

# Eurobodalla Shire Council Local Housing Strategy: Background Report



20 November 2023

This report has been prepared for

Eurobodalla Shire Council  
by

 JUDITH STUBBS  
& ASSOCIATES

The Old Post Office  
231 Princes Hwy, Bulli NSW 2516

Ph: 02 4283 7300

Fax: 02 4283 7399

[info@judithstubbs.com.au](mailto:info@judithstubbs.com.au)

[www.judithstubbs.com.au](http://www.judithstubbs.com.au)

This Report has been prepared by:

Judith Stubbs UNSW PhD MPIA

John Storer, BEng (Civil), Grad Dip (Econ)

James Storer B Biotechnology (Hons Class 1), Grad Cert (Economic Policy)

Draft

#### Disclaimer

© Judith Stubbs and Associates

All Rights Reserved. No part of this document may be reproduced, transmitted, stored in a retrieval system, or translated into any language in any form by any means without the written permission of Judith Stubbs and Associates.

#### Intellectual Property Rights

All Rights Reserved. All methods, processes, commercial proposals and other contents described in this document are the confidential intellectual property of Judith Stubbs and Associates and may not be used or disclosed to any party without the written permission of Judith Stubbs and Associates.

# Table of Contents

<b>1</b>	<b>Executive Summary .....</b>	<b>8</b>
1.1	Background .....	8
1.2	Overview of the Evidence Base .....	8
1.2.1	Overview .....	8
1.2.2	Demographic Context .....	9
1.2.3	Housing Context .....	10
1.2.4	Housing Affordability Context .....	11
1.3	Strategic Priorities .....	14
<b>2</b>	<b>Demographic and Housing Context .....</b>	<b>16</b>
2.1	Demographic Context .....	16
2.1.1	Overview .....	16
2.1.2	Total Population .....	17
2.1.3	SEIFA Indexes .....	17
2.1.4	Age profile .....	18
2.1.5	Household income .....	20
2.1.6	Household and family type .....	22
2.1.7	Migration .....	24
2.1.8	Education .....	25
2.1.9	Occupation .....	26
2.1.10	Industry .....	26
2.2	Housing Context .....	27
2.2.1	Overview .....	27
2.2.2	Dwelling Occupancy .....	28
2.2.3	Persons per Dwelling .....	29
2.2.4	Dwelling structure .....	30
2.2.5	Number of bedrooms .....	32
2.2.6	Tenure and landlord type .....	35
2.2.7	CVPs, MHEs and retirement villages .....	38
2.2.8	Motor vehicle ownership .....	40
2.2.9	Persons 70+ years in separate houses .....	40
2.3	Population and Housing Projections .....	41
2.3.1	Overview of Key Projections .....	41
2.3.2	Population Growth .....	42
2.3.3	Age projections .....	42
2.3.4	Dwelling Projections .....	43
2.3.5	Household Type Projections .....	44
2.4	Indigenous Residents of Eurobodalla LGA .....	45
2.4.1	Overview .....	45
2.4.2	Person profile .....	46
2.4.3	Housing profile .....	51
<b>3</b>	<b>Affordable Housing Need .....</b>	<b>56</b>
3.1	What is ‘Affordable Housing’? .....	56
3.1.1	Definition and Benchmarks .....	56
3.1.2	Types of Affordable Housing .....	57
3.2	Why is Affordable Housing important? .....	57
3.3	The Housing Continuum .....	58
3.4	Comparative Rental Costs .....	60

3.4.1	Overview .....	60
3.4.2	Comparative Rents and Change Over Time (2017-2023) .....	60
3.4.3	Comparative Purchase Cost and Change Over Time (2017-2022) .....	64
<b>3.5</b>	<b>Comparative Affordability of Housing .....</b>	<b>67</b>
3.5.1	Overview .....	67
3.5.2	Rental Affordability .....	67
3.5.3	Purchase Affordability .....	71
3.5.4	Detailed Sales Data from NPData .....	72
3.5.5	Policy implications .....	77
<b>3.6</b>	<b>Housing Stress .....</b>	<b>78</b>
3.6.1	Overview .....	78
3.6.2	Housing Stress Among Renters .....	79
<b>3.7</b>	<b>Purchase affordability .....</b>	<b>82</b>
<b>3.8</b>	<b>Housing Stress among Indigenous Households .....</b>	<b>84</b>
3.8.1	Rental Affordability Indicator (Rental Stress) .....	84
3.8.2	Mortgage Affordability Indicator (Purchase Stress) .....	86
<b>3.9</b>	<b>Homelessness .....</b>	<b>88</b>
3.9.1	What is homelessness? .....	88
3.9.2	Local Context .....	89
3.9.3	Extent and Nature of Homelessness .....	89
<b>3.10</b>	<b>Housing Need Gap Analysis .....</b>	<b>92</b>
3.10.1	Need for Affordable (including Social) Housing to 2041 .....	92
3.10.2	Potential Targets .....	96
3.10.3	Ability of the Market to Provide for Need .....	96
3.10.4	Policy Implications .....	98
<b>4</b>	<b>The Planning Context .....</b>	<b>99</b>
<b>4.1</b>	<b>NSW Planning Context .....</b>	<b>99</b>
4.1.1	Affordable Housing support in EP&A Act and related policies .....	99
4.1.2	Opportunities and constraints of principal legislation .....	99
4.1.3	SEPP (Housing) 2021 .....	101
4.1.4	NSW Housing Strategy .....	105
<b>4.2</b>	<b>Draft South East &amp; Tablelands Regional Plan 2041 .....</b>	<b>107</b>
4.2.1	Overview of Key Issues .....	107
4.2.2	Eurobodalla LGA in the Context of the Regional Plan .....	107
4.2.3	Working with Aboriginal Communities .....	108
4.2.4	Fit for Purpose Housing and Services .....	109
<b>4.3</b>	<b>Local Strategic Planning Context .....</b>	<b>111</b>
4.3.1	Eurobodalla Local Strategic Planning Statement .....	111
4.3.2	Local Environmental Planning Instruments .....	113
<b>5</b>	<b>Community Consultation .....</b>	<b>114</b>
<b>5.1</b>	<b>Summary of Preliminary Council Engagement .....</b>	<b>114</b>
5.1.1	Overview of Preliminary Engagement Activities .....	114
5.1.2	Overview of Key Issues Raised .....	114
5.1.3	Summary of Survey findings .....	114
<b>5.2</b>	<b>Consultation on Draft Background Report .....</b>	<b>117</b>
5.2.1	Overview .....	117
5.2.2	Community Services Workshop .....	117
5.2.3	Housing Provider Workshop .....	117
5.2.4	Developer and Landholder Workshop .....	118
<b>6</b>	<b>Strategic Framework and Broad Priorities .....</b>	<b>119</b>

6.1	Overview.....	119
6.2	Strategic Framework.....	119
6.3	Key Issues from the Evidence.....	121
6.3.1	Demographic and Housing Trends.....	121
6.3.2	Housing Cost and Affordability.....	122
6.3.3	Population and Housing Projections.....	124
6.4	Strategic Priorities.....	125
6.4.1	Strategic Response.....	125
6.5	Housing Targets.....	125
6.5.1	General Housing Targets.....	125
6.5.2	Affordable Housing Intervention and Targets.....	126
<b>7</b>	<b>Research, Policy and Advocacy.....</b>	<b>130</b>
7.1	Overview.....	130
7.2	Research and Policy.....	130
7.2.1	Rationale.....	130
7.2.2	Potential Strategies and Mechanisms.....	130
7.3	Advocacy.....	131
7.3.1	Rationale.....	131
7.3.2	Awareness raising to increase diverse and lower cost housing.....	131
7.3.3	Use of Other Public Land for Affordable Housing.....	131
7.3.4	Direct funding of Affordable (incl. Social) Housing.....	133
7.3.5	Redevelopment of Existing Social Housing.....	133
7.3.6	Social Impact Assessment & Mitigations.....	136
<b>8</b>	<b>Facilitative Mechanisms.....</b>	<b>137</b>
8.1	Overview.....	137
8.2	Housing Officer.....	137
8.2.1	Rationale.....	137
8.2.2	Potential Strategies and Actions.....	137
8.3	Impediments in EPIs.....	138
8.3.1	Overview.....	138
8.3.2	Parking Constraints.....	138
8.4	Batemans Bay.....	139
8.4.1	Overview.....	139
8.4.2	Batemans Bay MU1 zoning.....	139
8.4.3	Batemans Bay R3 zoning.....	140
8.4.4	Batemans Bay Vacant Land.....	141
8.4.5	Batemans Bay Masterplan Area.....	142
8.5	Moruya.....	142
8.5.1	Overview.....	142
8.5.2	Moruya E1 zoning.....	143
8.5.3	Moruya R3 zoning.....	143
8.5.4	Moruya Vacant Land.....	144
8.6	Narooma.....	145
8.6.1	Overview.....	145
8.6.2	Narooma E1 zoning.....	145
8.6.3	Narooma R3 zoning.....	145
8.6.4	Narooma Vacant Land.....	146
8.7	Impediments to SEPP (Housing) 2021.....	147
8.7.1	Overview.....	147
8.7.2	In-fill Affordable Housing (c16-22).....	147

8.7.3	Boarding Houses (c22-27).....	147
8.7.4	Residential Flat Buildings: Social Housing Providers etc (c36-41) .....	148
8.7.5	Co-living Housing (c67-70).....	148
8.7.6	Build to Rent Housing (c71-78).....	149
8.7.7	Housing for Seniors and People with a Disability (c79-108).....	149
8.7.8	Short-term Rental Accommodation (c109-114) .....	150
8.7.9	Manufactured Home Estates (c118-125).....	150
8.7.10	Caravan Parks (c126-133).....	150
8.8	Aboriginal Housing Needs .....	150
8.8.1	Rationale .....	150
8.8.2	Potential Strategies and Mechanisms .....	152
<b>9</b>	<b>Mandatory Planning Mechanisms.....</b>	<b>154</b>
9.1	Affordable Housing Contribution Scheme.....	154
9.1.1	Rationale .....	154
9.1.2	Potential Strategies and Mechanisms .....	154
9.2	Mandating dwelling types .....	154
9.2.1	Rationale .....	154
9.2.2	Potential Strategies and Mechanisms .....	155
<b>10</b>	<b>Direct Creation of Affordable Housing .....</b>	<b>156</b>
10.1	Overview.....	156
10.2	Use of Council Land for Partnerships .....	156
10.2.1	Rationale .....	156
10.2.2	Potential Strategies and Mechanisms .....	157

## Figures

Figure 2.1: Age of persons in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)	18
Figure 2.2: Household income of households in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)	21
Figure 2.3: Family household composition of households in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)	23
Figure 2.4: Inward, Outward and Net Migration 2016-21	25
Figure 2.5: Highest non-school qualification, persons aged 15 years and over, 2021 (%)	25
Figure 2.6: Dwelling structure of occupied private dwellings in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)	30
Figure 2.7: Number of bedrooms in occupied private dwellings in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)	33
Figure 2.8: Dwelling structure by tenure types of occupied private dwellings 2021 (%)	36
Figure 2.9: Tenure and landlord type of households in private dwellings in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)	36
Figure 2.10: Age profile of Indigenous & Non-Indigenous residents in Eurobodalla LGA	47
Figure 2.11: Individual income profile of Indigenous & Non-Indigenous residents in ELGA	48
Figure 2.12: Employment profile of Indigenous, Non-Indigenous & Total residents in ELGA	48
Figure 2.13: Unemployment rate for Indigenous & Non-Indigenous residents in ELGA	49
Figure 2.14: Industry profile of Indigenous, Non-Indigenous & all residents in ELGA	49
Figure 2.15: Occupation profile of Indigenous, Non-Indigenous & all residents in ELGA	50

Figure 2.16: Need for assistance for Indigenous, Non-Indigenous & all residents in ELGA	50
Figure 2.17: Family household composition Indigenous, Non-Indigenous & Total households in Eurobodalla LGA	51
Figure 2.18: Number of usual residents Indigenous, Non-Indigenous & Total households in Eurobodalla LGA	52
Figure 2.19: Tenure profile of Indigenous, Non-Indigenous & all households in ELGA	52
Figure 2.20: Dwelling structure profile of Indigenous, Non-Indigenous & all households	53
Figure 2.21: Housing suitability profile of Indigenous, Non-Indigenous & Total households in Eurobodalla LGA	54
Figure 2.22: Household income profile of Indigenous, Non-Indigenous & Total households in Eurobodalla LGA	55
Figure 2.23: Number of motor vehicles profile of Indigenous, Non-Indigenous & Total households in Eurobodalla LGA	55
Figure 3.1: The Housing Continuum in the Australian Policy Context	59
Figure 3.2: Income band of households in rental stress, Eurobodalla LGA and Rest of NSW, 2021 (% of all households in rental stress)	81
Figure 3.3: Family household composition of households in rental stress, Eurobodalla LGA and Rest of NSW, 2021 (% of all households in rental stress)	82
Figure 3.4: Income band of households in purchase stress, Eurobodalla LGA and Rest of NSW, 2021 (% of all households in purchase stress)	83
Figure 3.5: Family household composition of households in purchase stress, Eurobodalla LGA and Rest of NSW, 2021 (% of all households in purchase stress)	84
Figure 3.6: Rental stress profile of Indigenous, Non-Indigenous and Total households in Eurobodalla LGA, 2021	85
Figure 3.7: Rental stress profile of Indigenous households in Eurobodalla LGA, 2021	85
Figure 3.8: Rental stress profile of Non-Indigenous households in Eurobodalla LGA, 2021	86
Figure 3.9: Purchase stress profile of Indigenous, Non-Indigenous and Total households in Eurobodalla LGA, 2021	87
Figure 3.10: Purchase stress profile of Indigenous households in Eurobodalla LGA, 2021	87
Figure 3.11: Purchase stress profile of Non-Indigenous households in Eurobodalla LGA, 2021	88
Figure 3.12: No. of people counted as homeless by operational group in Eurobodalla LGA	89
Figure 3.13: Proportion of people counted as homeless by operational group in Eurobodalla LGA compared to NSW	90
Figure 3.14: Proportion of people counted in marginal housing by group in Eurobodalla LGA	91
Figure 3.15: Number of people counted in marginal housing by group in Eurobodalla LGA	92

## Tables

Table 2.1: Summary of Eurobodalla LGA compared to Relevant Benchmarks, 2021	16
Table 2.2: Dwelling Occupancy 2021 by SA2 (%)	17
Table 2.3: SEIFA Indexes, Eurobodalla SA2s, 2021	18
Table 2.4: Change in age, 2011-2021 (%)	19
Table 2.5: Change in age, 2011-2021 (number)	19

Table 2.6: Change in age, 2011-2021 (%)	20
Table 2.7: Change in age, 2011-2021 (number)	20
Table 2.8: Change in household income group, 2011-2021 (%)	21
Table 2.9: Change in household income group, 2011-2021 (%)	22
Table 2.10: Change in household type, 2011-2021 (%)	23
Table 2.11: Change in household type, 2011-2021 (%)	24
Table 2.12: Change in occupation, 2011-2021 (%)	26
Table 2.13: Change in industry, 2011-2021 (%)	27
Table 2.14: Summary of Eurobodalla LGA compared to Relevant Benchmarks, 2021	28
Table 2.15: Dwelling Occupancy 2021 (%)	29
Table 2.16: Change in dwelling occupancy characteristics, 2011-2021	29
Table 2.17: Selected statistics, Eurobodalla SA2s, 2021	29
Table 2.18: Change in dwelling structure, 2011-2021 (%)	31
Table 2.19: Change in dwelling structure, 2011-2021 (number)	31
Table 2.20: Change in dwelling structure, 2011-2021 (%)	31
Table 2.21: Change in dwelling structure, 2011-2021 (number)	32
Table 2.22: Change in number of bedrooms, 2011-2021 (%)	33
Table 2.23: Change in number of bedrooms, 2011-2021 (number)	34
Table 2.24: Change in number of bedrooms, 2011-2021 (%)	34
Table 2.25: Change in number of bedrooms, 2011-2021 (number)	35
Table 2.26: Change in tenure, 2011-2021 (%)	37
Table 2.27: Change in tenure, 2011-2021 (number)	37
Table 2.28: Change in tenure, 2011-2021 (%)	38
Table 2.29: Change in tenure, 2011-2021 (number)	38
Table 2.30: Dwellings in caravan parks, manufactured home estates, and retirement villages, 2021 (number)	39
Table 2.31: Dwellings in caravan parks, MHEs, and retirement villages, 2021 (rate)	39
Table 2.32: Dwellings in caravan parks, manufactured home estates, and retirement villages, 2011-2021 (number)	40
Table 2.33: Average number of motor vehicles per dwelling, medium density and apartments, for certain numbers of bedrooms, 2021	40
Table 2.34: Key population, household and dwelling forecasts (2021-2041 - estimated)	41
Table 2.35: Population forecasts by .id Consulting small areas (2021-2036)	42
Table 2.36: Projected age forecasts by .id Consulting (2021-2036)	43
Table 2.37: Dwelling forecasts by .id Consulting small areas (2021-2036)	43
Table 2.38: Household forecasts by .id Consulting for ELGA (2021-2036)	44
Table 3.1: Relevant Affordable Housing Income and Cost Benchmarks – Rest of NSW	56
Table 3.2: Median Rents for 1 and 2 BR Units and 3 BR Houses for Eurobodalla LGA & Relevant Postcodes (March Qtr 2023)	61
Table 3-3: Median Rents by # of bedrooms, September quarters 2017-2022 and March 2023 quarter – NSW and Eurobodalla LGA - adjusted for CPI	63



