

CHAPTER 05

HOUSING CHOICE

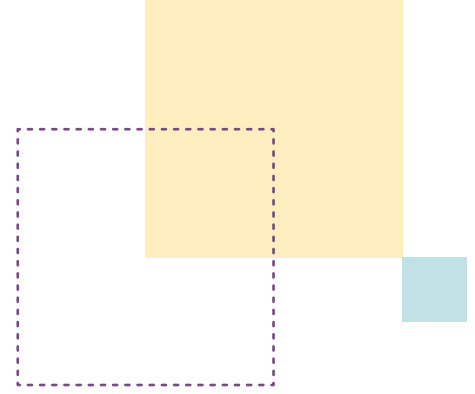


Plan Melbourne Outcome 2:
Melbourne provides housing
choice in locations close to jobs
and services.

Plan Melbourne seeks to increase the supply of housing in established areas close to jobs, services and public transport to accommodate the anticipated increase in population over the next 30 years while ensuring Melbourne remains liveable, sustainable and accessible.



Photo credit: Tim Bell Studio



The Inner South East Metro Region is renowned for its established activity centres, heritage streetscapes, connection with Port Phillip Bay, tree-lined streets and extensive public transport network, particularly the tram network that services most of the activity centres in the region.

However, a lack of affordable housing is a major issue for the region. High land values are driven by the region's proximity to Melbourne's CBD and its reputation for amenity and character. This also affects the value of apartments that command significantly higher prices than comparable stock in other regions across metropolitan Melbourne. There is a need to provide a diversity of housing to cater for vulnerable Victorians, the ageing population, students and people attracted to the region for its proximity to existing infrastructure.

A significant proportion of land within the Inner South East Metro Region is protected by heritage or neighbourhood character policies which may impact on the density, height and built form of new residential development. This includes areas within and close to activity centres, along the Principal Public Transport Network (PPTN) and urban renewal precincts and sites. The ongoing challenge is to identify locations for housing growth, without compromising the characteristics, assets and values that define the Inner South East Metro Region.

State of play

Metropolitan Melbourne

Strong demand has led to increased competition for housing in Melbourne's inner and middle ring suburbs which have good access to jobs, services and public transport.

The residential development industry is responding to higher demands for housing by increasing supply across metropolitan Melbourne. The number of dwellings and location of additional housing being developed depends on the availability and suitability of land and the willingness and ability of households to afford it. A significant number of homes are developed in Melbourne's outer suburban growth areas, due to the availability of land zoned for residential uses in these areas. This has enabled residential developers to meet the demand for relatively affordable housing.

There has also been an increase in the supply of apartments in the Central City – and increasingly in inner suburbs of Melbourne – driven by investors purchasing apartments to meet increased demand for rental accommodation in the inner city. In other areas, particularly middle ring suburbs, which have been established residential areas for some time, the supply of housing is relatively fixed compared to other metro regions and is less able to respond to the increasing demand for housing in Melbourne.

Inner South East Metro Region

Regional demographics

Forecast population growth in the Inner South East Metro Region is more modest than in other metropolitan regions. In 2051 the region's population is expected to be 784,040, an increase of approximately 216,640 on the 2020 population of 567,390. A further 119,170 dwellings will be required from 2016 to accommodate this growth across the region.

The Inner South East Metro Region comprises 11 per cent of metropolitan Melbourne's population of 5,098,530 at 2020. It is expected to be around 9 per cent of metropolitan Melbourne's projected population of 8,352,840 by 2051. Population growth in the region is anticipated to be at a lower rate than metropolitan Melbourne average, with an expected annual population growth of approximately 1.0 per cent in the region compared with 1.5 per cent across Melbourne. Given the region is geographically smaller compared to other metropolitan regions, growth will likely be accommodated at higher average densities than the metropolitan regions with greenfield growth areas.

In 2016 the most prevalent age group was the 20–34 year olds (**Figure 9**). This is consistent across metropolitan Melbourne. This statistic is likely to change over time, with the region's largest age cohort projected to be people aged 35–49 by 2051. In 2016, 21 per cent of the region's population was over the age of 60, which is greater than the metropolitan Melbourne average of 18.4 per cent. By 2051, 24 per cent of the region's population is projected to be over the age of 60 (DELWP, 2019b). This is comparable to the projections for metropolitan Melbourne overall.

In 2016, the most prevalent household group in the Inner South East Metro Region was families with children. By 2051 it is expected there will be a marginal decrease in the number of households with children from 40 per cent in 2016 to just over 38 per cent and an increase in households comprising lone persons and couples without children, consistent with projections for metropolitan Melbourne (DELWP, 2019b).

