownfield sites for redevelopment

Greater developer and government focus on community engagement at the strategic planning stage and streamlined approval processes at the Development Application stage for projects with an affordable housing component

An investigation into existing public housing stock. Larger, aging lots could be re-developed with higher densities to support more households

Implementation of tax disincentives for undeveloped land to discourage speculative land purchase. This would involve imposing land tax at a rate that would be higher than the tax liability from developed land

Increased joint ventures between developers and Economic Development Queensland to stimulate innovation and affordable housing development.

Changes to ancillary dwelling rules to allow for the development of granny flats for a resident who is not a member of the primary dwelling’s family. This policy is in place in Logan, Ipswich, across Sydney and in many other places and could be adopted in QLD

The above list is an outline of possible solutions that require further investigation. The composition of Queensland households is changing and housing provision should change to reflect this. Similarly, the inner and middle ring suburbs of Brisbane are often well-serviced and connected to work, transport, retail and leisure land uses. The future of sustainable communities means collocating residential land uses with appropriate services.

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