Table 3-4: CPI % by which Median Rents adjusted, # of bedrooms, Sept quarters 2018-2022 and March 2023 quarter – NSW and Eurobodalla LGA	63
Table 3.5: Median Purchase Price for Strata and Non-Strata Dwellings Eurobodalla LGA & Relevant Postcodes (Dec Qtr 2022)	64
Table 3-6: Median Sales Strata and Non-Strata - September quarters 2017-2022 and Dec 2022 quarter adjusted for CPI	66
Table 3-7: CPI Percentage by which Median Sales adjusted - Strata and Non-Strata - September quarters 2017-2022 and Dec 2022	66
Table 3.8: Median Rents for 1 and 2 BR Units and 3 BR Houses for Eurobodalla LGA & Relevant Postcodes and Benchmarks (March Qtr 2023)	68
Table 3.9: Median Rents for Strata & Non-Strata Dwellings from Rental Snapshot	69
Table 3.10: Median Rents by Number of Bedrooms	70
Table 3.11: Median Purchase Price for Strata and Non Strata Dwellings for Eurobodalla LGA & Relevant Postcode Areas, and Affordability Assessment (Dec Qtr 2022)	71
Table 3.12: Sales price by quartile for unit and apartment sales in Eurobodalla LGA	73
Table 3.13: Sales price by quartile for townhouses, villas and semi-detached sales in Eurobodalla LGA	73
Table 3.14: Sales price by quartile for separate house sales in Eurobodalla LGA	74
Table 3.15: Sales price by quartile for vacant residential land sales in Eurobodalla LGA	74
Table 3.16: Linear regression analysis for apartments (Strata) for SA2s in Eurobodalla LGA	75
Table 3.17: Linear regression analysis for multi dwelling housing (strata) in Eurobodalla LGA	75
Table 3.18: Linear regression analysis for separate houses in Eurobodalla LGA	76
Table 3.19: Linear regression analysis for land sales for SA2s in Eurobodalla LGA	77
Table 3.20: Break Down of Relative Housing Stress among Income and Tenure Groups	79
Table 3.21: Income band and required dwelling size for households in rental stress, Eurobodalla LGA, 2021	80
Table 3.22: Income band and family household composition of households in rental stress, Eurobodalla LGA, 2021	81
Table 3.23: Income band and required dwelling size for households in purchase stress, Eurobodalla LGA, 2021	82
Table 3.24: Income band and family household composition of households in purchase stress, Eurobodalla LGA, 2021	83
Table 3.25: Need for Affordable (including Social) Housing to 2041 (Current, Additional and Total)	94
Table 3.26: Indicative Targets for Additional Affordable (including Social) Housing 2021-41	96
Table 6.1: Continuum of housing intervention to create sustainable, diverse and affordable housing	120
Table 6.2: Relevant Affordable Housing Income and Cost Benchmarks – Rest of NSW	123
Table 6-3: Indicative Dwellings Target 2021-2041	126
Table 6.4: Indicative Targets for Additional Affordable (including Social) Housing 2021-41	129
Table 8.1: Actual vehicle ownership for apartments in Eurobodalla LGA	139
Table 10.1: Summary Potential Affordable Housing Partnership Demonstration Projects	158

# 1 Executive Summary

## 1.1 Background

This *Background Report* sets out detailed research and analysis to support the development of the Eurobodalla Housing Strategy, as well as the strategic policy context, and strategies and mechanisms that will be most effective in meeting strategic priorities based on the evidence.

The *Background Report* is also supported by technical appendices.

- Sections 2 and 3 below set out the demographic and housing market context;
- Section 4 sets out the strategic planning context;
- Section 5 sets out the strategic framework under which strategies and actions are grouped, key issues from the research, and board strategic directions;
- Sections 6 to 10 set out recommended strategies and mechanisms, and a rationale based on the evidence, for each.

The *Background Report* will form the basis of the *Local Housing Strategy*, which is also informed by consultations conducted by JSA with community services, social housing providers and specialist homelessness services, Aboriginal peak bodies, the development industry, and local councillors and Council staff.

## 1.2 Overview of the Evidence Base

### 1.2.1 Overview

Two critical issues arise from the evidence base. These are the relative **lack of housing diversity** to meet current and projected housing need; and the significant **shortage of affordable (including social) housing** to meet the growing need very low and low income renters in particular, many of whom are in essential service jobs and would not be eligible for social housing.

A ‘perfect storm’ of housing, funding, economic and environmental factors have contributed to this situation in Eurobodalla LGA.

Long-term, structure issues in the local housing market and economic factors mean that there has been virtually no growth in housing diversity from 2011-21. This, together with a rate of unoccupied private dwellings that is around three times the NSW average has resulted in a much lower than average supply of private rental, and increasing pressure on the cost of rents and purchase, particularly for smaller strata dwellings. The under-funding of social housing relative to need over some decades has also resulted in a lower than average supply of such housing, and a loss of social housing in proportional terms, leading to 10+ year waiting times for vulnerable households.

There are particular housing supply challenges related to the very old and aging population of the LGA, as well as the relatively high rate of very low and low income households more generally. Population projections indicate that two-thirds of growth will be in lone person and couple households to 2041, and that two-thirds of households overall will be in these family types. The significant mismatch between housing need and housing supply is a major challenge in this regard.

These longer-term or more structural issues have been exacerbated by the effects of COVID 19, with unprecedented rent and housing price increases, especially for strata dwellings in recent years, and costs still well above pre-COVID levels, and a near 0% vacancy rate for private rental. The LGA also experiences a seasonal influx of tourists, with increased domestic tourism putting additional pressure on the rental market.

Itinerant workers in large construction projects, who are often on much higher wages than local service sector workers, also have a major impact on the private rental market, and on accommodation used for Temporary Accommodation by homelessness services.

Finally, there are ongoing issues related to fires and floods, which have flow on effects to housing markets across the region. Future predictions of more extreme events are also relevant to the location and nature of housing going forward.

These issues are looked at in brief below, and in more detail in the body of the report.

## 1.2.2 Demographic Context

At the time of the 2021 Census, Eurobodalla LGA was home to 40,593 people.<sup>1</sup> This was an increase of 13.6% from 2011, or 1.3% annually compared with 1.2% growth for regional NSW. By far the highest rate of growth was within Broulee-Tomakin SA2, mainly related to urban growth areas, with reasonable population growth also around Moruya-Tuross Heads and Narooma-Bermagui SA2s.

At least 2,466 local people were of Indigenous descent in 2021, which was just over 6% of the local population.

The LGA has a much older than average age profile, and double the NSW rate of residents aged 70+ years, with much higher rates of people living in lone person and couple only households and needing assistance with daily activities, and much lower than average household income and educational levels related to this much older age structure and levels of disadvantage among some groups.

By 2041, the population of the LGA is projected to increase by around 9,420 people, or 23% in total (1% average growth per annum).<sup>2</sup> Using .id Consulting's customised small areas,<sup>3</sup> well above average annual growth rates are predicted in Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay, Urban Moruya-Moruya Heads, and Broulee-Tomakin-Mossy Point, with most other areas forecast to have much lower than average growth rates.

---

<sup>1</sup> Using Usually Resident Population (URP)

<sup>2</sup> Estimated from linear interpolation from .id Consulting's 2021-36 total population projections.

<sup>3</sup> .id Consulting's customised areas are different to ABS (2021) SA2s, with the latter used for all other population and housing analysis due to the ability to undertake more nuanced data analysis in relation to the latter, and to compared historical data over time.

A continued aging of the local population is also projected, with the highest rate of growth among those aged 75+ years. Although the proportion of people aged 60+ years is projected to decline slightly from around 42% to 41% over the period, numerically, one-third of all population growth is predicted to be in this age group (2,347 people), with by far the largest growth among those aged 70-79 years. Relatively large numerical growth is also projected for children, and for middle aged adults.

The characteristics of Indigenous residents is quite different to the non-Indigenous population, including higher levels of disadvantage, higher rate of people living in larger family households, and much lower rates of home ownership and much greater likelihood of living in private rental and social housing.

### 1.2.3 Housing Context

In 2021, there were around 23,000 private dwellings in the LGA, of which 6,226 were unoccupied, most likely used as weekenders and holiday lettings. This was 27% of all dwellings, or around three times the NSW rate.

There is evidence of a significant and growing mismatch between housing need and supply in the demographic context described above, in particular a serious deficit of diverse and affordable housing.

Although 70% of households are lone person and couple only households, only 14% of dwellings are medium and higher density dwelling types (villas, townhouses, attached dwellings, flats and apartments, etc). The supply of smaller stock is particularly low relative to need, with less than 1% as studio apartments, only 2% as one bedroom dwellings, and 13% two bedroom dwellings.

There was also a relatively low rate of growth in more diverse housing types in the LGA from 2011-21. Although there was a small proportional increase in medium density housing types including villas, townhouses and semi-detached dwellings, and in flats and units over the period, the *number* of such dwellings was relatively static in absolute terms.

Further, although there was a small proportional increase in one and two bedroom dwellings over the past decade, by far the largest increase was in 4+ bedroom dwellings, with a commensurate decline in three bedroom homes. By far the largest *numerical* increase was also in 4+ bedroom houses. This was likely related to increased capitalisation of the family home, such as extension to add bedrooms, and/or redevelopment of smaller, older houses for larger dwellings, as well as some redevelopment of older homes for smaller strata dwellings.

The local rate of social (public and community) housing was also lower than average, and has been declining proportionally over some decades due to lack of government investment to meet growing affordable housing need.

The relatively low growth in housing diversity, both in terms of structure and tenure, needs to be viewed in the context of the much older than average age profile, and the very high rate of residents aged 70+ years, around 80% of whom are living in larger separate houses (around 2,500 households). The historical and projected growth in older people and smaller households also forms an important context to the low growth in housing diversity over the decade to 2021.

Other important factors are the growing affordable housing crisis in the LGA, and the higher than average rate of very low and low income households, although there is evidence of increasing gentrification leading to displacement of historical populations amid the increasing unaffordability of housing.

It is understood that there has been an increased in development applications and commencements or completions more recently, which is positive [more here after analysis is completed].

Lower cost caravan parks, manufactured housing estates (MHEs) and retirement villages also provide an important source of accommodation for older people, and can be a lower cost or affordable housing option, depending on the purchase and rental arrangement of the facility. The relative rate of permanent or long term dwellings/sites in caravan parks in the LGA was well above average, whilst MHEs were supplied at relatively similar rates to benchmark areas. However, there was a significant undersupply of independent living units (ILUs) in retirement villages, with the rate of such accommodation at less than one third the rate for regional NSW as a whole.

Another important source of low cost and (for some) affordable rental accommodation can be special housing products through SEPP (Housing) 2021, such as boarding houses, co-living houses and affordable 'key worker' rental housing. However, these are also in very short supply in the LGA.

## 1.2.4 Housing Affordability Context

### Definition

Housing is generally considered to be 'affordable' when households can meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care, and education. In NSW, 'affordable housing' also has a statutory definition, being housing for very low, low and moderate income households who pay no more than 30% of their gross household income on their rent or mortgage repayments. Households paying more than 30% of their income on housing costs are deemed to be in 'housing stress', and at risk of after-housing poverty.

'Affordable housing' includes the full range of housing for the target groups. This can include: housing that is subsidised in some way, e.g. special needs accommodation such as group homes, crisis, temporary and transitional accommodation and social (community and public) rental housing for those most disadvantaged in the housing market; through to 'key worker' (discount market rent) housing, and assisted or subsidised purchase, such as shared equity, for households who still need some assistance to afford their rent or enter home ownership.

In *some* areas, it also includes housing delivered through the private market, typically smaller, lower cost accommodation such as boarding houses, co-living housing, small apartments, secondary dwellings and caravan parks, provided they meet the statutory affordability benchmarks.

## Rental Cost and Affordability

DCJ rental data for March quarter 2023 again indicates the serious lack of housing diversity across the LGA, as well as the very low supply of private rental more generally, both of which are contributing to upward pressure on rents.

Across all postcode areas, there was insufficient data for studio and one bedroom apartment rents to be reported. There were likewise too few lettings in the period for data on two bedroom apartments to be reported in any postcode area except Batemans Bay, which had less than 30 bonds lodged during the quarter.

The effects of COVID 19 on regional housing markets, as well as the constrained supply of strata dwellings in the LGA is evident in the much greater than average real (adjusted) increase on local rents during 2020 and 2021, particularly in one and two bedroom apartments.

In terms of affordability, median rents for indicative housing products that *were* available in the local private rental market were not affordable to any very low or low income households, noting that this is likely one of the most constrained regional housing markets in NSW in terms of availability and affordability of private rental.

However, it is likely that one bedroom units or studio apartments *may* be affordable to some low income households if Rest of State is used as a proxy. There were also serious affordability constraints in relation to two bedroom apartments, which were only affordable to moderate income renters, again noting the highly constrained availability of such stock for rental based on DCJ data. Similar constraints were evident for other types of housing, such as town houses, in terms of availability for rental.

These findings indicate an urgent need to increase the supply of smaller strata dwellings around major centres, to increase housing diversity more generally and to ensure that specific actions are included in this Housing Strategy to develop affordable rental housing, particularly in perpetuity. Likewise, an increase in lower cost and affordable (for some) housing types such as boarding houses and co-living housing near centres is important for both an aging population, as well as lower paid essential service workers living in smaller households.

## Purchase Cost and Affordability

The relatively low rate of housing diversity is again apparent in the availability, cost and affordability of strata dwellings in the LGA, and across all postcode areas.

The only postcode area that had sufficient sales of strata dwellings for data to be reported was **2536 Batemans Bay and surrounds**, where such dwellings were less expensive than regional NSW, and much less expensive than NSW as a whole, which is strongly influenced by metropolitan housing markets. Sale prices for houses were also lowest in postcode area **2536 Batemans Bay and surrounds**, and most expensive in **2546 Narooma, Bermagui and surrounds**, with house prices significantly more expensive than even the NSW average.

Pressure on houses, and on strata dwellings in particular, is evident in the much higher than average increases in real (adjusted) purchase prices during the COVID 19 period. Although this



has now eased, the legacy of this period is still evident in prices that are much higher than historical prices in real terms.

In terms of affordability of purchase, the local situation is particularly bleak, with no median strata dwelling or house affordable to any but a high income household based on recent DCJ data. Additional modelling by JSA indicates that a studio or one bedroom strata dwelling could be affordable to some low income households (perhaps the upper one-third) if they were available; whilst a two bedroom strata dwelling could be affordable to perhaps the upper 30% of moderate income purchasers. Increased supply would also likely ease affordability somewhat.

## Housing Need and Indicative Targets

At the time of the 2021 Census, **almost 2,000 very low, low and moderate income households in Eurobodalla LGA were in housing stress**, and in need of more affordable housing. Of these, around three quarters were renters, most on very low and low incomes; and one-quarter were purchasers.

A 23% pro rata increase in current housing stress based on .id Consulting dwellings forecasts, means that affordable housing need is likely to **grow by at least 460 affordable dwellings by 2041**, noting again that the largest and most serious need is among very low and low income renters, who make up the largest number of those in housing need, and for whom virtually nothing is currently affordable in the LGA.

Assuming the NSW rate of social housing, at least **220 additional social housing dwellings** would also be required, although this is less than half of the dwellings required to accommodate households currently on DCJ's social housing waiting list.

As such, by 2041, the total (current and projected) estimated housing need would be **2,681 affordable (including social housing) dwellings**. This would be around 50% of total additional projected dwellings required as affordable housing, which is perhaps not surprising, as very low, low and moderate income households make up more than around 60% of all local households.

If **projected need only from 2021-41** only is considered, this would be an **additional 680 affordable (including social) housing dwellings**, or 13% of total additional projected dwellings. Given growing need and affordability problems, and the rate of increase in real rents and purchase over some time, it would be prudent and reasonable to plan for **at least 20% of all new dwellings to be provided** as affordable housing in the LGA going forward. This would be **around 1,050 affordable dwellings by 2041** as an indicative target.

By far, the greatest need will be for well-located **smaller (studio, one and two bedroom) strata dwellings affordable to very low and low income renting households**, who will generally require deep subsidies for their housing to be affordable in the local housing market context outlined above. Lower cost and affordable housing types including boarding houses, co-living housing and affordable caravan parks and seniors' accommodation under *SEPP (Housing) 2021* are also required as a matter of priority.

## 1.3 Strategic Priorities

The significant and growing mismatch between housing need and supply indicates a need for strategic priorities that focus on increasing the supply of smaller strata dwellings in the key centres of **Batemans Bay, Moruya and Narooma**, particularly in lower value and non-premium (non-waterfront) localities where possible to reduce cost, increase affordability, and increase the likelihood that they will be more likely to enter the private rental market or owner occupancy, rather than be used as holiday lettings. This is also in line with key regional and local policy directions outlined in Section 4 below.

The development of small lot, entry level project homes and smaller villas in **lower cost release areas such as Moruya, as well as across the LGA more generally**, is also important priority to meet the needs of low and moderate income family households. This will also support housing diversity more generally, noting also that projections to 2041 indicate that there will be high growth in smaller (lone person and couple only households) across all localities in the LGA.