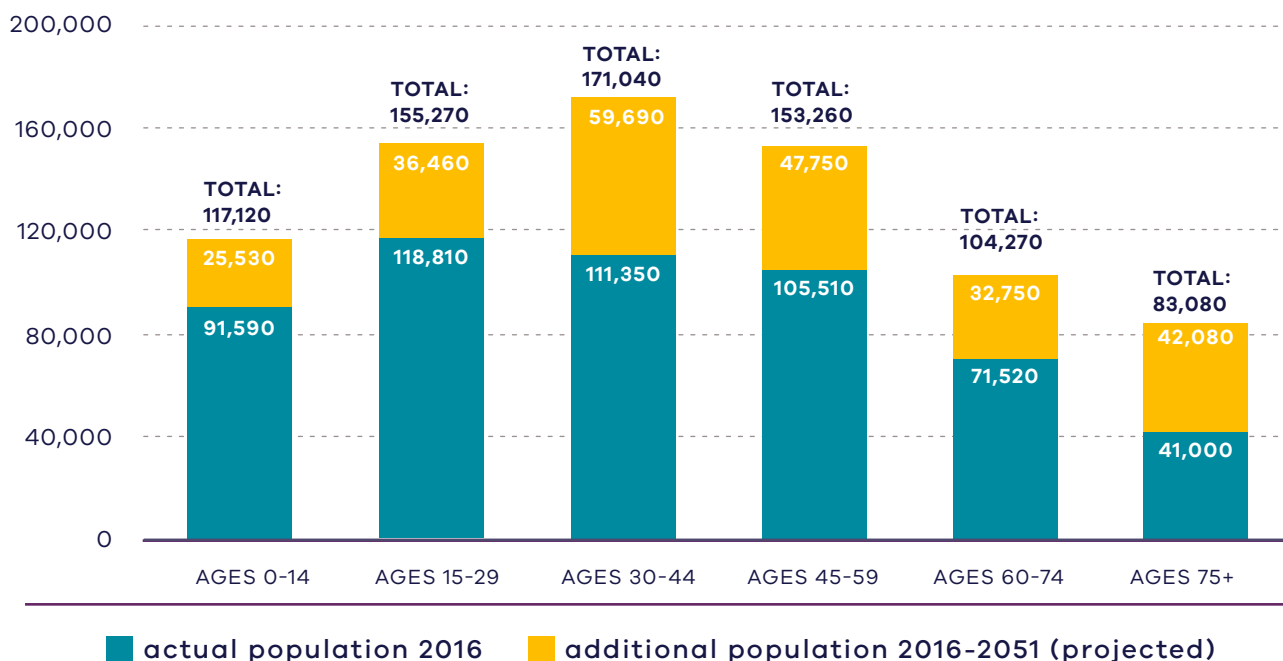
In 2036, Boroondara will continue to accommodate the greatest number of people across the region with 32 per cent of the region's population, followed by Glen Eira with 28 per cent (Table 3). Bayside will accommodate the smallest amount of the region's population at 18 per cent of the region's total.

TABLE 3. Actual and projected population by Local Government Area, 2016 - 2036

| LGA | 2016 | 2020 | 2026 | 2031 | 2036 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Bayside | 102,910 | 107,540 | 113,650 | 118,040 | 122,710 |
| Boroondara | 177,280 | 183,020 | 195,520 | 204,550 | 213,840 |
| Glen Eira | 148,580 | 158,220 | 168,760 | 178,840 | 188,210 |
| Stonnington | 111,000 | 118,610 | 129,370 | 137,810 | 146,890 |
| Inner South East Metro Region | 539,770 | 567,390 | 607,300 | 639,230 | 671,650 |

Source: Victoria in Future, DELWP, 2019 and Regional Population, Australian Bureau of Statistics, 2021

FIGURE 9. Regional actual and projected population by age, 2016 - 2051



Source: Victoria in Future 2019, DELWP

Housing stock

In 2016, separate houses made up almost 50 per cent of the Inner South East Metro Region's housing stock, compared to 67 per cent for metropolitan Melbourne. Flats, units and apartments comprised around 30 per cent, and semi-detached and terrace dwellings comprised 22 per cent of the region's housing stock compared to 16 per cent for both of these housing types across metropolitan Melbourne (DELWP, 2019b).

The region includes a wide range of heritage places and precincts, including some of the grandest Victorian and Edwardian era homes in Melbourne, streetscapes of workers cottages and art deco-style apartments. The region is highly regarded for its heritage streetscapes and European-style architecture.

In more recent years, there has been an increase in high-rise, mixed-use development in Prahran/South Yarra Major Activity Centre which has significantly altered the urban structure in Stonnington, offering a higher-density lifestyle compared to other activity centres in the Inner South East Metro Region.

The existing subdivision pattern of relatively small lots, while reflecting the diversity of housing styles found in the region, is one of the factors limiting the opportunity for increased housing density. Some suburbs contain larger lots and older housing stock which is being replaced with larger homes or, in some cases, medium-density housing developments, where planning controls allow. Restrictive covenants apply to some areas that limit development to single dwellings.

Projected housing requirements

Victoria in Future (VIF) projections are published at LGA level for a 20-year horizon from the most recent Census data – currently from 2016 to 2036. Beyond this period knowledge of land supply, dwelling construction and population distribution trends be less certain.

VIF projections indicate that based on the continuation of current trends, and knowledge of long-term greenfield land supply, approximately 66 per cent of net additional dwellings across metropolitan Melbourne are expected to be in established areas and 34 per cent in greenfield areas. The housing distribution figures between established areas and greenfield areas are shown in **Table 4**.

Plan Melbourne provides an alternate aspirational housing distribution scenario based on achieving 70 per cent of new housing in Melbourne's established areas and the remaining 30 per cent accommodated in greenfield areas. This scenario assumes a total of 70,000 dwellings across metropolitan Melbourne, which VIF 2019 projections allocated to greenfield areas, can be accommodated in established areas to realise the aspirational 70/30 distribution between 2019 to 2051 (**Table 5**).

