One of the principal objectives of the Metropolitan Strategy is to encourage and facilitate opportunities for diversity in dwelling density, type and tenure throughout the urban area.

Achievement of that objective will bring Melbourne's housing more into line with its people's needs. It will help provide for the increasing diversity of Melbourne households, help maintain a supply of both rental and low cost housing, and lead to more efficient use of public facilities and transport.

Two recent major reports on housing support the general thrust of the Board's strategy in advocating diversity in housing and the maintenance of a supply of low cost housing. They are the National Housing Cost Inquiry and the Ministry of Housing's Green Paper.

11.1 A Need for Greater Diversity

Board research shows that Melbourne households are becoming more diverse in size and composition.

One person households, for instance, grew from 17 percent of all households in 1971 to 20 percent in 1976. Households comprising husband, wife and one or more children under sixteen fell to slightly below 30 percent of the total in the same period, while households comprising husband, wife, children and or other adults fell from 53 percent to 47 percent.

Yet there is a distinct lack of variety in the housing available in Melbourne, notably in the middle and outer suburbs. In Waverley, 96 percent of all dwellings are detached houses, in Knox 93 percent, in Camberwell 81 per cent, and in Coburg 86 per cent. By contrast, 44 per cent of Hawthorn dwellings are detached houses, and in Prahran it is 29 per cent. Suburbs such as South Melbourne offer a wide range of detached houses, flats and terrace houses, both large and small.
The inner areas have provided the greatest variety of accommodation in the metropolitan area and the largest pool of rental accommodation. Much of the rental stock was built during the boom period of the 1960's. That boom did have some unfortunate initial side effects in that many poorly sited flats were built.

Subsequent changes in planning controls and increased expertise in dealing with proposals have resulted in steady improvement in the quality of new multi-unit housing throughout the metropolitan area. There is nevertheless substantial local resistance based on past experience, and this has made it hard to introduce more diverse housing styles in many areas. By supporting good examples, the Board expects to engender more receptive attitudes to proposals for greater density and diversity in housing developments.

In relation to rental accommodation, higher interest rates and construction costs, added, in some cases, to over-high standards, have resulted in a decline in return to investors and hence a sharp decrease in the amount of accommodation being built. Recently there has been an increase in the number of former rental properties being strata subdivided and sold to owner occupiers.

In the outer suburbs, the siting requirements of the Uniform Building Regulations have created large areas of uniformly sized allotments and made conditions difficult for future increases in diversity.

The Board will encourage and facilitate opportunities for diversity in dwelling density, type and tenure throughout the metropolitan area. This includes making provision for dual occupancy (including division of larger houses and attached flats as a right in residential zones), review of restrictive flat codes, rehabilitation of older housing, mixed-use zoning and incentives for medium density development. In addition to planning scheme amendments this will involve changes to the Uniform Building Regulations and council by-laws.

11.2 Dual Occupancy

One method of increasing dwelling density that has high potential, largely because of its economic appeal to all concerned, is that of dual occupancy of residential lots.

This can take the form of division of an existing house (with or without alterations and additions) to form two self contained dwellings, granny flats (either attached or detached), erection of a second detached dwelling on the same block, building an attached pair of houses or two villa units.

The idea could have particular appeal in suburbs where population has declined as children have grown up and left to form their own households elsewhere. In many such cases the parents are left with a family house or garden too big for their current needs and energies. They are reluctant to leave, however, because they like the area.

Minor alterations to a family house will in many cases allow it to be used by two households. In a typical case by adding on, or converting space to provide a kitchen, bathroom, toilet and separate entrance.

Such accommodation can be quite attractive to many people. Many people would prefer a smaller house and garden. Many people give a higher priority to easy access to public transport, work, cultural pursuits, and other interests than to the size of their house and garden. Young marrieds often prefer cheap rather than spacious accommodation while they save for a deposit on their future family house. Others prefer to pursue leisure activities rather than maintain a garden.

This form of development will also lead to increased use of public utilities and community facilities. Enabling people to move back into established areas will reduce the demand for new services on the fringe and the consequent strain on the public purse.

The concept of dual occupancy is now favoured by many people provided certain standards are met. A greater diversity of housing will provide opportunities for houses to be used by the 'extended family'. More rental accommodation will be available. More people will be able to get an economic return from what is for most of them their largest asset, their house. This factor could have particular appeal to retired people on fixed incomes who have been disadvantaged by inflation. It could also appeal to couples who are purchasing a house and wish to offset mortgage payments. Later on a family could occupy the whole house.

At present the Uniform Building Regulations and council by-laws may impose additional controls over this type of housing. They may even go so far as to effectively prohibit it. The Board's view (shared by the Report of the Building and Development Approvals Committee and by the green paper on Housing in Victoria) is that all such controls should be included in planning