Given the current and projected mismatch, it would be reasonable to seek to ensure that around **70% of new dwellings were provided as more diverse dwelling types**, particularly smaller strata dwellings, and that 30% be provided as dwellings suited to families, including smaller entry level project homes to meet the need for lower cost and affordable family accommodation.

It would also be reasonable to seek to ensure that at **least 60% of new dwellings are provided as well-located strata dwellings in Batemans Bay, Moruya and Narooma**, and close to the **Batemans Bay Strategic Cluster** to meet the needs of an aging population, as well as smaller essential services workers and the growing number of smaller households more generally.

It is also important that around **80% of identified affordable housing need** is unlikely to be met through market, and would require strong planning intervention and/or direct funding or substantial subsidies to be affordable to most of the statutory target groups.

It is positive, however, that at least **some of this need (around 20%) can be met through the market**, mainly through an increase in the supply of well-located, smaller strata dwellings, boarding houses, co-living housing, and lower cost caravan parks and MHEs, particularly where these are constructed in lower cost, non-premium centres/localities. The development of small lot, entry level project homes and smaller villas in lower cost release areas such as Moruya are also likely to be affordable to some of the target group.

This **increase in housing diversity**, in and of itself, will be of considerable benefit to an aging population, as well as smaller households including key workers, and lower income smaller households more generally. This is particularly the case when such dwellings are constructed in lower cost or lower amenity (non-waterfront) areas, where they are more likely to enter the private rental market, and remain lower cost or affordable over the longer-term.

An increase in supply amid a serious deficit of such stock would also be likely to put further downward pressure on rental costs over time. JSA's research also indicates that cost could be reduced, and affordability increased, through some of the strategies and mechanism set out in **Section 6** below.



However, **strong planning intervention and direct funding or subsidies** will be required to meet most of the affordable housing need identified.

This **planning intervention** is required to actively facilitate an increase in supply of lower cost and affordable housing types through the market, including to remove impediment to the creation such housing and open up opportunities through mechanisms available to Council. Stronger intervention is also available through the development of Affordable Housing Contribution Schemes through section 7.13 of the Act; and mandatory mechanisms where appropriate.

**Direct funding or subsidies** are available through the use of Council or other public land in affordable housing partnerships, the more efficient use of resources such as selective redevelopment of older social housing, and obtaining funding under government programs and initiatives.

As well as increasing housing supply and diversity more generally, the strategies and mechanisms in **Sections 5 to 9 below** are also likely to reduce cost and increase housing affordability for the 60% of local people who are in the statutory target groups.

## 2 Demographic and Housing Context

### 2.1 Demographic Context

#### 2.1.1 Overview

At the time of the 2021 Census, Eurobodalla LGA was home to 40,593 people.<sup>4</sup> This was an increase of 13.6% from its 2011 population (35,741 residents), or 1.3% annually compared with 1.2% growth for regional NSW overall. At least 2,466 local people were of Indigenous descent, which was just over 6% of the local population.

The LGA has a much older than average age profile, and double the NSW rate of residents aged 70+ years, with much higher rates of people living in lone person and couple only households and needing assistance with daily activities, and much lower than average household income and persons per dwelling related to this much older age structure.

The LGA was relatively average on aggregate measures of socio-economic disadvantage, although somewhat disadvantaged with regard to SEIFA Education and Occupation, as shown below.

Table 2.1: Summary of Eurobodalla LGA compared to Relevant Benchmarks, 2021

Indicator	Eurobodalla LGA	Rest of NSW	NSW
Total persons	40,593	2,829,637	8,072,163
Annual growth rate 2011-21	1.3%	1.2%	1.6%
ATSI Background	2,466 (6.1%)	6.6%	3.4%
Median age	54 yrs	43 yrs	39 yrs
Median household income	\$1,167	\$1,434	\$1,829
Average persons per h/h	2.2	2.4	2.6
% on very low & low incomes	52%	46%	42%
% aged 70+ years	24%	16%	12%
% lone person & couple only h/hs	68%	58%	51%
% with need for assistance	8%	7%	6%
SEIFA Disadvantage (Australia percentile)	54	N/A	N/A

<sup>4</sup> Using Usually Resident Population (URP)

Indicator	Eurobodalla LGA	Rest of NSW	NSW
SEIFA Education and Occupation (Australia percentile)	45	N/A	N/A

Source: JSA 2023; ABS (2021) Census, General Community Profile; ABS (2021) SEIFA.

## 2.1.2 Total Population

The total population of Eurobodalla LGA increased by 4,852 people from 2011-21 or 1.3% per annum compared with 1.2% for regional NSW. Rates of growth were reasonably similar across the SA2s except for Broulee-Tomakin SA2, which grew by almost 10 times the average rate.

The largest numerical growth was also in Broulee-Tomakin, mainly related to urban growth areas within the SA2; with reasonable numerical growth also within Narooma-Bermagui and Moruya-Tuross Head SA2s.

Table 2.2: Dwelling Occupancy 2021 by SA2 (%)

SA2s	Total Population 2011	Total Population 2021	Change 2011-21 (no.)	Change 2011-21 (%)	Average % change p.a.
<b>Eurobodalla LGA</b>	35,741	40,593	4,852	13.6%	<b>1.3%</b>
Batemans Bay	7,503	8,581	1,078	14.4%	1.4%
Batemans Bay-South	8,221	8,938	717	8.7%	0.8%
Broulee-Tomakin	1,432	3,792	2,360	165%	10.2%
Eurobodalla Hinterland	3,210	3,525	315	9.8%	0.9%
Moruya-Tuross Head	7,618	8,600	982	12.9%	1.2%
Narooma - Bermagui	8,631	9,888	1,257	14.6%	1.4%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T18.

The LGA is a popular tourist destination, with the population is reported to swell to 130,000 people over the summer holiday period.<sup>5</sup>

## 2.1.3 SEIFA Indexes

The ABS SEIFA **Index of Relative Socio-economic Disadvantage** (SEIFA Disadvantage) brings together 18 indicators of community (area or population based) social well-being. The LGA is a relatively average area on that Index. However, there is a reasonable difference across SA2s, with Batemans Bay in the most disadvantaged 20% of areas for Australia, and Broulee-Tomakin far less disadvantaged at the 62<sup>nd</sup> percentile (the least disadvantaged 38% of areas).

In terms of the Index of Education and Occupation, again there were some differences in aggregate educational and occupational status by this measure, although all SA2s apart from Broulee-Tomakin were relatively disadvantaged on this measure. with Batemans Bay in the most

<sup>5</sup> Eurobodalla Local Strategic Planning Statement, p. 11.

disadvantaged 15% of areas for Australia, Narooma-Bermagui in the most disadvantaged 29% of areas, and the remaining SA2s in at least the lowest one-third of areas.

Table 2.3: SEIFA Indexes, Eurobodalla SA2s, 2021

	SEIFA Disadvantage	SEIFA Education and Occupation
Batemans Bay	20	15
Batemans Bay - South	39	33
Broulee - Tomakin	62	53
Eurobodalla Hinterland	42	33
Moruya - Tuross Head	41	30
Narooma - Bermagui	37	29
<b>Eurobodalla LGA</b>	<b>54</b>	<b>45</b>

Source: JSA 2023; ABS (2021) Census, General Community Profile, G02; ABS (2021) SEIFA.

### 2.1.4 Age profile

The age profile of Eurobodalla LGA is much older than the profile of both Rest of NSW and NSW, with a much higher rate of people in aged 55-69 years and 70+ years, and much lower rates in all other age cohorts. Those aged 55+ years make up around 50% of the local population compared with only 30% for NSW.

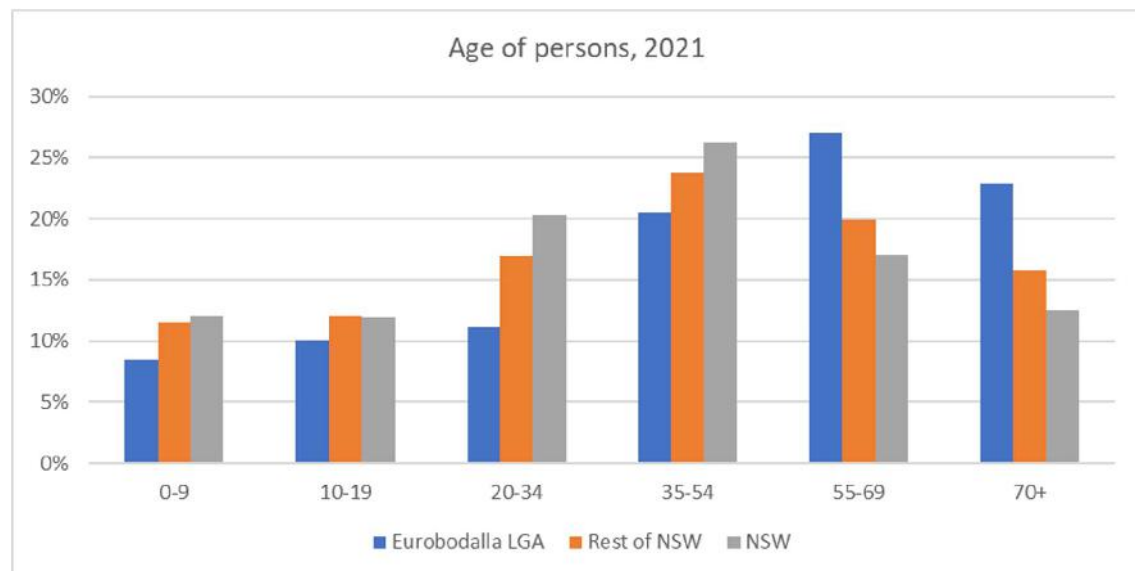


Figure 2.1: Age of persons in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)

Source: JSA 2023; ABS (2021) Census, General Community Profile.

There was a decline of the proportion of Eurobodalla residents who were children, teenagers and middle aged in the decade to 2021, with by far the largest increase in those aged 70+ years and smaller increases in young adults and those aged 55-69 years.

Table 2.4: Change in age, 2011-2021 (%)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
0-9	10%	8%	13%	12%	13%	12%
10-19	12%	10%	13%	12%	13%	12%
20-34	10%	11%	16%	17%	20%	20%
35-54	24%	20%	27%	24%	28%	26%
55-69	26%	27%	19%	20%	16%	17%
70+	18%	23%	13%	16%	10%	12%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T03.

By far the largest numerical increase from 2011-21 was among people aged 70+ years, as well as those aged 55-69 years, who together accounted for most of the increase in population. There was also a reasonable increase in those aged 20-34 years, as shown below.

Table 2.5: Change in age, 2011-2021 (number)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
0-9	3,726	3,442	318,848	326,542	893,344	968,866
10-19	4,212	4,071	336,131	341,599	882,584	959,031
20-34	3,557	4,509	403,051	480,822	1,391,178	1,638,209
35-54	8,714	8,313	669,588	671,673	1,922,074	2,120,111
55-69	9,196	10,981	467,799	562,238	1,114,613	1,378,276
70+	6,341	9,271	317,516	446,773	713,853	1,007,648

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T03.

The following table also looks at this change by SA2. Similar trends in terms of the aging of the population were evident in all of these smaller areas. There was also generally a decline in the proportion of children and teenagers across these areas, as well as in middle aged adults, and an increase in most areas in the rate of young adults, as shown below.

Table 2.6: Change in age, 2011-2021 (%)

		0-9	10-19	20-34	35-54	55-69	70+
Batemans Bay	2011	12%	11%	12%	23%	25%	17%
	2021	10%	11%	13%	21%	24%	22%
Batemans Bay - South	2011	11%	12%	10%	23%	25%	19%
	2021	8%	10%	11%	21%	25%	24%
Broulee - Tomakin	2011	10%	13%	9%	26%	23%	18%
	2021	9%	11%	11%	22%	25%	22%
Eurobodalla Hinterland	2011	10%	14%	9%	30%	27%	10%
	2021	8%	10%	12%	23%	29%	18%
Moruya - Tuross Head	2011	10%	13%	9%	26%	26%	17%
	2021	8%	9%	11%	20%	30%	22%
Narooma - Bermagui	2011	9%	9%	8%	23%	29%	21%
	2021	8%	9%	9%	18%	30%	26%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T03.

By far, the largest increase numerically was again in those aged 70+ years, as well as those aged 55-69 years. Broulee-Tomakin was the only SA2 to have an increase across all other age cohort, including children, teenagers, young and middle aged adults; whilst all areas also had a slight increase in young adults.

Table 2.7: Change in age, 2011-2021 (number)

		0-9	10-19	20-34	35-54	55-69	70+
Batemans Bay	2011	902	826	935	1,693	1,860	1,290
	2021	824	938	1,080	1,777	2,050	1,899
Batemans Bay - South	2011	883	1,022	838	1,894	2,033	1,564
	2021	743	899	1,008	1,842	2,272	2,175
Broulee - Tomakin	2011	282	365	251	739	661	519
	2021	338	434	414	825	960	816
Eurobodalla Hinterland	2011	330	447	293	966	867	322
	2021	289	361	412	803	1,024	643
Moruya - Tuross Head	2011	747	962	697	1,961	1,965	1,264
	2021	669	814	931	1,730	2,594	1,869
Narooma - Bermagui	2011	807	812	715	1,974	2,530	1,794
	2021	792	865	925	1,804	2,966	2,542

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T03.

## 2.1.5 Household income

There was a much higher than average rate of very low income households in the LGA in 2021, and also a higher rate of low and moderate income households, with groups meeting the statutory

income definition<sup>6</sup> making up 72% of local households compared with 65% for Rest of NSW, and 60% for NSW.<sup>7</sup>

Of concern, there is a lower rate of such households locally compared with 2011, as shown in the Table below, which is likely an indication of gentrification and/or displacement of very low and low income households over the period.

Although regional NSW had a lower rate of very low income households over the period, it maintained or increased its rate of low and moderate income households, as shown below.

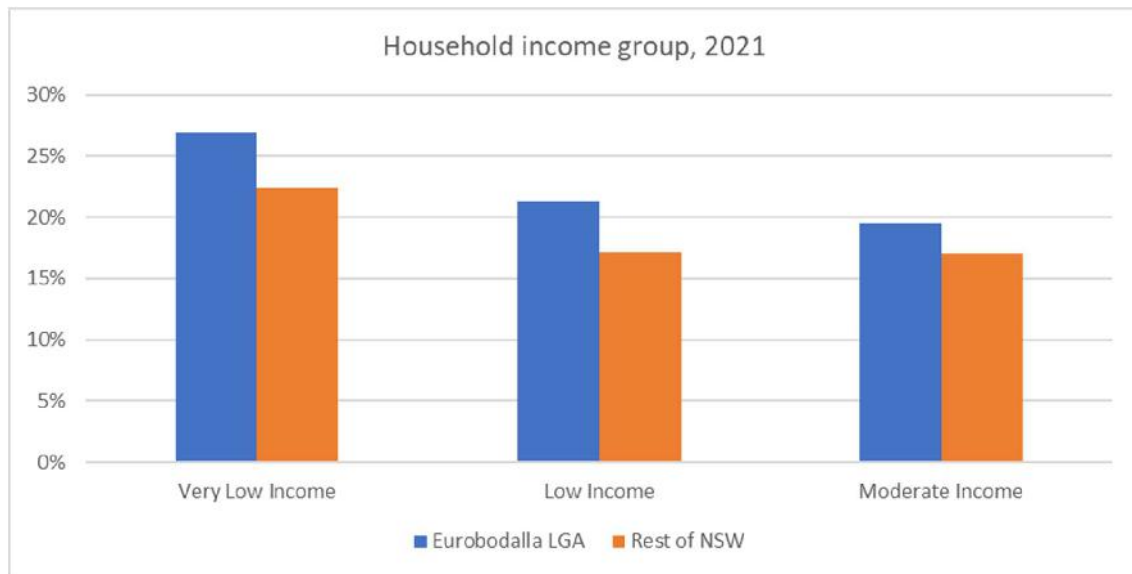


Figure 2.2: Household income of households in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)

Source: JSA 2023; ABS (2021) Census, General Community Profile.

Table 2.8: Change in household income group, 2011-2021 (%)

	Eurobodalla LGA		Rest of NSW		NSW <sup>8</sup>	
	2011	2021	2011	2021	2011	2021
Very low income	33%	31%	30%	27%	↓	↓
Low income	22%	21%	18%	19%	↓	↓
Moderate income	22%	20%	19%	19%	↓	↓

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T24.

Most small areas experienced a decline in very low income households, with particularly large declines in Broulee-Tomakin, Batemans Bay and Moruya-Tuross Head SA2s. There were also

<sup>6</sup> See Section 3.1 below for definition and benchmarks.

<sup>7</sup> Although this is measured by a different statutory benchmark than Rest of NSW, which is the relevant benchmark for incomes and affordability under the NSW EP&A Act 1979

<sup>8</sup> NSW not relevant as the statutory benchmark for assessment of very low, low and moderate household incomes in 'Rest of NSW'.

declines in the proportion of local residents in all areas apart from Moruya - Tuross Head SA2, where there was a slight increase. Moderate income households also declined as a proportion of all households.

This provides evidence of quite strong gentrification across all areas, likely as a result of displacement from private rental as real rents increase relative to income, an inability to sustain a mortgage as life circumstances change, and/or the inward migration of people with more access to capital in an increasingly high cost local housing market. The inability of social housing to keep pace with growing need is also likely a factor in the loss of very low income households.