The aspirational housing distribution scenario provides for a redistribution of 5000 dwellings from greenfield areas across metropolitan Melbourne to be accommodated in the Inner South East Metro Region.

Table 6 shows the aspirational housing distribution scenario for each LGA to 2036. This is achieved by apportioning the net dwelling additions in the established area for each metropolitan region and distributing the amount between LGAs in the region. The aspirational scenario is based on the locations where most housing growth is anticipated across the established metropolitan area such as the Central City, NEICs, metropolitan and major activity centres, major urban renewal precincts and future SRL precincts. The 70/30 dwelling redistribution for the region will provide guidance for each LGA to accommodate housing growth that achieves the aspirational housing distribution for metropolitan Melbourne.

TABLE 4. Scenario 1 VIF 2019

| REGION | NET DWELLING ADDITIONS 2016 TO 2051 | | |
|------------------|-------------------------------------|-------------|------------|
| | Total | Established | Greenfield |
| Inner Metro | 225,000 | 225,000 | 0 |
| Western | 412,000 | 177,000 | 235,000 |
| Northern | 352,000 | 167,000 | 185,000 |
| Inner South East | 119,000 | 119,000 | 0 |
| Eastern | 192,000 | 192,000 | 0 |
| Southern | 313,000 | 184,000 | 129,000 |
| Total Melbourne | 1,613,000 | 1,064,000 | 549,000 |
| | 100% | 66% | 34% |

TABLE 5. Scenario 2 Aspirational scenario

| REGION | NET DWELLING ADDITIONS 2016 TO 2051 | | |
|------------------|-------------------------------------|-------------|------------|
| | Total | Established | Greenfield |
| Inner Metro | 235,000 | 235,000 | 0 |
| Western | 402,000 | 197,000 | 205,000 |
| Northern | 347,000 | 182,000 | 165,000 |
| Inner South East | 124,000 | 124,000 | 0 |
| Eastern | 202,000 | 202,000 | 0 |
| Southern | 303,000 | 194,000 | 109,000 |
| Total Melbourne | 1,613,000 | 1,134,000 | 479,000 |
| | 100% | 70% | 30% |

Note: For the purpose of these figures, greenfield areas include land in a growth area council that is either currently under development or identified for future development

TABLE 6. Inner South East Metro Region 70/30 dwelling redistribution by LGA to 2036

| LGA | VIF2019 DWELLINGS | | INCLUDING 70/30 DWELLINGS | 70/30 DWELLING REDISTRIBUTION | SHARE OF REGIONAL REDISTRIBUTION |
|-----------------------------------|-------------------|---------|---------------------------------|----------------------------------|--|
| | 2021 | 2036 | 2036 | | |
| Bayside | 44,400 | 51,900 | 52,600 | 700 | 28% |
| Boroondara | 75,100 | 87,700 | 88,100 | 400 | 16% |
| Glen Eira | 68,900 | 82,900 | 83,600 | 700 | 28% |
| Stonnington | 61,200 | 74,900 | 75,500 | 600 | 24% |
| Inner South East Metro | 249,600 | 297,400 | 299,800 | 2500 | 100% |

Locations for housing growth

Housing strategies prepared by all LGAs in the Inner South East Metro Region encourage greater-density development around activity centres, along residential activity corridors and potential urban renewal sites. Together these locations are also critical to help meet employment, service and infrastructure needs for the region's growing population.

The region is unique in terms of having a substantial tram and train network servicing its major activity centres and some neighbourhood activity centres. Locating housing along or close to tram and train networks will improve access to local jobs and services. Major housing in the Inner South East Metro Region that is proposed in or within 400 metres of an activity centre is shown in **Figure 10**.

Between 2005 and 2016 a substantial amount of residential development in the Inner South East Metro Region occurred in or within 400 metres of activity centres. During this period Stonnington

provided for the largest proportion of residential development, with 84 per cent of new dwellings located within an activity centre (DELWP, 2018a). All other LGAs in the region provided for approximately 45 per cent of new dwellings to be constructed in or within 400 metres of an activity centre and the balance outside of these areas. This uptake of housing development in proximity to activity centres is much higher than other regions (DELWP, 2018a).

Heritage and neighbourhood character are highly valued in the Inner South East Metro Region and make a significant contribution to the region's identity and amenity. Each of the region's local councils have undertaken extensive heritage and neighbourhood character studies across their municipalities and applied heritage and neighbourhood character overlays and policy to ensure that new development continues to respect and protect the existing built-form aesthetic, streetscapes and historic legacy.

Housing demand and its impact on affordability

Housing affordability is an issue in the Inner South East Metro Region. The region is highly desirable thanks to its wealth of amenities including entertainment precincts, valued open space and a concentration of prestigious public and private secondary schools, and access to good public transport. High land value is also driven by the region's proximity to Melbourne's CBD which means even smaller dwellings, such as apartments or flats, command prices significantly higher than comparable stock in other regions. These factors drive up demand and prices for purchase and rent in the region.

