



PLANNING FOR ALL OF MELBOURNE

The Victorian Government response to the *Melbourne 2030* Audit



FACT SHEET MEETING OUR HOUSING NEEDS

Melbourne is a growing, successful international city with a population that could reach five million people by 2030. This growth, combined with the challenges of climate change, housing affordability and transport require decisive action. The Victorian Government will take a strong lead in planning for all of Melbourne, in partnership with local government, stakeholders and communities, to enhance Melbourne's highly valued liveability.

Melbourne is now growing at a rate of around 1,200 people per week – more than any other Australian city.

As well as growing, Melbourne's population is also ageing and changing. Average household size has been declining and the number of one and two person households is increasing.

As the population grows and changes, the need for more housing and a greater diversity of housing types is increasing. Even with no additional people, Melbourne would still need more dwellings.

State and local governments share a critical responsibility to plan for future housing needs and enable the private sector to deliver the required levels of housing.

Encouraging more housing in locations close to public transport, shops and jobs is important. This will help to provide new housing opportunities while containing urban sprawl.

Greater housing choice will allow older people to downsize their homes and young people to move out of the family home while staying within their local community.

COMMITMENTS

The Government will make sure Melbourne's future housing needs are provided for in a sustainable way that maintains the qualities that make Melbourne a great place to live. Encouraging more housing in locations close to public transport, shops and jobs will be a priority. The Victorian Government will:

- support councils to plan for future community needs, by developing with councils clear requirements for the amount and diversity of housing needed in each municipality
- work in partnership with councils to implement the new residential zones, with extensive community engagement, to increase certainty for communities and developers about the location of future housing
- continue to streamline planning processes in Growth Areas to fast-track residential and commercial/industrial development and reduce cost to developers and homeowners
- continue to ensure up to 25 years of land supply for future urban growth (with a minimum of 15 years) in areas that are served by major transport infrastructure and close to employment opportunities
- maintain the Urban Growth Boundary (UGB) and consider the timing of future UGB changes on the basis of updated forecasts, the development capacity of existing urban areas, longer-term urban growth issues and transport investment requirements
- work with the Commonwealth Government on the development of a new National Affordable Housing Agreement and building the capacity of the not-for-profit, social housing sector
- work with regional councils to develop strategic regional plans in order to better manage growth
- prepare longer-term plans for Melbourne's growth, informed by the latest population and economic growth forecasts, transport network needs, climate change and other environmental and community needs.

FAST FACTS

- Between 2001 and 2006, there was a net growth of households in Melbourne of 86,613. That's 30,000 more new households than Sydney – and more new households than Perth and Brisbane combined.
- Melbourne is now growing at a rate of around 1,200 people per week – more than any other Australian city.
- Melbourne is forecast to reach a population of 4.5 million by around 2020 and 5 million by 2030.
- Around 74,000 births were registered in Victoria last year – the highest level since the early 1970s.

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FREQUENTLY ASKED QUESTIONS

How many houses will be required?

Melbourne is now growing at a rate of around 1,200 people per week, with the metropolitan population forecast to reach 4.5 million by around 2020 and 5 million by 2030.

The Department of Planning and Community Development is currently preparing revised *Victoria in Future* population and household projections based on the 2006 Census and current trends in population growth and land supply and demand. This is due to be completed in the second half of 2008.

How will the Government make sure we have enough housing?

Good urban planning will ensure that enough housing can be provided for Victoria's growing population in a sustainable way that will enhance Melbourne's liveability. This means focusing effort on increasing housing options in existing areas, streamlining development in growth areas and supporting growth in regional Victoria. Encouraging more housing in activity centres and locations close to public transport, shops and jobs will be a priority.

The Government will:

- develop clear requirements for the amount and diversity of housing needed in each municipality, in consultation with councils
- work with councils to develop and implement new residential zones to increase certainty about the location of future housing
- continue to streamline planning processes in growth areas to fast-track residential development
- continue to ensure up to 25 years of land supply for future urban growth (with a minimum of 15 years)
- continue accelerating development in Geelong through fast-tracking planning for the Armstrong Creek growth area and investing in central Geelong
- introduce a new Activity Centres Zone to provide greater certainty about future development, including housing, in activity centres
- work with councils to develop strategic regional plans in regional Victoria
- ensure that the need to provide for aged care facilities is considered in land-use planning.

Why are housing growth requirements needed?

Setting clearer requirements for the amount and diversity of housing growth in each municipality will ensure that all areas accommodate the future needs of their local communities.

The link between supply of land for housing in growth areas and downward pressure on house prices is well established. A similar approach is needed in all municipalities to make sure there will be well located sites for new housing so people in all areas of Melbourne have more housing choices. This will also support a more competitive housing market and contribute to improved housing affordability.

How will housing growth requirements be developed and used?

Housing growth requirements will be developed in consultation with councils and will take account of up-to-date forecasts of housing needs and the capacity of each area to accommodate growth.

Once developed, housing growth requirements will inform future reviews of Municipal Strategic Statements, local planning schemes and planning for activity centres and strategic redevelopment sites. They will also play a key role in the application of new residential zones. The Government will also prepare integrated infrastructure investment plans for urban areas experiencing substantial growth - refer to the *Partnerships for Planning Fact Sheet* for further information.

How will housing growth requirements be met?

Councils will use housing growth requirements to help prepare Local Housing Strategies and changes to local planning schemes.

In reviewing planning schemes and applying the new residential zones, each municipality will need to demonstrate that there are opportunities for new housing to meet people's needs and enough supply to keep downwards pressure on house prices. Planning schemes are independently reviewed by Planning Panels Victoria and councils will need to demonstrate that housing growth requirements have been incorporated so people will have choices about where they live.

What is being done to build stronger and healthier communities?

It is important that there is adequate space available for sport and recreation close to where people live. The Government recognises this and will:

- direct the Growth Areas Authority to develop open space plans for each growth area
- actively encourage shared ovals between schools and local communities
- provide clearer guidance in planning schemes for the quantity and quality of open space.

The Government is also:

- improving planning of multi-use community facilities (such as children's services, schools, community health centres) in both established and growth areas which will provide greater flexibility to meet changing community needs
- investigating how to better address health issues and gaps through the Metropolitan Health Strategy.

How will long term growth and the UGB be managed?

The UGB was introduced in 2002 as an urban management tool to help manage the outward growth of Melbourne.

The Government will maintain the UGB and consider the timing of future UGB changes on the basis of updated population/household forecasts, the development capacity of existing urban areas, longer-term urban growth issues (including future economic and employment opportunities) and transport investment requirements. As recommended by the Audit Expert Group, any changes to the UGB in growth areas will need to be consistent with *Melbourne 2030* principles and:

- ensure that long-term infrastructure requirements can be met
- respond to *Melbourne 2030* objectives for the efficient management and provision of land supply
- focus outward growth into corridors best served by transport and infrastructure
- protect environmental and economic assets in green wedges
- be likely to have a positive influence on housing affordability.