Table 2.9: Change in household income group, 2011-2021 (%)

		<b>Very low</b>	<b>Low</b>	<b>Moderate</b>
Batemans Bay	2011	34%	22%	21%
	2021	29%	21%	22%
Batemans Bay - South	2011	27%	25%	22%
	2021	27%	20%	20%
Broulee - Tomakin	2011	29%	20%	23%
	2021	20%	17%	23%
Eurobodalla Hinterland	2011	37%	20%	22%
	2021	35%	19%	21%
Moruya - Tuross Head	2011	39%	21%	20%
	2021	34%	22%	17%
Narooma - Bermagui	2011	38%	22%	22%
	2021	38%	21%	18%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T24.

## 2.1.6 Household and family type

There was a much higher than average rate of lone person and particularly couple only households in the LGA in 2021, and a much lower rate of families with children, which would be expected from the much older local age profile.



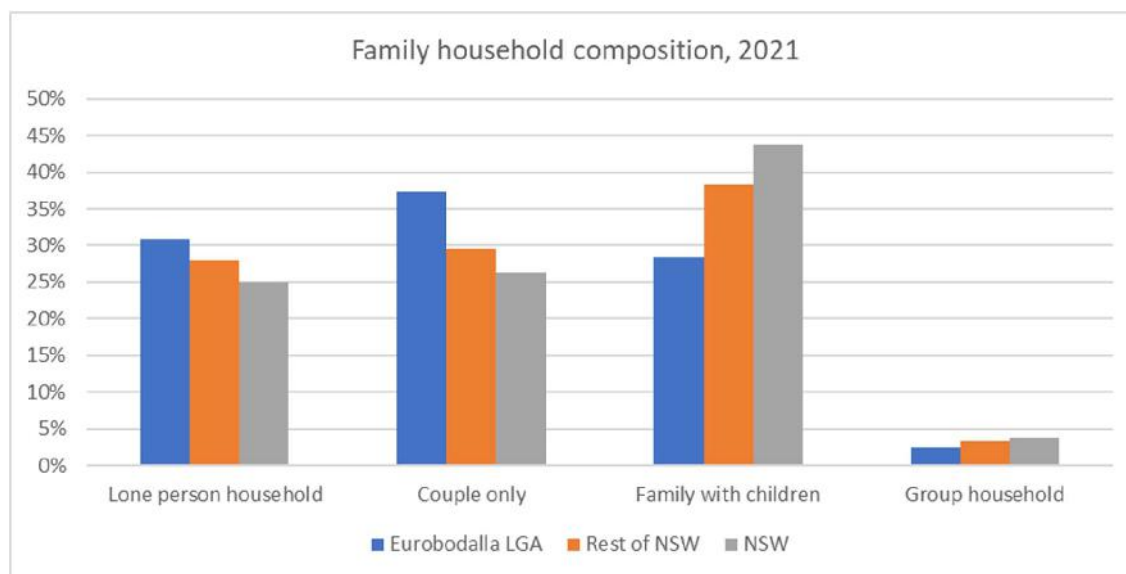


Figure 2.3: Family household composition of households in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)

Source: JSA 2023; ABS (2021) Census, General Community Profile.

Growth in smaller households from 2011-21 has been commensurate with a decline in the proportion of family with children households in the LGA, as shown below.

Table 2.10: Change in household type, 2011-2021 (%)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Lone person household	29%	31%	27%	28%	24%	25%
Couple only	36%	37%	29%	30%	26%	26%
Family with children	31%	28%	40%	38%	45%	44%
Group household	2%	3%	3%	3%	4%	4%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T14.

Most SA2s maintained or experienced growth in smaller (lone person and couple only) households from 2011-21, apart from Broulee-Tomakin, where the rate of lone person households grew.

There were significant declines in the proportion of families with children across most areas, particularly Eurobodalla Hinterland, as shown below.

Table 2.11: Change in household type, 2011-2021 (%)

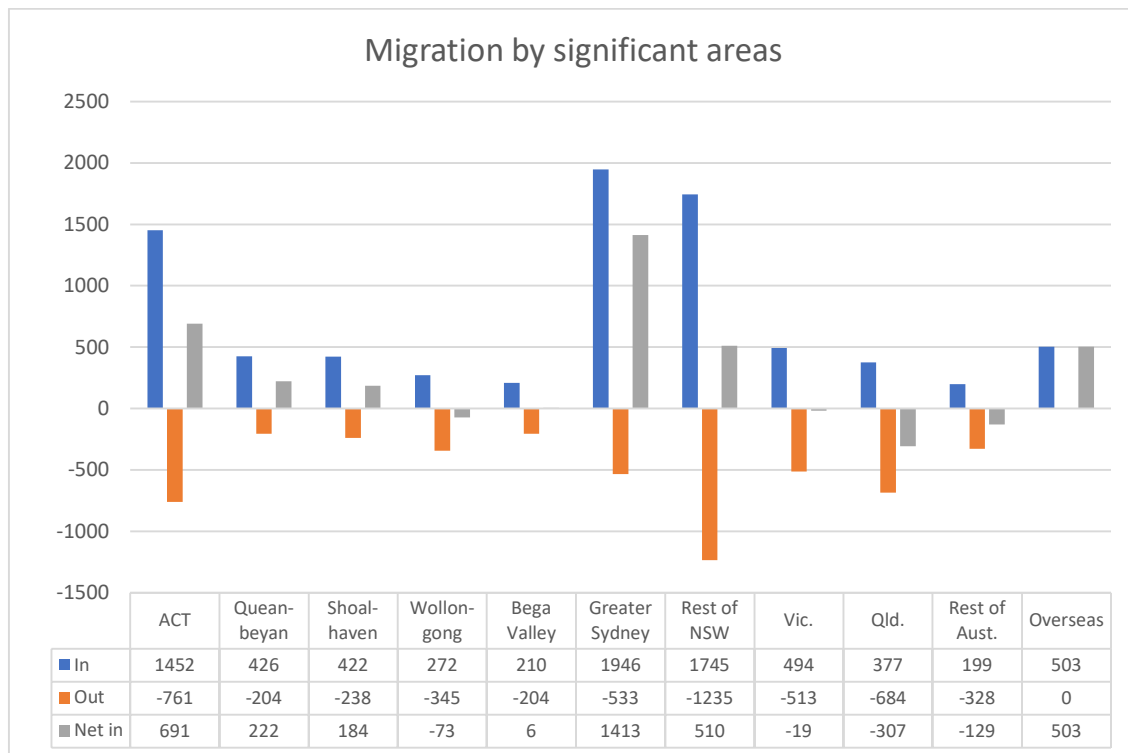
		Lone person	Couple only	Family with children	Group household
Batemans Bay	2011	30%	35%	31%	3%
	2021	33%	33%	30%	3%
Batemans Bay - South	2011	27%	38%	33%	2%
	2021	30%	38%	29%	2%
Broulee - Tomakin	2011	33%	32%	33%	2%
	2021	29%	36%	32%	2%
Eurobodalla Hinterland	2011	25%	35%	37%	2%
	2021	26%	40%	31%	3%
Moruya - Tuross Head	2011	28%	37%	33%	2%
	2021	31%	39%	27%	3%
Narooma - Bermagui	2011	33%	39%	26%	2%
	2021	33%	40%	24%	3%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T14.

## 2.1.7 Migration

By far, the highest net inward migration to the LGA from 2016-21 was Greater Sydney, at 1,413 people, and far more people moving in from Sydney than arriving during that time.

Other areas of NSW, including those more proximate, accounted for the next highest net inward migration (849 people in total). The ACT also accounted for a relatively large number of those moving in in net terms (691 people), whilst there was a net outward migration from the LGA to other states, as shown below. Note that it is not possible to account for people who left the LGA for overseas.

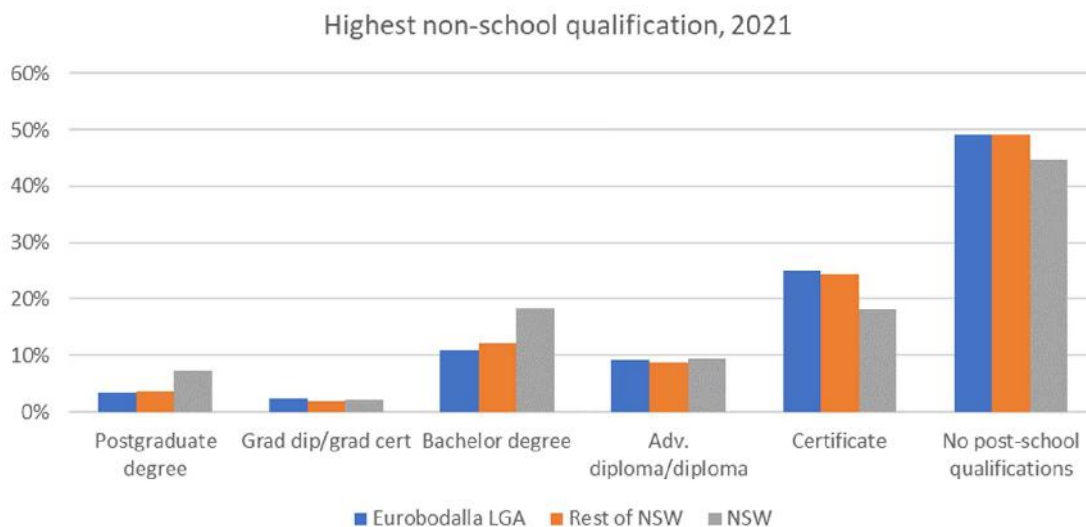


**Figure 2.4: Inward, Outward and Net Migration 2016-21**

Source: JSA 2023; ABS (2021) Census, General Community Profile.

## 2.1.8 Education

Eurobodalla was quite similar to the regional NSW average with regard to post-school qualification, with both areas having higher rates of people with no qualifications, and more likely to hold qualifications that were below degree level.



**Figure 2.5: Highest non-school qualification, persons aged 15 years and over, 2021 (%)**

Source: JSA 2023; ABS (2021) Census, General Community Profile.

## 2.1.9 Occupation

Eurobodalla has high employment containment with over 93% of the local workforce working within the shire.<sup>9</sup>

There was above average employment by local workers as Technical and Trade Workers, Community and Personal Service Workers and Sales Workers, and a lower than average rate of Professionals, Managers and Plant and Machinery Operators.

However, there were small increases in the proportion of people employed as Professionals, and Managers, as well as Community and Personal Service Workers, as shown below.

Table 2.12: Change in occupation, 2011-2021 (%)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Managers	12%	13%	14%	14%	14%	15%
Professionals	16%	17%	18%	20%	23%	26%
Technicians and trades workers	17%	17%	15%	15%	13%	12%
Community and personal service workers	13%	14%	11%	13%	10%	11%
Clerical and administrative workers	13%	12%	13%	12%	15%	13%
Sales workers	12%	10%	10%	9%	9%	8%
Machinery operators and drivers	6%	5%	8%	7%	6%	6%
Labourers	12%	11%	12%	11%	9%	8%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T35.

## 2.1.10 Industry

In terms of industry, the largest sector of local employment was Health Care and Social Assistance, which grew substantially from 2011-21, with substantial employment also in Construction, which also grew over the period, and in Retail and Accommodation and Food Services, although there was a decline in employment in the latter two sectors. Other sectors where there was some growth were Public Administration and Safety, and Professional, Scientific and Technical Services, and Administrative and Support Services, with most other sectors experiencing a decline in employment.

<sup>9</sup> Eurobodalla Local Strategic Planning Statement, p. 14.

Table 2.13: Change in industry, 2011-2021 (%)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Health Care and Social Assistance	14%	17%	13%	17%	12%	15%
Construction	11%	13%	8%	10%	8%	9%
Retail Trade	15%	12%	12%	10%	11%	9%
Accommodation and Food Services	12%	10%	8%	8%	7%	6%
Public Administration and Safety	6%	8%	7%	7%	6%	6%
Education and Training	9%	8%	9%	10%	8%	9%
Professional, Scientific and Technical Services	4%	5%	5%	5%	8%	9%
Other Services	4%	4%	4%	4%	4%	4%
Administrative and Support Services	3%	4%	3%	3%	3%	3%
Transport, Postal and Warehousing	4%	3%	4%	4%	5%	5%
Manufacturing	5%	3%	9%	6%	9%	6%
Agriculture, Forestry and Fishing	3%	3%	6%	5%	2%	2%
Rental, Hiring and Real Estate Services	2%	2%	1%	1%	2%	2%
Arts and Recreation Services	2%	2%	1%	1%	2%	1%
Wholesale Trade	2%	1%	3%	2%	5%	3%
Financial and Insurance Services	2%	1%	2%	2%	5%	6%
Electricity, Gas, Water and Waste Services	1%	1%	1%	1%	1%	1%
Information Media and Telecommunications	1%	1%	1%	1%	2%	2%
Mining	0%	0%	3%	3%	1%	1%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T34.

## 2.2 Housing Context

### 2.2.1 Overview

At the time of the 2021 Census, there were around 23,000 dwellings in Eurobodalla LGA. Of these, three times the NSW average were unoccupied private dwellings, with most likely used as weekenders and short-term rental accommodation (STRA).

Housing diversity was much lower than the State average, although only slightly less than for Rest of NSW, and there was a much lower than average rate of private rental and social housing, with the former likely related to the relatively low rate of flats and units in the LGA, and the low rate of growth in more diverse housing types from 2011-21.

This lack of housing diversity needs to be viewed in the context of a much older than average age profile, and a very high rate of residents aged 70+ years, a high proportion of whom are living in larger separated houses, and the high rates of growth in older people and smaller households from, at least, the past decade.

Table 2.14: Summary of Eurobodalla LGA compared to Relevant Benchmarks, 2021

Indicator	Eurobodalla LGA	Rest of NSW	NSW
Total Occupied Private Dwellings (%)	16,603 (73%)	1,071,609 (89%)	2,900,468 (91%)
Total Unoccupied Private Dwellings (%)	6,226 (27%)	134,891 (11%)	299,524 (9%)
% Separate Houses	85%	83%	66%
% Private Rental	20%	23%	29%
% Social Housing	3%	4%	4%
% studio, 1 & 2 dwellings	15%	13%	22%
% aged 70+ yrs in 3+ b/r house	80%	75%	68%
Average vehicles per dwelling	1.8	1.9	1.8

Source: JSA 2023; ABS (2021) Census, General Community Profile; ABS (2021) SEIFA.

## 2.2.2 Dwelling Occupancy

On Census night 2021, 27% of the 22,829 private dwellings in the LGA were unoccupied, likely used largely as weekenders or short term or holiday lettings. This was three times the NSW rate of unoccupied private dwellings.

There were much higher than average rates of such dwellings across all SA2s in the LGA, particularly in Broulee-Tomakin (38%), Batemans Bay-South (33%) and Eurobodalla Hinterland (30%), as shown in more detail below.

However, there are significant difference in the rate of unoccupied private dwellings within SA2s, depending largely on amenity (particularly beachside locations). For example, Moruya suburb had only 9.9% unoccupied private dwellings compared with 33.1% in Tuross Heads.

Table 2.15: Dwelling Occupancy 2021 (%)

	Occupied Private Dwellings	Unoccupied Private Dwellings	Total Private Dwellings
<b>Eurobodalla LGA</b>	<b>73%</b>	<b>27%</b>	<b>22,829</b>
Batemans Bay	3,468 (76%)	1,085 (24%)	5,266 (100%)
Batemans Bay - South	3,697 (67%)	1,798 (33%)	5,495 (100%)
Broulee - Tomakin	1,514 (62%)	925 (38%)	2,439 (100%)
Eurobodalla Hinterland	1,325 (70%)	563 (30%)	1,888 (100%)
Moruya - Tuross Head	3,586 (78%)	1,009 (22%)	4,595 (100%)
Narooma - Bermagui	4,206 (76%)	1,351 (24%)	5,557 (100%)

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T18.

Interestingly, there was a significant decrease in the proportion of unoccupied private dwellings from 2011-21 in the LGA (from 33% to 27%), with smaller decreases in benchmark areas from a lower base. There was also a decline in persons per dwelling, which was lower than average related to the much older age of the local population.

Table 2.16: Change in dwelling occupancy characteristics, 2011-2021

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Persons per dwelling	2.3	2.2	2.4	2.4	2.6	2.6
Unoccupied private dwellings	33%	27%	13%	11%	10%	9%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T02; ABS (2011) Census, Basic Community Profile, B31; ABS (2021) Census, General Community Profile, G36.

### 2.2.3 Persons per Dwelling

There were reasonably similar numbers of persons per dwelling across the LGA, with a slightly higher rate in Eurobodalla Hinterland and lower rate in Narooma – Bermagui. As outlined earlier, the LGA average was lower than both Rest of NSW (2.4) and NSW (2.6) in 2021.

Table 2.17: Selected statistics, Eurobodalla SA2s, 2021

	Persons per dwelling
Batemans Bay	2.2
Batemans Bay - South	2.2
Broulee - Tomakin	2.3
Eurobodalla Hinterland	2.3
Moruya - Tuross Head	2.2

Persons per dwelling	
Narooma - Bermagui	2.1
<b>Eurobodalla LGA</b>	<b>2.2</b>

Source: JSA 2023; ABS (2021) Census, General Community Profile, G02; ABS (2021) SEIFA.