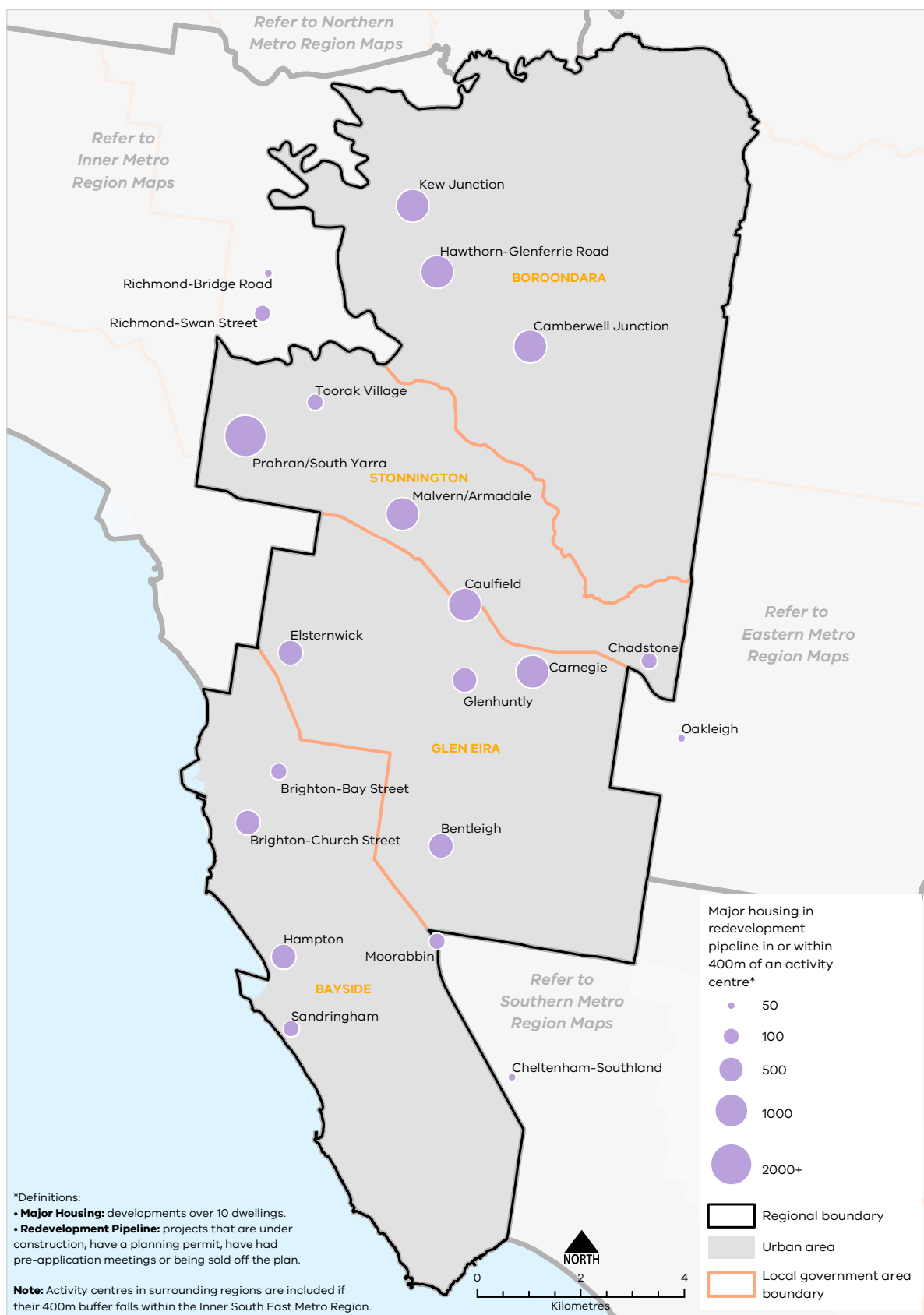
All four LGAs in the Inner South East Metro Region are among the least affordable council areas in metropolitan Melbourne for rental affordability. Bayside, Boroondara and Glen Eira have some of the lowest proportion of affordable rental properties with less than 1 per cent of dwelling stock being affordable, while Stonnington has between 1 and 2 per cent of dwelling stock being affordable (DHHS, 2020). These relatively high housing costs can bring about housing stress for households' mortgage and/or rental properties.

The Inner South East Metro Region has limited affordable housing available for key workers such as childcare and aged care workers and teachers. Approximately 50 per cent of key workers in the region have low or moderate incomes (MGS Architects, 2020).

There are several existing Victorian Government initiatives in place to improve the supply of affordable housing, including social housing. These include Victoria's Big Housing Build, the Social Housing Growth Fund, 1000 Homes initiative and the Redevelopment of Public Housing Estates. Boroondara LGA has been identified as a priority area to increase the supply of social and affordable housing in the Inner South East Metro Region as part of Homes Victoria's Big Housing Build program.



Photo credit: Gary Gross Photography

FIGURE 10. Major housing in the redevelopment pipeline in or within 400 metres of an activity centre

Source: Urban Development Program 2019, Department of Environment, Land, Water and Planning

Regional strengths

- Opportunities exist to locate medium- and higher density housing in and around major activity centres, identified urban renewal areas, and in locations supported by good public transport.
- Highly valued heritage and neighbourhood character contributes to the identity of the region.