## 2.2.4 Dwelling structure

The structure of occupied private dwellings in the LGA showed slightly less diversity than Rest of NSW in 2021, but with a much lower rate of flats and units than NSW, as shown in the following graph.

Although the latter is strongly influenced by the metropolitan areas of Greater Sydney, Wollongong and Newcastle, the very old age structure of the LGA, and recent and projected growth in the older age cohorts would warrant a significant increase in smaller well-located strata dwellings.

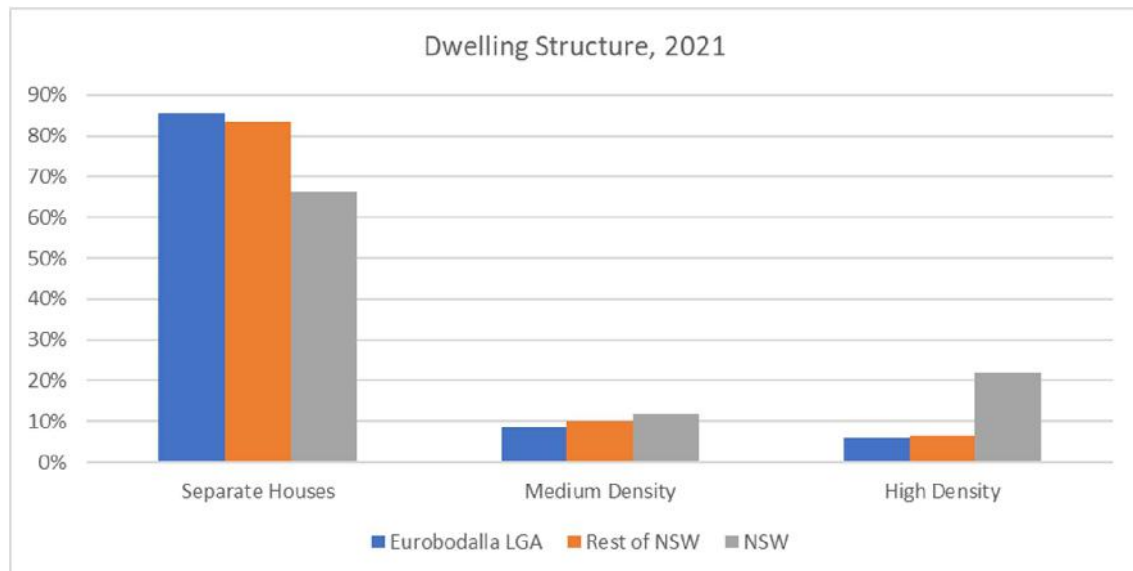


Figure 2.6: Dwelling structure of occupied private dwellings in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)

Source: JSA 2023; ABS (2021) Census, General Community Profile.

The lack of proportional growth in housing diversity from 2011-21 in the LGA is also problematic in this regard. Although there was a small increase in medium density housing types, including villas, townhouses, semi-detached dwellings and flats and units over the period, the relative (numerical) supply of these dwellings types was static, as shown in the tables below.



Table 2.18: Change in dwelling structure, 2011-2021 (%)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Separate Houses	83%	83%	82%	82%	69%	65%
Medium Density	7%	8%	7%	10%	11%	12%
High Density	6%	6%	8%	7%	20%	22%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T18.

Table 2.19: Change in dwelling structure, 2011-2021 (number)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Separate Houses	12,639	15,101	812,463	933,689	1,759,892	1,989,053
Medium Density	1,097	1,513	72,270	114,840	273,393	359,937
High Density	961	1,093	78,707	75,032	503,048	672,124

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T18.

Batemans Bay, Batemans Bay South and Narooma-Bermagui SA2s had the greatest housing diversity with regard to flats and units, with a small increase in the rate of such dwellings in Batemans Bay from 2011-21, and a small decrease in Batemans Bay South, although the latter may be due to some Census recategorization to medium density dwelling types (attached dwellings, villas, townhouses, etc).

There was also some reasonable diversity of housing stock in terms of medium density dwelling types in Batemans Bay, Batemans Bay South and Broulee-Tomakin, although the latter actually experienced a relative decline in these dwelling types from 2011-21 in proportional terms.

There were particularly high rates of separate houses in Eurobodalla Hinterland and Moruya - Tuross Head, as shown below.

Table 2.20: Change in dwelling structure, 2011-2021 (%)

		Separate house	Medium density	High density
Batemans Bay	2011	77%	8%	12%
	2021	74%	10%	13%
Batemans Bay - South	2011	79%	9%	9%
	2021	80%	11%	8%
Broulee - Tomakin	2011	78%	15%	1%
	2021	81%	12%	2%
Eurobodalla Hinterland	2011	94%	0%	0%

		Separate house	Medium density	High density
	2021	96%	0%	0%
Moruya - Tuross Head	2011	90%	6%	3%
	2021	90%	7%	1%
Narooma - Bermagui	2011	80%	7%	8%
	2021	82%	7%	6%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T14.

By far the largest numerical increase in dwelling type across all areas was in separate houses. Batemans Bay also had some reasonable increase in flats and units; whilst there was the strongest increase in villas, townhouses and the like in Batemans Bay, Batemans Bay South and Narooma-Bermagui SA2s.

Table 2.21: Change in dwelling structure, 2011-2021 (number)

		Separate house	Medium density	High density
Batemans Bay	2011	2,437	263	368
	2021	2,801	372	496
Batemans Bay - South	2011	2,763	320	296
	2021	3,220	453	308
Broulee - Tomakin	2011	951	187	18
	2021	1,337	193	36
Eurobodalla Hinterland	2011	1,237	5	6
	2021	1,459	0	3
Moruya - Tuross Head	2011	2,946	180	91
	2021	3,564	259	34
Narooma - Bermagui	2011	3,163	262	299
	2021	3,810	323	285

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T14.

## 2.2.5 Number of bedrooms

There was a very low rate of studio as well as one bedroom dwellings in the LGA in 2021 compared with NSW, and predominance of three and 4+ bedroom dwellings, as shown below.

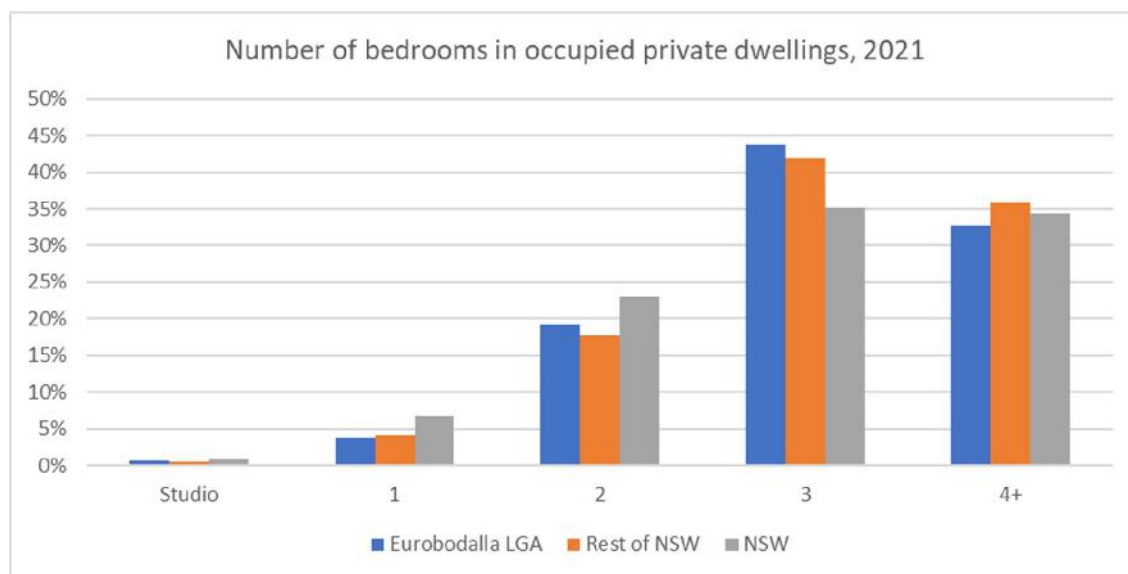


Figure 2.7: Number of bedrooms in occupied private dwellings in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)

Source: JSA 2023; ABS (2021) Census, General Community Profile.

Although there was a small proportional increase in one and two bedroom dwellings from 2011-21, the largest increase was in 4+ bedroom dwellings, with a commensurate decline in three bedroom homes, likely related to increased capitalisation and/or redevelopment of smaller, older houses for larger dwellings, as well as some redevelopment for smaller strata dwellings.

There was a small increase in the number of smaller dwellings in the LGA over the period, but the relative number was very low compared with larger dwellings, and by far the largest numerical increase was again in 4+ bedroom dwellings.

This is shown in the two tables below.

Table 2.22: Change in number of bedrooms, 2011-2021 (%)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Studio	0%	0%	0%	0%	0%	0%
One bedroom	1%	2%	1%	1%	2%	3%
Two bedrooms	14%	13%	13%	12%	18%	19%
Three bedrooms	50%	45%	48%	42%	43%	36%
Four of more bedrooms	35%	40%	38%	44%	36%	42%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T16 and T17.

Table 2.23: Change in number of bedrooms, 2011-2021 (number)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Studio	12	40	1,170	1,487	4,753	4,242
One bedroom	137	179	8,335	9,407	40,852	58,528
Two bedrooms	1,385	1,485	90,475	91,483	341,700	406,630
Three bedrooms	4,975	5,033	328,645	323,500	790,817	782,578
Four of more bedrooms	3,504	4,557	257,354	336,570	670,332	898,885

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T16 and T17.

There was very limited proportional increase in the rate of studio and one bedroom dwellings over the period in all areas, and a decline or static rate in two bedroom dwellings, apart from in Narooma – Bermagui, where there was a small increase.

Significant proportional decrease in three bedroom dwellings was evident across all SA2, as was the strong increase in four or more bedroom dwellings, as discussed in relation to the LGA above.

Table 2.24: Change in number of bedrooms, 2011-2021 (%)

		Studio	1	2	3	4+
Batemans Bay	2011	0%	1%	13%	49%	36%
	2021	0%	1%	12%	45%	41%
Batemans Bay - South	2011	0%	1%	12%	48%	39%
	2021	0%	1%	11%	44%	45%
Broulee - Tomakin	2011	0%	1%	16%	47%	36%
	2021	0%	1%	14%	39%	46%
Eurobodalla Hinterland	2011	0%	3%	17%	45%	34%
	2021	1%	4%	15%	42%	39%
Moruya - Tuross Head	2011	0%	1%	13%	52%	34%
	2021	0%	2%	13%	47%	38%
Narooma - Bermagui	2011	0%	1%	17%	52%	30%
	2021	0%	2%	18%	47%	32%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T16 and T17.

Again, numerically, the relatively low growth in studio, one and two bedroom dwellings (or even reduction in stock) is evident across most SA2s, apart from Narooma-Bermagui. As noted, the main growth over the period across most small areas was in 4+ bedroom houses.

Table 2.25: Change in number of bedrooms, 2011-2021 (number)

		<b>Studio</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4+</b>
Batemans Bay	2011	3	24	273	1,002	731
	2021	5	24	274	1,047	954
Batemans Bay - South	2011	0	17	275	1,116	911
	2021	0	13	271	1,096	1,139
Broulee - Tomakin	2011	0	10	120	347	267
	2021	0	11	146	413	480
Eurobodalla Hinterland	2011	3	31	154	403	310
	2021	8	38	142	405	372
Moruya - Tuross Head	2011	3	26	286	1,170	773
	2021	8	38	316	1,148	945
Narooma - Bermagui	2011	7	35	399	1,254	715
	2021	9	60	493	1,300	892

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T16 and T17.

## 2.2.6 Tenure and landlord type

Rates of outright ownership were much higher than average in the LGA, likely related to the much older age profile, and rates of purchasing with a mortgage were relatively low.

Of note, there was a much lower rate of private rental in the LGA, likely related to the relative lack of housing diversity, noting that around 55% of flats and units entered the private rental market compared with around 33% of villas and townhouses, 16% of separate houses, and potentially related to use of apartments as holiday lettings.

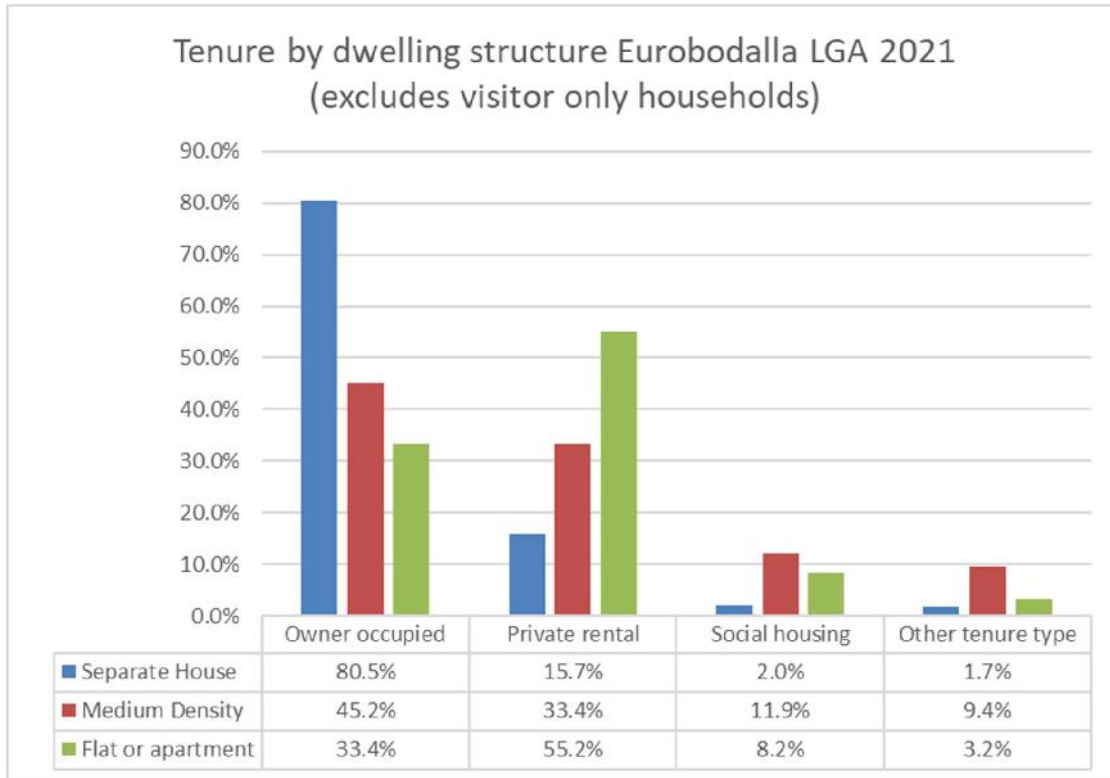


Figure 2.8: Dwelling structure by tenure types of occupied private dwellings 2021 (%)

Source: JSA 2023; ABS (2021) Census, General Community Profile.

Social housing was also below the NSW and regional averages, related to lack of investment over decades compared with severe and growing need at the local and State level.

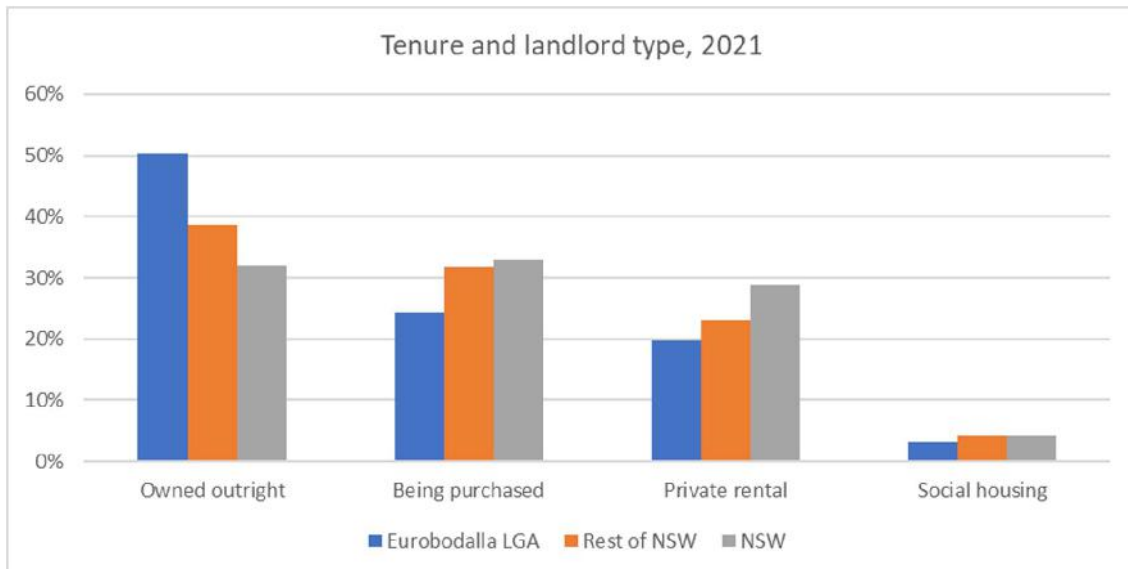


Figure 2.9: Tenure and landlord type of households in private dwellings in Eurobodalla LGA compared to relevant benchmarks, 2021 (%)

Source: JSA 2023; ABS (2021) Census, General Community Profile.

The proportional growth in outright ownership is commensurate with a decline in private rental and social housing in the LGA over the past decade. Numerically, there has been quite low growth in the amount of private rental. There has actually been a small decrease in the number of social housing dwellings over the period, which is of serious concern in the context of housing need and affordability, discussed later.

Table 2.26: Change in tenure, 2011-2021 (%)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Owned outright	48%	50%	39%	39%	34%	32%
Being purchased	24%	24%	32%	31%	34%	33%
Private rental	21%	20%	22%	23%	24%	29%
Social housing	4%	3%	5%	4%	5%	4%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T18.

Table 2.27: Change in tenure, 2011-2021 (number)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Owned outright	6,840	8,537	364,815	415,770	830,229	926,483
Being purchased	3,468	4,048	296,090	336,795	828,144	947,530
Private rental	2,984	3,415	200,576	250,503	584,937	835,237
Social housing	518	516	44,453	44,007	118,427	122,583

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T18.

Most SA2s experienced growth in outright ownership, and static or declining rates of home purchase, apart from Broulee-Tomakin, which experienced small growth in purchasing. Private rental and social housing likewise declined in proportional terms in most areas, apart from Batemans Bay, where there was a slight increase in private rental and Batemans Bay South, where there was a slight increase in social housing from a relatively low rate.

Table 2.28: Change in tenure, 2011-2021 (%)

		Owned outright	Being purchased	Private rental	Social housing
Batemans Bay	2011	43%	23%	25%	6%
	2021	43%	23%	26%	5%
Batemans Bay - South	2011	48%	23%	25%	2%
	2021	49%	23%	23%	3%
Broulee - Tomakin	2011	47%	24%	23%	0%
	2021	49%	25%	20%	0%
Eurobodalla Hinterland	2011	50%	31%	12%	3%
	2021	54%	28%	12%	2%
Moruya - Tuross Head	2011	49%	26%	18%	4%
	2021	53%	26%	17%	3%
Narooma - Bermagui	2011	54%	21%	19%	3%
	2021	57%	20%	18%	3%

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T18.

Outright ownership, and to a lesser extent purchasing, grew numerically over the period across most SA2s. There was also some increase in private rental in most areas in absolute terms, particularly in areas where there was more housing diversity. Social housing was relatively static across all areas, with small increases and decreases evident by SA2.

Table 2.29: Change in tenure, 2011-2021 (number)

		Owned outright	Being purchased	Private rental	Social housing
Batemans Bay	2011	1,241	682	742	173
	2021	1,506	819	917	185
Batemans Bay - South	2011	1,508	739	790	75
	2021	1,875	890	891	97
Broulee - Tomakin	2011	538	277	266	4
	2021	768	392	310	5
Eurobodalla Hinterland	2011	604	383	142	36
	2021	744	381	164	21
Moruya - Tuross Head	2011	1,526	814	557	138
	2021	1,918	941	603	101
Narooma - Bermagui	2011	1,942	775	685	119
	2021	2,465	856	764	134

Source: JSA 2023; ABS (2021) Census, Time Series Profile, T18.

## 2.2.7 CVPs, MHEs and retirement villages

Caravan parks, manufactured housing estates and retirement villages provide an important source of accommodation for older people, particularly where there is limited housing diversity more generally, and due to the lifestyle and social connection that can be provided by such



accommodation. Lower cost caravan parks and MHEs can also provide an important source of lower cost and affordable accommodation, particularly where the home is owned and the site is rented.

The following shows the supply and the relative rate of provision of these types of accommodation in the LGA, noting there is sometimes some interchangeability of categories by the ABS in relation to 'retirement villages' and 'MHE' that are branded as 'lifestyle estates for the over 55s'.

The relative rate of permanent/long term dwellings/sites in caravan parks in the LGA was well above average, whilst MHEs were supplied at relatively similar rates to benchmark areas.

However, there was a significant undersupply of ILUs in retirement villages, with the rate of such accommodation at less than one third the rate for regional NSW as a whole, as shown in the two following tables.

Table 2.30: Dwellings in caravan parks, manufactured home estates, and retirement villages, 2021 (number)

	<b>Eurobodalla LGA</b>	<b>Rest of NSW</b>	<b>NSW</b>
Caravan parks	302	7,117	8,200
Manufactured home estates	42	3,841	4,944
<i>CVPs and MHEs</i>	<i>344</i>	<i>10,958</i>	<i>13,144</i>
Retirement villages	179	26,595	54,226

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by 1-digit level Household Composition, by Dwelling Location.

Table 2.31: Dwellings in caravan parks, MHEs, and retirement villages, 2021 (rate)

	<b>Eurobodalla LGA</b>	<b>Rest of NSW</b>	<b>NSW</b>
Caravan parks (a)	7.4	2.5	1.0
Manufactured home estates (a)	1.0	1.4	0.6
<i>CVPs and MHEs (a)</i>	<i>8.5</i>	<i>3.9</i>	<i>1.6</i>
Retirement villages (b)	8.8	26.4	22.7

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by 1-digit level Household Composition, by Dwelling Location; ABS (2021) Census, General Community Profile, G01 and G03.

(a) per thousand residents

(b) per thousand residents aged 55 years and over

There was some increase in the number of permanent sites/dwellings in caravan parks and MHEs from 2011-21. However, the **number of ILUs in retirement villages in the LGA was static** over the period, compared with major increases in both NSW and Rest of NSW. This is of concern, given the much older age structure and forecasts on the aging of the local population, as discussed later.

Table 2.32: Dwellings in caravan parks, manufactured home estates, and retirement villages, 2011-2021 (number)

	Eurobodalla LGA		Rest of NSW		NSW	
	2011	2021	2011	2021	2011	2021
Caravan parks	228	302	9,758	7,117	11,877	8,200
Manufactured home estates	0	42	4,902	3,841	7,523	4,944
<i>CVPs and MHEs</i>	<i>228</i>	<i>344</i>	<i>14,660</i>	<i>10,958</i>	<i>19,400</i>	<i>13,144</i>
Retirement villages	179	179	11,771	26,595	30,769	54,226

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by 1-digit level Household Composition, by Dwelling Location; ABS (2011) Census, TableBuilder Pro, counting dwellings, place of enumeration, by 1-digit level Household Composition, by Dwelling Location.

## 2.2.8 Motor vehicle ownership

The following table analyses the number of motor vehicles by medium density dwelling types (attached dwellings, villas, townhouses etc), and by flats and units.

This indicates that a studio apartment (or co-living housing or boarding house) would likely need around 0.5 car spaces per unit to meet actual ownership rates of vehicles. A one or two bedroom strata unit is likely to need one car space per dwellings; whereas a three bedroom strata dwelling is likely to need 1.5 car spaces based on actual ownership.

Table 2.33: Average number of motor vehicles per dwelling, medium density and apartments, for certain numbers of bedrooms, 2021

Dwelling structure	Bedrooms	Eurobodalla LGA	Rest of NSW	NSW
Medium density dwelling types	1	0.6	0.7	0.7
	2	1.0	1.1	1.1
	3	1.4	1.5	1.5
Flats and Units	Studio	0.6	0.7	0.4
	1	1.0	0.8	0.7
	2	1.0	1.1	1.1
	3	1.3	1.5	1.4

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Dwelling Structure, by Number of Bedrooms in Private Dwelling (ranges), by Number of Motor Vehicles (ranges).

## 2.2.9 Persons 70+ years in separate houses

In 2021, there were 2,585 households with a reference person aged 70+ years living in a separate house (88% of the age group), and 77% (2,261 households) living in a separate house with three or more bedrooms. Considering not stated and other reporting factors, it is likely that at least 80% are

living in larger separate houses, with higher rates likely in areas with a much higher proportion of separate houses, such as Eurobodalla Hinterland SA2.

## 2.3 Population and Housing Projections

### 2.3.1 Overview of Key Projections

Population projections for Eurobodalla Shire Council area have been prepared by .id (informed decisions) Consulting to 2036. It is understood that these projections are preferred by Council to those of DPE (2022) as they are reported to take into account more recent historical trends, as well as more detailed planning for small areas.

As such, .id Consulting projections are used as the basis of the analysis in this report. It is understood that these projections are not expected to be updated in time for the release of this Housing Strategy. Therefore, the following estimates to 2041 have been used by projecting forward the average yearly forecast from published data to 2036.<sup>10</sup>

Across the LGA, total population is expected to grow by 23%, whilst the growth in households and dwellings is projected to be closer to 21%. Both household size and unoccupied dwellings are forecast to remain unchanged.

The following table summarises id. Consulting's key population and housing projections. This is followed by more detailed analysis of these forecast trends.

Table 2.34: Key population, household and dwelling forecasts (2021-2041 - estimated)

	2021	2036 (projected)	2041 (est.)	Total Change (#)	Total Change (%)	Annual Change (%)
<b>Population</b>	40,402	47,407	49,742	9,340	23.1%	
<b>Households</b>	18,118	20,913	21,844	3,726	21.1%	
<b>Average household size</b>	2.2	2.2	2.2	0	0%	-
<b>Dwellings</b>	24,524	28,473	29,789	5,265	21.5%	
<b>Persons in Non-Private Dwellings</b>	949	1,099	1,149	200	21.1%	
<b>Dwelling occupancy rate</b>	74%	74%	74%	-	0%	0%

Source: Population forecasts, 2016 to 2036, prepared by .id (informed decisions) 2023, with JSA estimated 2023.

<sup>10</sup> .id Consulting projections are from 2021-36, and it is understood that there will not be an update in times for the release of the Housing Strategy. These projections have been extended by linear interpolation for total population, households and dwellings to 2041; however, this is a more complex and less accurate process for finer data, such as age and households type, so that the 2021-36 projections have been used for these variables.

## 2.3.2 Population Growth

The annual growth rate for the LGA from 2021-36 is projected as 0.8% per annum, or just over 7,000 people in total, which is lower than recent local growth rates.

.id Consulting uses customised small areas, which are different to SA2s analysed above. Looking at these areas, well above average annual growth rates are in Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay; Urban Moruya-Moruya Heads; and Broulee-Tomakin-Mossy Point. Most other areas are forecast to have much lower than average growth rates.

In terms of numerical growth, the largest forecast growth is in Broulee-Tomakin-Mossy Point; Urban Moruya-Moruya Heads; Broulee-Tomakin-Mossy Point; and Surfside-Long Beach-Maloney's Beach-North Batemans Bay; and Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay, which are all expected to grow by around 300 people.

As such, there are no areas where major population growth is currently forecast.

Table 2.35: Population forecasts by .id Consulting small areas (2021-2036)

Area	2021	2026	2031	2036	Total change	Av % change p.a.
<b>Eurobodalla LGA</b>	<b>40,402</b>	<b>42,861</b>	<b>45,155</b>	<b>47,407</b>	<b>+7,005</b>	<b>+0.80</b>
Batemans Bay-Catalina	4,102	4,284	4,430	4,539	+437	+0.51
Batemans Bay Rural Hinterland	2,826	2,948	3,103	3,270	+444	+0.73
Broulee-Tomakin-Mossy Point	3,690	4,004	4,359	4,799	+1,109	+1.32
Dalmeny	2,180	2,283	2,364	2,445	+265	+0.58
Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay	2,718	3,027	3,386	3,770	+1,051	+1.65
Moruya Rural Hinterland	2,910	3,024	3,106	3,214	+304	+0.50
Narooma-North Narooma-Kianga	3,435	3,665	3,802	3,934	+499	+0.68
Narooma Rural Hinterland	2,781	2,855	2,917	2,971	+190	+0.33
Surf Beach-Batehaven-Sunshine Bay-Denham's Beach	5,902	6,144	6,273	6,375	+474	+0.39
Surfside-Long Beach-Maloney's Beach-North Batemans Bay	3,590	3,915	4,161	4,312	+722	+0.92
Tuross Head	2,344	2,332	2,357	2,378	+34	+0.07
Urban Moruya-Moruya Heads	3,924	4,381	4,897	5,401	+1,477	+1.61

Source: Population forecasts, 2021 to 2036, prepared by .id (informed decisions), February 2023.

## 2.3.3 Age projections

The rate of people aged 60+ years is projected to decline slightly from around 42% in 2021 to 41% in 2036,<sup>11</sup> with the highest rates of growth in those aged 75+ years. Numerically, this represents

<sup>11</sup> It was not possible to estimate to 2041 for these data.

growth of 2,347 people over the period (one third of all population growth), with by far the largest growth in absolute terms among those aged 70-79 years.

Relatively large numerical growth is also projected for children, and middle aged adults, as shown below.

Table 2.36: Projected age forecasts by .id Consulting (2021-2036)

Eurobodalla LGA Age (years)	2021		2036		Change 2021- 36
	No.	%	No.	%	No.
0 to 4	1,699	4.2	2,263	4.8	+563
5 to 9	1,820	4.5	2,400	5.1	+581
10 to 14	2,210	5.5	2,513	5.3	+303
15 to 19	1,867	4.6	2,154	4.5	+287
20 to 24	1,351	3.3	1,729	3.6	+379
25 to 29	1,589	3.9	1,893	4.0	+304
30 to 34	1,648	4.1	2,019	4.3	+372
35 to 39	1,772	4.4	2,162	4.6	+390
40 to 44	1,772	4.4	2,305	4.9	+533
45 to 49	2,231	5.5	2,535	5.3	+303
50 to 54	2,532	6.3	2,896	6.1	+363
55 to 59	3,070	7.6	3,350	7.1	+279
60 to 64	3,832	9.5	3,965	8.4	+132
65 to 69	3,962	9.8	4,125	8.7	+163
70 to 74	3,670	9.1	3,804	8.0	+134
75 to 79	2,393	5.9	3,201	6.8	+808
80 to 84	1,510	3.7	2,285	4.8	+775
85 and over	1,475	3.7	1,810	3.8	+335
<b>Total persons</b>	<b>40,402</b>	<b>100.0</b>	<b>47,407</b>	<b>100.0</b>	<b>+7,005</b>

Source: Population forecasts, 2016 to 2036, prepared by .id (informed decisions) 2023

## 2.3.4 Dwelling Projections

By 2036, .id Consulting projects that an additional 3,949 dwellings will be constructed across the LGA. In line with population increase, the most significant proportional growth is expected to be in: Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay (+40%); in Urban Moruya-Moruya Heads and Broulee-Tomakin-Mossy Point (+25-27% growth); as well as in Surfside-Long Beach-Maloney's Beach-North Batemans Bay (+24%), although the latter is forecast for lower population growth.

Table 2.37: Dwelling forecasts by .id Consulting small areas (2021-2036)

Area	No.	%
<b>Eurobodalla LGA</b>	<b>+3,949</b>	<b>+16.1</b>
Batemans Bay-Catalina	+196	+8.4
Batemans Bay Rural Hinterland	+235	+15.1
Broulee-Tomakin-Mossy Point	+690	+27.2
Dalmeny	+133	+11.2

Area	No.	%
Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay	+816	+40.0
Moruya Rural Hinterland	+113	+7.9
Narooma Rural Hinterland	+107	+6.8
Surf Beach - Batehaven - Sunshine Bay-Denham Beach	+306	+8.2
Surfside-Long Beach-Maloneys Beach-North Batemans Bay	+524	+24.3
Tuross Head	+120	+6.6
Urban Moruya-Moruya Heads	+502	+25.0

Source: Population forecasts, 2016 to 2036, prepared by .id (informed decisions) 2023

### 2.3.5 Household Type Projections

The largest proportional change predicted from 2021-36 is in couples with children and group households, although this is from a relatively low base, particularly groups households.

However, the largest numerical change is predicted to be couple only households and lone person households, which together make up almost two-thirds of projected change in households, and 67% of total households by 2036.

Table 2.38: Household forecasts by .id Consulting for ELGA (2021-2036)

Household Type	2021		2036		Change 2021-36	
	No.	%	No.	%	No.	%
Lone Person	5,527	30.5	6,237	29.8	+710	+12.8
Couple Only	6,804	37.5	7,843	37.5	+1,039	+15.3
Couples with Children	3,278	18.1	3,890	18.6	+612	+18.7
Sole Parent Families	1,694	9.3	1,983	9.5	+289	+17.1
Group	421	2.3	498	2.4	+77	+18.3
Other Families	396	2.2	461	2.2	+65	+16.4
<b>TOTAL</b>	<b>18,093</b>	<b>100%</b>	<b>20,912</b>	<b>100%</b>	<b>+2,819</b>	<b>+15.5%</b>

Source: Population forecasts, 2016 to 2036, prepared by .id (informed decisions) 2023

Although there are many commonalities, some of .id Consulting's customised areas show reasonable differences to the above trends.

- A much higher than average increase in lone person households in the areas of Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay (+50%) and Surfside-Long Beach-Maloneys Beach-North Batemans Bay (+37%)
- A much higher than average increase in couple only households in: Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay (+43%) as well as in Urban Moruya-Moruya Heads; Broulee-

Tomakin-Mossy Point; and Surfside-Long Beach-Maloneys Beach-North Batemans Bay (all around +25%)

- A much higher than average increase in couples with children in Broulee-Tomakin-Mossy Point (40%) and Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay (28%)
- A much higher than average increase in one parent families in: Broulee-Tomakin-Mossy Point (+32%); Narooma Rural Hinterland (+29%); Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay (+28%) and Urban Moruya-Moruya Heads (+24%).