Regional challenges

- Balancing housing development with employment uses is a challenge, particularly in major activity centres.
- A greater diversity of housing is required to reflect community needs, especially providing adaptable housing options for the ageing population to 'age in place'.
- Housing prices are exceptionally higher in the Inner South East Metro region than other metro regions.
- The supply of affordable housing is disproportionate to the number of lower income residents in the region.

Directions and strategies

The directions identified to achieve the 2050 vision for the Inner South East Metro Region in terms of Housing choice and Outcome 2 of Plan Melbourne are:

| | |
|--------------------|--|
| Direction 4 | Increase the supply of housing in the Inner South East Metro Region |
| Direction 5 | Prioritise housing growth in areas with access to jobs, services and good public transport |
| Direction 6 | Provide greater choice and diversity of housing in the Inner South East Metro Region |
| Direction 7 | Increase the supply of social and affordable housing |

Each direction is implemented through regionally-specific strategies identified in this LUFP.

Map 3 shows how housing choice will be enhanced across the Inner South East Metro Region by 2050 as a result of these directions and strategies, together with Plan Melbourne and other strategies and initiatives as outlined in **Appendix 01**.

MAP 3. Inner South East Metro Region housing choice 2050**Precincts and Activity Centres**

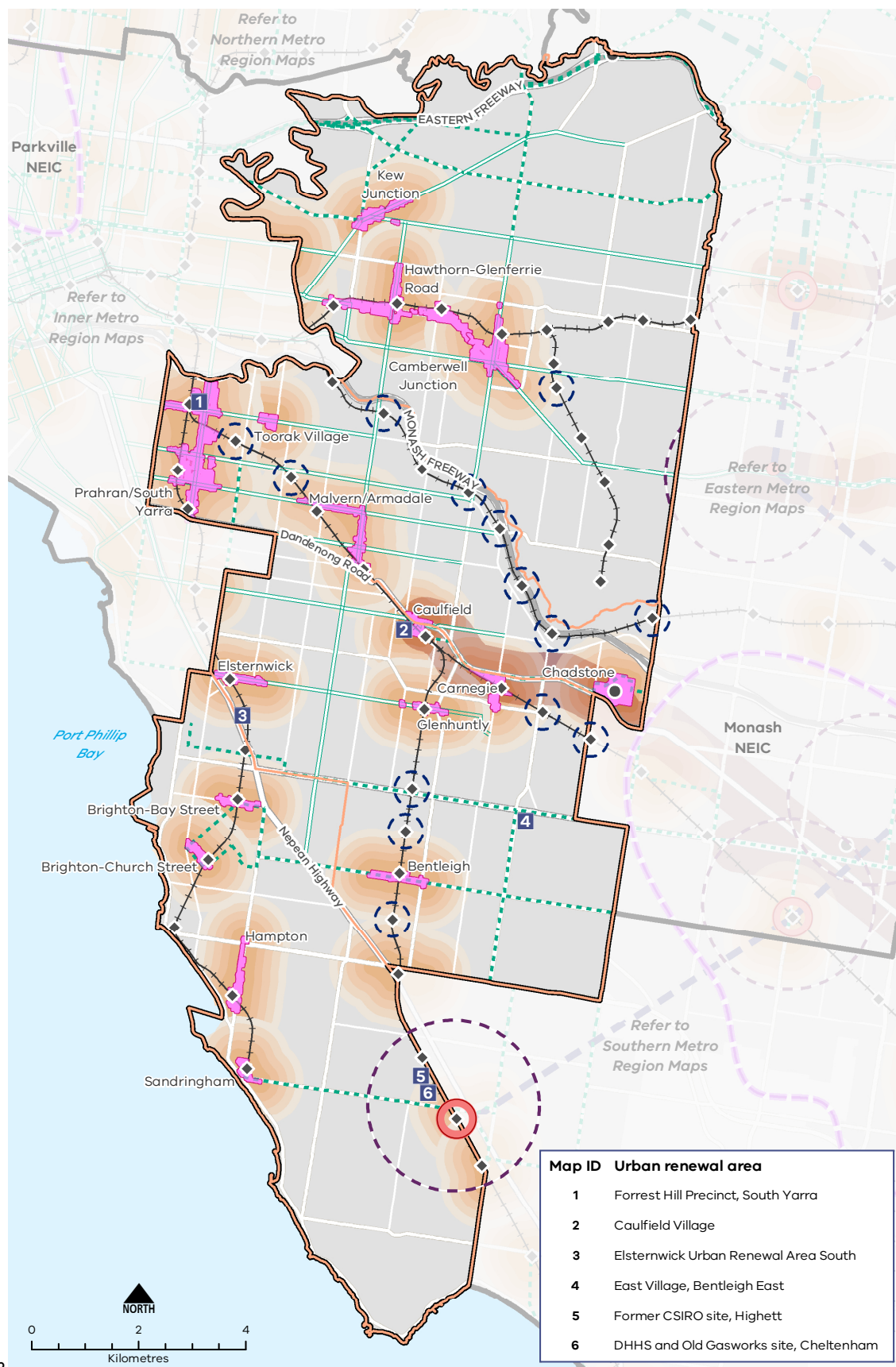
- Walkable catchment - indicative*
- Activity corridor
- Housing investigation area
- Regionally-significant commercial land*
- Urban renewal area
- Areas expected for higher levels of growth and change

Transport

- State-significant road corridor
- Road network
- Train station
- Rail network
- Principal Public Transport Network
- PPTN station
- PPTN interchange
- Bus
- Tram
- Suburban Rail Loop
- SRL - interchange station

Land Use/Administration

- Regional boundary
- Urban area
- Local government area boundary



*These layers are based on the state- and regionally-significant commercial land identified in MICLUP, 2019. The activity centre boundaries identified in local council planning schemes may differ.