Although some of these differences are related to differences in demographic profiles between the areas, much is related to greater increases in all household types in the areas where higher rates of growth are projected more generally.

## 2.4 Indigenous Residents of Eurobodalla LGA

### 2.4.1 Overview

At the time of the 2021 ABS Census, in the Eurobodalla LGA 6.5% of usual residents (2,467 people) identified as Aboriginal and/or Torres Strait Islander (Indigenous); and 7% of all households (1,102 households) were counted as an 'Indigenous Household'.

Given the relatively high proportion of Indigenous residents in the LGA, and some differences in the housing profile and housing needs, the profile demographic and housing profile of Indigenous residents has been looked at separately. In summary, the following is noted.

- Indigenous residents have a younger age profile than non-Indigenous residents, with one-third being children aged 0-14 years.
- Indigenous residents are more likely than non-Indigenous residents to be in the labour force and therefore more likely to be employed and unemployed and looking for work. In 2021, the unemployment rate for Indigenous residents was 12% compared to 4% for non-Indigenous residents.
- Indigenous and non-Indigenous residents have different profiles in terms of industries of employment and occupations.
  - Indigenous residents are more likely than to be employed in certain industries including health care and social assistance, public administration and safety, education and training and retail; and have occupations as community and personal service workers, labourers and sales workers.
  - Non-Indigenous residents are more likely to be employed in industries including construction, accommodation and food services, professional scientific and technical services and manufacturing; and have occupations as managers, professionals, technicians and trades workers.
- Indigenous and non-Indigenous residents have a similar level of disability or need for assistance. For non-Indigenous residents this is likely a feature of older age profile.

- In total, 51% of Indigenous households were comprised of couples and sole parents with children compared with 26% for non-Indigenous households; and only 17% were in lone person households compared with 32% for non-Indigenous households;
- Indigenous households are less likely than non-Indigenous households to have one or two residents. Around 20% of Indigenous households have five or more residents, compared to only 5% of non-Indigenous households.
- Indigenous households are far less likely to be in owner occupancy (owned outright or with a mortgage) than non-indigenous residents (44% compared with 76%), although there is a similar rate of purchasing among the two groups. Indigenous people are twice as likely to be in private rental (36% compared with 18%), and 10 times more likely to be in social housing (20% compared with only 2% for non-Indigenous households).
- Despite being larger, Indigenous households are not experiencing homelessness due to ‘severe overcrowding’ and only a small number were considered marginally housed due to ‘overcrowding’, which is likely related to their occupancy of larger houses, although this may also be related to some under-reporting of residents or recording as ‘visitors’ on Census night. The majority of Eurobodalla LGA households, whether Indigenous or non-Indigenous, have at least one bedroom to spare.
- Indigenous households have a somewhat higher household income profile compared with non-Indigenous households, which is likely related to larger household sizes that include multiple adults/income earners, younger age profile and a much lower rate of lone person households.
- 61% of renting households in the Eurobodalla LGA were in housing stress, with non-Indigenous households slightly more likely than Indigenous households to be in rental stress (62% compared to 57%), likely related the greater likelihood that Indigenous households live in social housing.
- 37% of purchasing households in the Eurobodalla LGA were in housing stress, with Indigenous purchasers much more likely to be in stress than non-Indigenous purchasers (57% compared to 36%).
- The vast majority households in Eurobodalla LGA have a motor vehicle (96%). Indigenous households are slightly more likely to not have a motor vehicle (8% to 4%) but also have three or more vehicles (22% to 18%).

This is looked at in more detail below.

## 2.4.2 Person profile

At the time of the 2021 Census, there were 2,467 usual residents of Eurobodalla LGA who identified as Aboriginal and/or Torres Strait Islander, or 6.5% of all residents.

This section explores the characteristics of Indigenous (Aboriginal and Torres Strait Islander) and non-Indigenous residents of Eurobodalla LGA.



## Age Profile

Indigenous residents have a much younger age profile compared to non-Indigenous residents in Eurobodalla LGA. One-third (33%) of Indigenous residents are children aged 0-14 years, while 12% of non-Indigenous residents are children in this age group. At the other end of the age spectrum, 45% of non-Indigenous residents are aged 60 years+ compared to 13% of Indigenous residents.

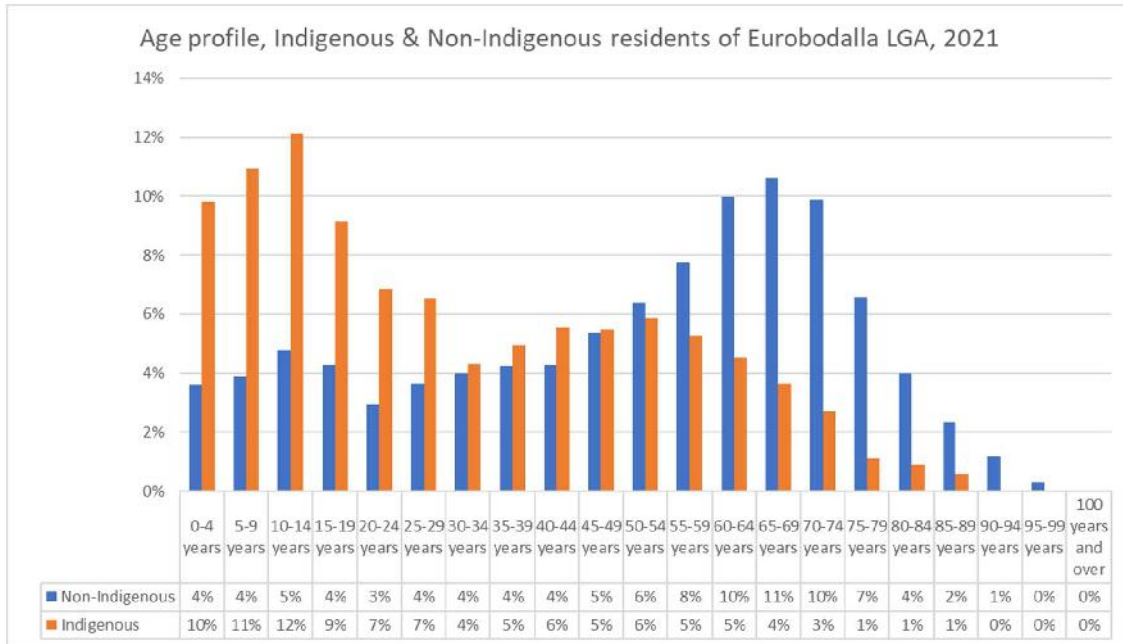
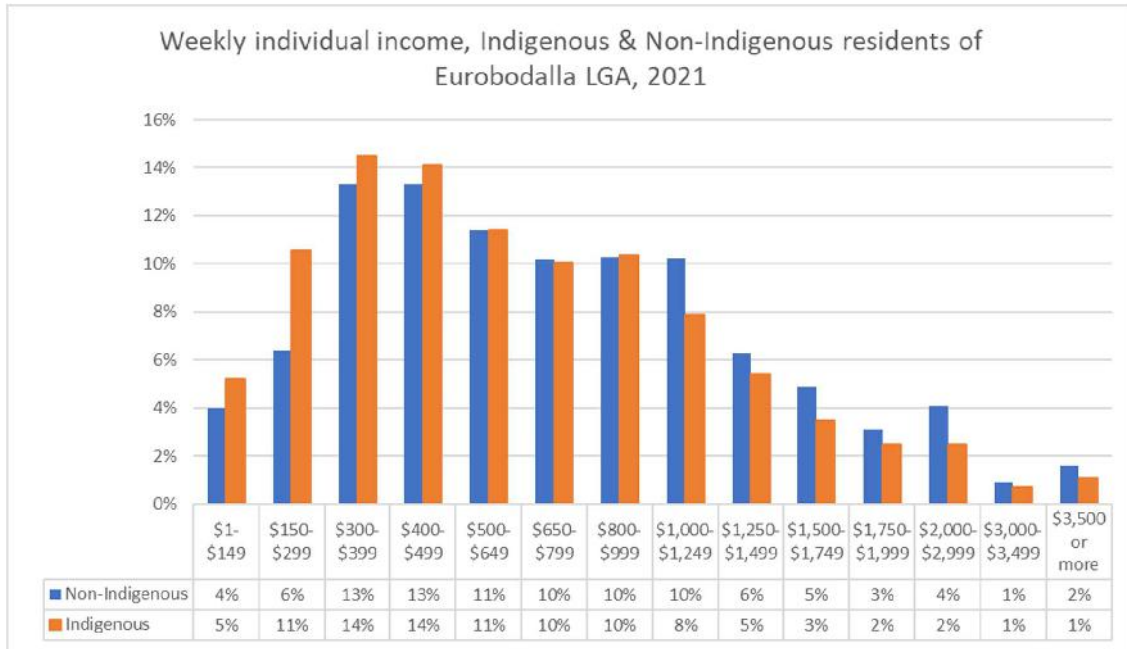


Figure 2.10: Age profile of Indigenous & Non-Indigenous residents in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## Individual income

Indigenous residents (age 15+) have a lower weekly individual income profile compared to non-Indigenous residents in Eurobodalla LGA. 44% of Indigenous residents earn less than \$500 per week, compared to 37% of non-Indigenous residents.

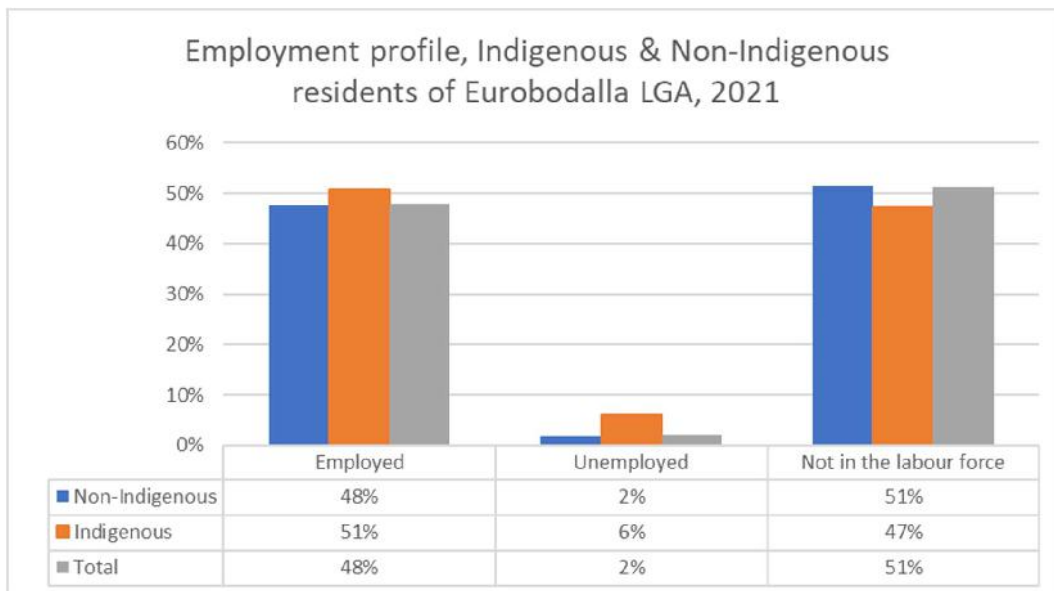


**Figure 2.11: Individual income profile of Indigenous & Non-Indigenous residents in ELGA**

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

### Employment profile

Likely a feature of age and retirement status, Indigenous residents are more likely to be in the labour force than non-Indigenous residents. Therefore, Indigenous residents are more likely to be both employed (and looking for work) and unemployed in comparison. The unemployment rate among Indigenous residents at 12% at the time of the ABS 2021 Census, was also higher than that of non-Indigenous residents at 4%.



**Figure 2.12: Employment profile of Indigenous, Non-Indigenous & Total residents in ELGA**

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

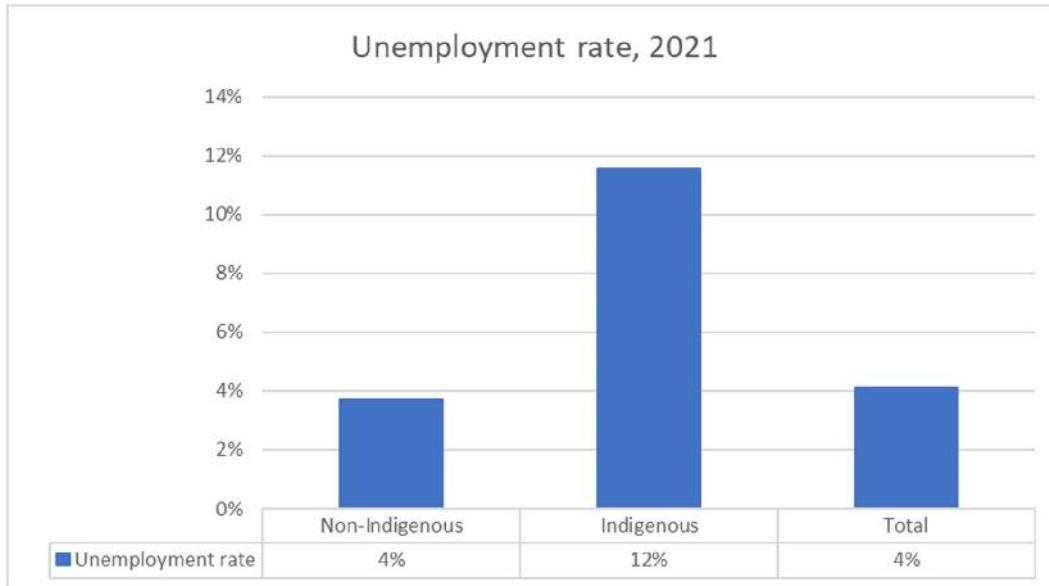


Figure 2.13: Unemployment rate for Indigenous & Non-Indigenous residents in ELGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## Industry of employment

Indigenous residents are more likely than non-Indigenous residents to be employed in industries including health care and social assistance, public administration and safety, education and training and retail. While non-Indigenous residents are more likely than Indigenous residents to be employed in industries including construction, accommodation and food services, professional scientific and technical services and manufacturing.

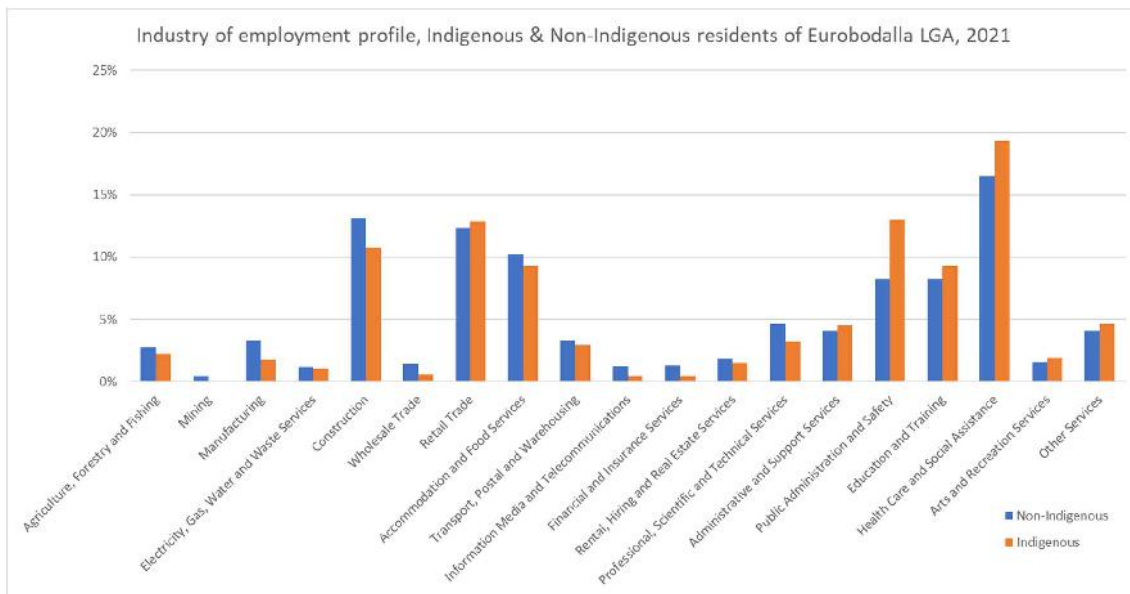


Figure 2.14: Industry profile of Indigenous, Non-Indigenous & all residents in ELGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## Occupation

Indigenous workers are more likely than non-Indigenous workers to be employed in occupations including community and personal service workers, labourers and sales workers; while non-Indigenous workers are more to be employed in occupations including managers, professionals, technicians and trades workers.