*Residential zoned land in these locations suitable for medium- and higher-density housing, subject to the provisions of any local council planning scheme or adopted municipal housing strategy.



DIRECTION 04.**Increase the supply of housing in the Inner South East Metro Region**

Plan Melbourne aims for 70 per cent of net additional dwellings to be provided in Melbourne's established areas, with the balance being provided in greenfield areas. There are no greenfield sites in the Inner South East Metro Region, which means it must accommodate additional housing in existing urban areas.

The region provides opportunities for well-located medium- and higher-density housing in established areas, particularly in and around activity centres and activity corridors, and in urban renewal areas and other locations with good public transport. There is also some opportunity for additional housing in greyfield areas where housing stock is near, or has reached, the end of its useful life and could be redeveloped.

Substantial and incremental change areas will experience varying degrees of change relative to the existing context and not only increase the supply of housing, but also the diversity in housing types and built form outcomes. Lower-density areas in the region are expected to accommodate housing growth within the context of the existing or preferred character. Minimal housing change areas are identified for their special characteristics such as neighbourhood, heritage, environmental or landscape characteristics that should be protected. Councils will need to ensure that the planning controls (zoning and overlays) correspond to the expected housing change so that there is clear messaging around where housing growth can occur (substantial and incremental change areas) and where growth is limited (minimal change areas).

Large parts of the Inner South East Metro Region, including Prahran/South Yarra, Hawthorn-Glenferrie Road, Kew Junction and Elsternwick major activity centres and the surrounding residential areas have Heritage or Neighbourhood Character Overlays. While these overlays may constrain built form, building heights and densities, they will still allow new housing development that is well-designed and respects heritage and neighbourhood character values.

STRATEGY 10. Maximise housing development within the established areas of the Inner South East Metro Region to achieve the aspirational housing distribution scenario for metropolitan Melbourne.

DIRECTION 05.**Prioritise housing growth in areas with access to jobs, services and good public transport**

Plan Melbourne recommends that medium- and higher-density housing be prioritised in areas that have access to public transport and provide opportunities for employment, such as in and around activity centres, and health and/or education precincts. The Inner South East Metro Region is well serviced by the PPTN, which covers land that is wholly or partly within 400 metres of public transport.

Higher-density development around the region's major activity centres and activity corridors, neighbourhood activity centres, along main roads with PPTN and on urban renewal sites is encouraged. These areas are critical to meeting the employment, service and infrastructure needs of the region's growing population. Opportunities for new medium- and higher-density housing should be considered within an 800-metre walkable catchment area of activity centres where residents can meet their daily needs in a 20-minute return walk from their homes. The appropriateness of residential development in these walkable catchments will depend on other planning controls and incompatible zoning. The councils are responsible for determining the suitability in these locations.

Cheltenham is identified as the southern gateway for SRL East (Cheltenham to Box Hill) and a proposed new interchange station is being planned as part of SRL East. There will be increased opportunities for housing growth in and around Cheltenham-Southland Major Activity Centre as SRL creates closer and more efficient connections to jobs and services in job-rich locations such as Monash and La Trobe NEICs. As the activity centre borders Bayside and Kingston LGAs, collaboration between these two metropolitan councils will be needed to ensure planning for Cheltenham is integrated, holistic and maximises land use opportunities. Moorabbin Major Activity Centre is located on the boundary between Bayside LGA, Glen Eira LGA and Kingston LGA and will benefit from inter-regional planning.

Locations identified by local councils for substantial and incremental housing change are expected to accommodate more housing growth and will experience varying degrees of change relative to the existing context. The expected change in these areas will increase the supply of housing across the region to meet the projected housing need while also providing opportunities for diverse housing types.

Table 7 identifies locations for medium- and higher-density housing in the Inner South East Metro Region.

TABLE 7. Locations for medium- and higher-density housing in the Inner South East Metro Region

| CLASSIFICATION | LOCATIONS | ROLE/FUNCTION FOR HOUSING |
|---|--|--|
| Major activity centres | Bentleigh Brighton-Bay Street Brighton-Church Street Camberwell Junction Carnegie Caulfield Chadstone Elsternwick Glen Huntly Hampton Hawthorn-Glenferrie Road Kew Junction Malvern/Armadale Moorabbin Prahran/South Yarra Sandringham Toorak Village Cheltenham-Southland (parts within Bayside LGA) | <ul style="list-style-type: none"> Major activity centres are locations for medium- and higher-density housing and mixed-use development. Substantial housing change opportunities may extend to a walkable catchment of 800 metres around the centre (depending on the local context) based on the 20-minute neighbourhood principle of locating housing close to jobs, services, amenities and public transport. While all major activity centres will accommodate housing change, the degree of change is relative to the existing context and characteristics of each major activity centre (Table 2) Structure planning will identify the preferred locations, densities and types for housing and development constraints or limitations in each centre. |
| Neighbourhood activity centres | | <ul style="list-style-type: none"> Some neighbourhood activity centres may be locations for mixed-use medium- and higher-density housing, particularly when they are serviced by good public transport. Housing opportunities may also extend to a walkable catchment of 800 metres around the centre (depending on the local context) based on the 20-minute neighbourhood principle of locating housing close to jobs, services, amenities and public transport. |
| Urban renewal areas and greyfields | Caulfield Village East Village, Bentleigh East Elsternwick Urban Renewal Area South Forrest Hill Precinct, South Yarra Former CSIRO site, Highett Homes Victoria and Old Gasworks site, Cheltenham | <ul style="list-style-type: none"> Urban renewal areas identified in the LUFP are locations nominated by the Victorian Government or LGAs with opportunities for medium- and higher-density mixed-use development. These locations have regional value based on one or more the following characteristics: land size, proximity to the PPTN or future transport infrastructure, government-owned, or require cross-municipal planning. These areas will be planned according to 20-minute neighbourhood principles. A coordinated approach to planning for these areas will maximise their development opportunity and any infrastructure needs. |

| CLASSIFICATION | LOCATIONS | ROLE/FUNCTION FOR HOUSING |
|-------------------------------------|---|--|
| Suburban Rail Loop precincts | Cheltenham (interchange) within the Southern Metro Region | <ul style="list-style-type: none"> SRL precincts are opportunities for medium- and higher-density housing development due to their proximity to future SRL train stations. Housing development in the SRL precincts will be supported by other uses such as commercial, retail and services and maximise their potential as transit-oriented development. They will undergo substantial change and will be subject to further detailed precinct planning. |
| Activity corridors | Dandenong Road/ Princes Highway between Caulfield Major Activity Centre, Chadstone Major Activity Centre and the Monash NEIC (SRL stations in the Eastern Metro region) | <ul style="list-style-type: none"> Activity corridors are linear areas that are heavily used by commuters or undergoing city-shaping infrastructure upgrades. They contain a mix of commercial, retail, residential and industrial uses. Residentially zoned land in locations along the activity corridors may support medium- and higher-density housing due to its proximity to existing or future public transport. Regionally-significant industrial land will be retained for employment. Locally-significant industrial land may transition to residential uses if suitable and not required for employment purposes. Activity corridors are consistent with Plan Melbourne which encourages increased diversity and density of developments on the PPTN, particularly at interchanges, activity centres and where principal public transport routes intersect. |
| Housing investigation areas | Darling (Malvern East) Station East Malvern Station Gardiner Station Glen Iris Station Hawksburn Station Holmesglen Station Hughesdale Station Kooyong Station McKinnon Station Murrumbeena Station Ormond Station Patterson Station Toorak Station Willison Station | <ul style="list-style-type: none"> Housing investigation areas are areas within an 800 metre walkable catchment around existing and future railway stations that have the potential to support medium- and higher-density housing development in line with maximising access to public transport and 20-minute neighbourhood principles. These areas are outside designated metropolitan and major activity centres and are based on their access to rail infrastructure, existing zones that allow residential development and the absence of 'special characteristics' such as heritage, landscape, bushfire values or airport environs. A further assessment to determine locations within housing investigation areas suitable for substantial housing change and rezoning, in response to the local context, will be required. |

| CLASSIFICATION | LOCATIONS | ROLE/FUNCTION FOR HOUSING |
|----------------------------------|---|--|
| Housing opportunity areas | <p>High Street (between Punt Road and Charles Street)</p> <p>Commercial Road (west of Punt Road; between Mathoura Road and Orrong Road)</p> <p>Toorak Road (between Prahran/South Yarra and Toorak Village major activity centres)</p> <p>Malvern Road (between Tooronga Road and Burke Road)</p> <p>Power Street, Riversdale Road, Glenferrie Road (south of activity centre)</p> <p>Wattletree Road (from Dandenong Road to Glenferrie Road)</p> <p>Dandenong Road (between Chapel Street and Glenferrie Road)</p> <p>Punt Road</p> | <ul style="list-style-type: none"> Housing opportunity areas are identified by local councils as areas where substantial or incremental housing change is anticipated as a result of being located on the PPTN or along main roads. These locations are generally zoned as Residential Growth Zones where housing at increased densities and housing diversity is expected. |

STRATEGY 11. Increase the supply of medium- and higher-density housing in and around major activity centres, urban renewal areas, SRL precincts, along activity corridors, and in and around neighbourhood activity centres serviced by good public transport.

STRATEGY 12. Support substantial housing change in locations where transport upgrades and improvements such as Suburban Rail Loop or level crossing removals create opportunities to locate housing closer to jobs, services and infrastructure.

STRATEGY 13. Maximise development potential in housing investigation areas around existing train stations to leverage access to the Principal Public Transport Network.

STRATEGY 14. Support adaptive and innovative approaches in the design of new residential development that respects the heritage and neighbourhood character of the locality.

DIRECTION 06.**Provide greater choice and diversity of housing in the Inner South East Metro Region**

Housing growth in established residential areas contributes to the projected housing supply for the Inner South East Metro Region. Most housing stock in the region comprises separate dwellings which is typical for an established urban area and contributes to housing diversity in the region.

As the existing housing stock ages, opportunities for infill development should be leveraged to provide greater choice and diversity. Activity centres and corridors currently provide most unit and apartment dwellings and will continue to provide opportunities for medium- and higher-density dwellings. Shop-top residential development and mixed-use developments in activity centres and corridors should also be encouraged to provide more diversity in housing stock.

With projected demographics for the region showing a decline in families with children and an increase in single persons or couples without children, the demand for dwellings with one or two bedrooms is likely to increase. New housing should respond to these changing household compositions and consider the provision of greater choice in the size of dwellings.

Smaller dwellings should also provide for more affordable arrangements and flexibility to allow 'ageing in place' in response to an ageing population. Adaptable floor plans in new developments will give residents the flexibility to remain in their family homes as they age. Residential aged care facilities and retirement homes will also be important for the region and give people the choice to remain in their existing communities.

The impacts of climate change are likely to have a profound financial impact on lower income households and vulnerable households. New housing development, particularly affordable and social housing developments, will need to be environmentally sustainable with innovative technologies that can reduce household costs.

With two state-significant tertiary campuses in the region, Swinburne University (Hawthorn) and Monash University (Caulfield), a demand for student accommodation close or well connected to these institutions is anticipated. As both universities are in or close to major activity centres, they are well-serviced with existing amenities, services and public transport, and suitable for increased housing. Demand for a variety of housing types that provide low-cost rental, supported accommodation and social housing will also grow.

STRATEGY 15. Encourage a genuine mix of dwelling types and sizes in the Inner South East Metro Region, including provision of adaptable housing options, to accommodate the changing future needs of the region.

STRATEGY 16. Support alternative and sustainable residential development formats, such as co-housing or build-to-rent in appropriate locations, and car-free residential developments models in locations with good access to alternative transport modes.

STRATEGY 17. Ensure new residential development is well-designed, durable, resilient to climate change and built to a high-quality standard.

STRATEGY 18. Adopt a place-based approach to the delivery of infill housing developments to replace ageing housing stock, ensure a high-quality of design that is appropriate for the local context and contributes to housing supply and diversity.

DIRECTION 07.**Increase the supply of social and affordable housing**

Affordable housing is defined in the *Planning and Environment Act 1987* as housing appropriate for the needs of very low-, low- and moderate-income households, and includes social housing provided by the government or a registered housing agency. The provision of social and affordable housing is not solely a planning issue, and a range of programs and measures across all levels of government are required to deliver more social and affordable housing.

Housing affordability is affecting an increasing number of residents across metropolitan Melbourne. Planning should facilitate the delivery of affordable housing in the Inner South East Metro Region by considering opportunities to develop underutilised or disused government-owned land for social housing. Facilitating the supply of affordable housing in locations that are closer to jobs, services and public transport – in addition to sustainable design – will lower household costs, which is particularly important to the very low-, low- and moderate-income households.

The social and affordable housing system, consisting of the government, community housing sector and industry, provides housing options for those unable to access the private housing market. There are currently 116,351 people living in social housing owned or managed by Homes Victoria (Director of Housing) or a registered housing corporation across Victoria. Victoria has the lowest proportion of social housing in Australia and will require 4000 homes per year for Victoria's social housing to reach the national average of 4.2 per cent of social housing to total dwellings.

The Victorian Government's Big Housing Build program aims to increase existing social housing stock across Victoria by 10 per cent and, in the next five years, over 12,000 new dwellings will be built. The program is Victoria's largest investment in social and affordable housing and Homes Victoria has been established to deliver the program as well as ensure an ongoing pipeline of social and affordable housing development beyond the Big Housing Build. In addition, existing social housing dwellings will be upgraded, maintained or replaced under the program. The Victorian Government has identified 21 priority LGAs for social housing development including in Boroondara LGA in the Inner South East Metro Region.

STRATEGY 19. Facilitate more affordable housing across the region, particularly in locations that have good access to jobs, services and public transport.

STRATEGY 20. Redevelop existing government-owned land (where there are not necessarily proposed transport upgrades) to deliver affordable housing.

STRATEGY 21. Renew and, where appropriate, intensify the existing social housing stock in the Inner South East Metro Region.

ACTIONS – Housing choice

ACTION 4. Update planning schemes to align with housing policies in Plan Melbourne and the Inner South East Metro Land Use Framework Plan and the implementation of the reformed residential zones. This includes:

- Providing capacity for 15 years of regional housing supply focusing on locations identified for housing growth in the LUFP
- Reviewing planning controls in housing investigation areas as potential locations for substantial or incremental housing change.

This may require strategic planning work to support these changes, such as preparing or updating local housing strategies or preparing structure plans to further investigate where increased densities can be supported, and determine specific changes required to planning schemes.

ACTION 5. Identify underutilised and surplus government land that has potential to deliver additional social housing.

ACTION 6. In partnership with councils, identify a pipeline of sites in the Inner South East Metro Region for social and affordable housing.





Photo credit: Tim Bell Studio