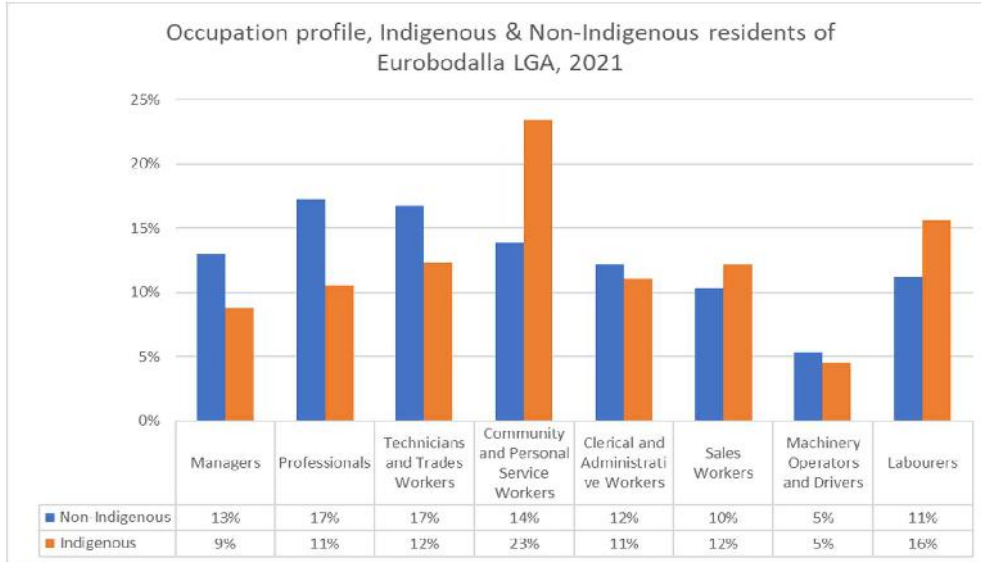


Figure 2.15: Occupation profile of Indigenous, Non-Indigenous & all residents in ELGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## Need for assistance

Indigenous and non-Indigenous residents of Eurobodalla LGA have a similar rate of need for assistance with core daily activities at 8-9%. The need for assistance among non-Indigenous residents is likely to be a feature of the older age profile of this group.

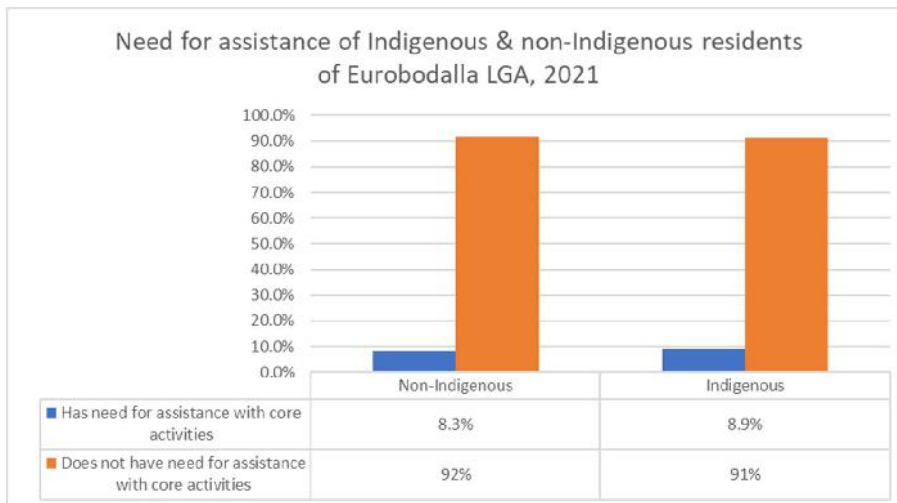


Figure 2.16: Need for assistance for Indigenous, Non-Indigenous & all residents in ELGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## 2.4.3 Housing profile

### Overview

At the time of the 2021 Census, there were **1,102 Indigenous households**, 7% of all households, in the Eurobodalla LGA.

For a household to be counted as an Indigenous Household by the ABS, on Census Night the dwelling was occupied and it had at least one person who identified as being Aboriginal and/or Torres Strait Islander who was present and a usual resident at the dwelling on that night.<sup>12</sup>

This section explores the characteristics of the Indigenous and Non-Indigenous households in the Eurobodalla LGA.

### Family household composition

Indigenous households have a very different family composition profile to non-Indigenous households in the Eurobodalla LGA. Indigenous households are much more likely to be couple families with children, one parent families, other families<sup>13</sup> or group households; and much less likely to be lone person or couple only households.

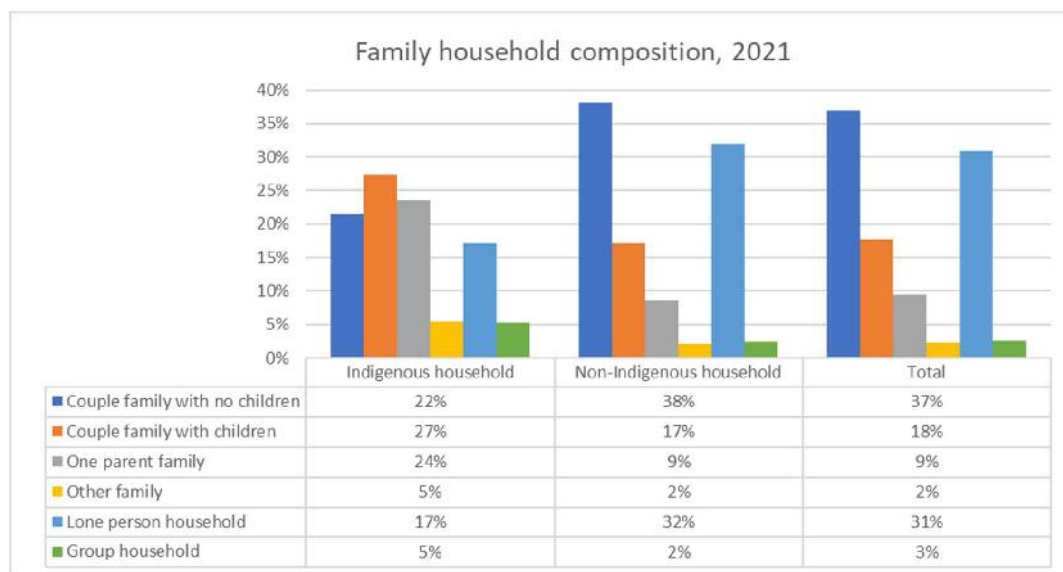


Figure 2.17: Family household composition Indigenous, Non-Indigenous & Total households in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

### Number of usual residents

Indigenous households are more likely than non-Indigenous households to be larger. 76% of non-Indigenous households have one or two residents, compared to 48% of Indigenous households;

<sup>12</sup> ABS (2021) Census of Population and Housing, Census Dictionary, Indigenous household indicator (INGDWTG)<https://www.abs.gov.au/census/guide-census-data/census-dictionary/2021/variables-topic/aboriginal-and-torres-strait-islander-peoples/indigenous-household-indicator-ingdwtd>, accessed 03/08/2023.

<sup>13</sup> 'Other families' includes one family other families and all two and three family households.

while 20% of Indigenous households have five or more residents compared to 5% of non-Indigenous households.



Figure 2.18: Number of usual residents Indigenous, Non-Indigenous & Total households in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## Tenure profile

Indigenous households have a very different tenure profile to non-Indigenous households in the Eurobodalla LGA. Indigenous households are more likely to be renting whether in private or social rental, are purchasing with a mortgage at a similar rate to non-Indigenous households; but are much less likely to be in outright ownership.

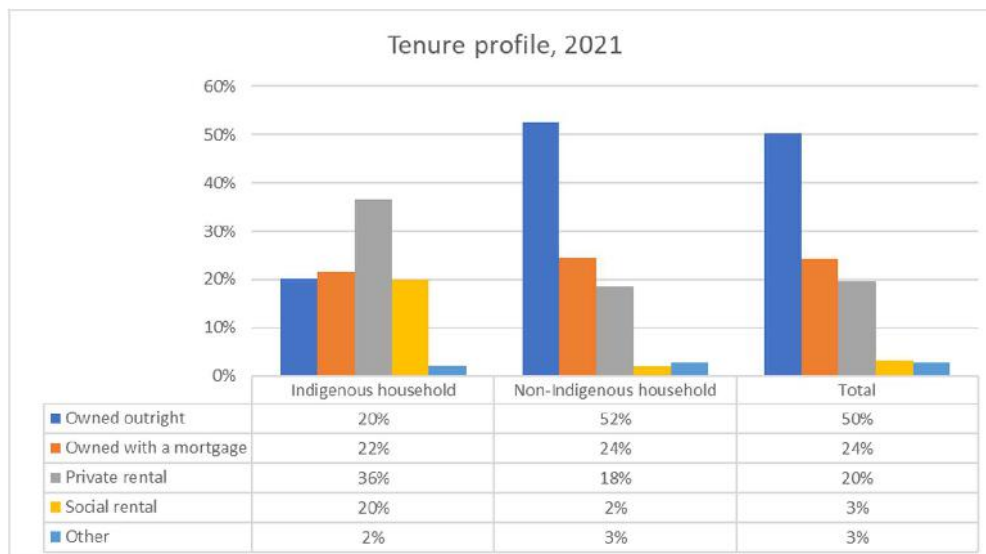


Figure 2.19: Tenure profile of Indigenous, Non-Indigenous & all households in ELGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## Dwelling structure

The dwelling structure profile is very similar between Indigenous and non-Indigenous households in Eurobodalla LGA, and reflective of the predominance of separate houses.

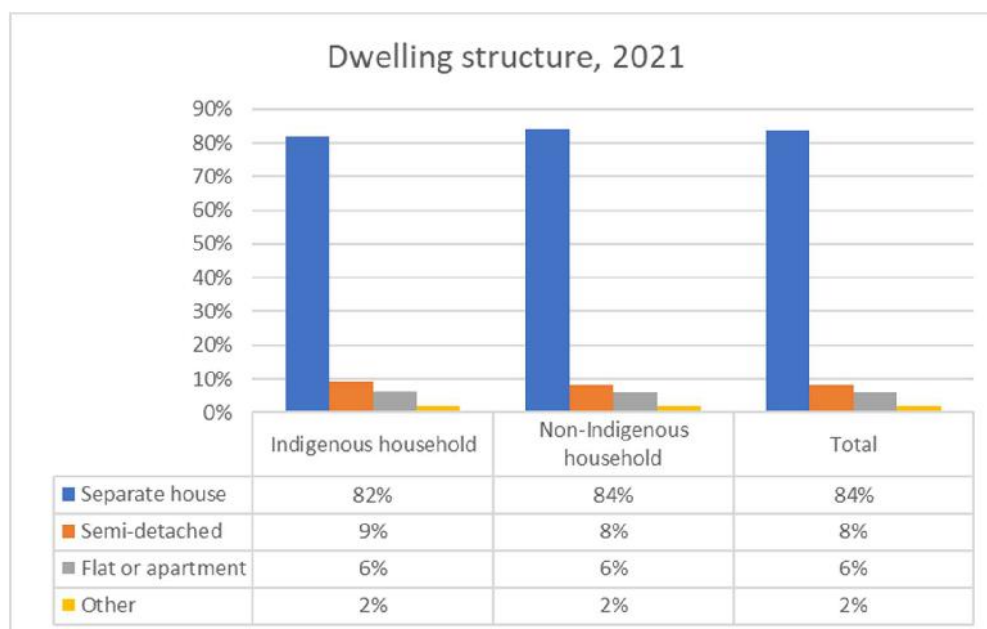


Figure 2.20: Dwelling structure profile of Indigenous, Non-Indigenous & all households

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## Housing suitability

The ABS provides a housing suitability indicator that is a measure of housing utilisation, whether a dwelling is either under or over-utilised. The indicator is based on a comparison of the number of bedrooms in a dwelling with household demographics including the number of usual residents, their relationship to each other, age and sex; and applies criteria based on the Canadian National Occupancy Standard.<sup>14</sup> The ABS considers dwellings needing three extra bedrooms to be ‘overcrowded’ with the occupants ‘marginally housed’, and dwellings needing four or more extra bedrooms to be ‘severely overcrowded’ with the occupants ‘experiencing homelessness’. Living in a ‘severely overcrowded’ dwelling is one of the six homelessness operational groups defined by the ABS.<sup>15</sup>

Whilst Indigenous households in the Eurobodalla LGA are more likely than non-Indigenous households to need at least one extra bedroom (9% compared to 2%), at the time of the 2021 Census there were no households identified as being ‘severely overcrowded’ and a very small number of households identified as ‘overcrowded’ (n=8 or 0.1% of households) with 6 of those households identified as Indigenous households. Based on this snapshot from Census Night 2021,

<sup>14</sup> ABS (2021) Census of Population and Housing, Census dictionary: Housing suitability (HOSD), <https://www.abs.gov.au/census/guide-census-data/census-dictionary/2021/variables-topic/housing/housing-suitability-hosd>, accessed 04/08/2023.

<sup>15</sup> ABS (2021) Census of Population and Housing, Census dictionary: Homelessness operational groups (OPGP), <https://www.abs.gov.au/census/guide-census-data/census-dictionary/2021/variables-topic/housing/homelessness-operational-groups-opgp>, accessed 04/08/2023.

‘severe overcrowding’ as a form of homelessness, was not a common experience among Eurobodalla LGA households, whether Indigenous or non-Indigenous.

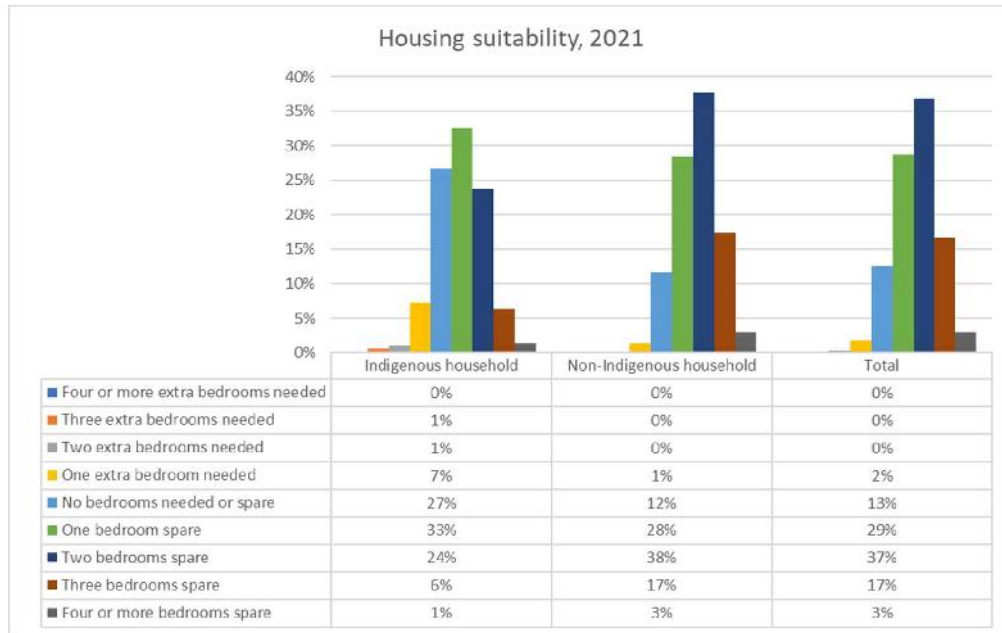


Figure 2.21: Housing suitability profile of Indigenous, Non-Indigenous & Total households in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## Household income

Indigenous households in Eurobodalla LGA have a somewhat higher weekly household income profile when compared with non-Indigenous households, for example a smaller proportion of very low income households and greater proportion of moderate and higher income households. This is likely to do with lower rate of lone person households amongst Indigenous households and higher rates of larger households with multiple adults/income earners.



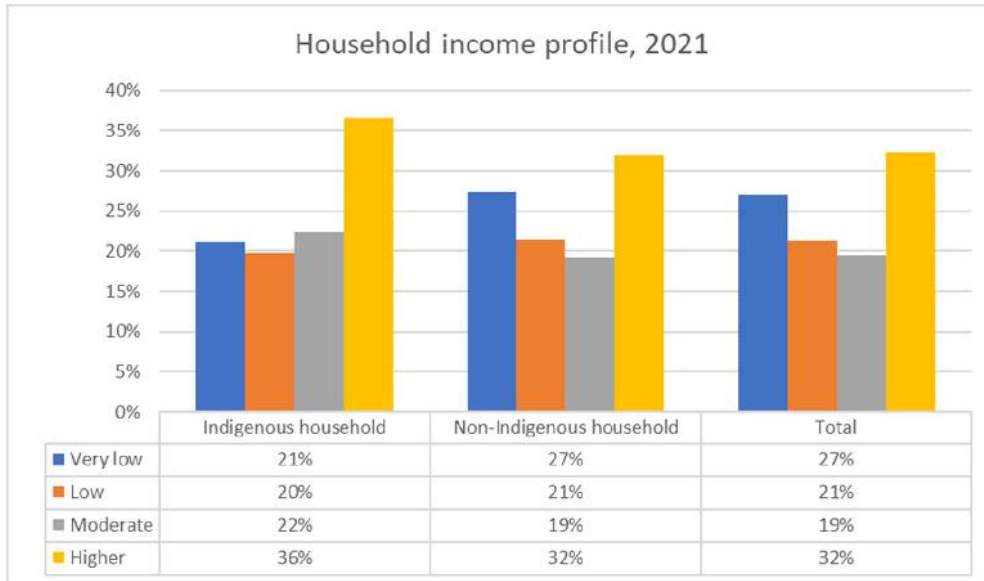


Figure 2.22: Household income profile of Indigenous, Non-Indigenous & Total households in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

### Number of motor vehicles

The vast majority households in Eurobodalla LGA have a motor vehicle (96%). A slightly larger proportion of Indigenous households do not have a motor vehicle (8%) compared to non-Indigenous households at 4%. That said, 92% of Indigenous households have a motor vehicle and Indigenous households are slightly more likely to have three or more vehicles (22%) compared to non-Indigenous households (18%).

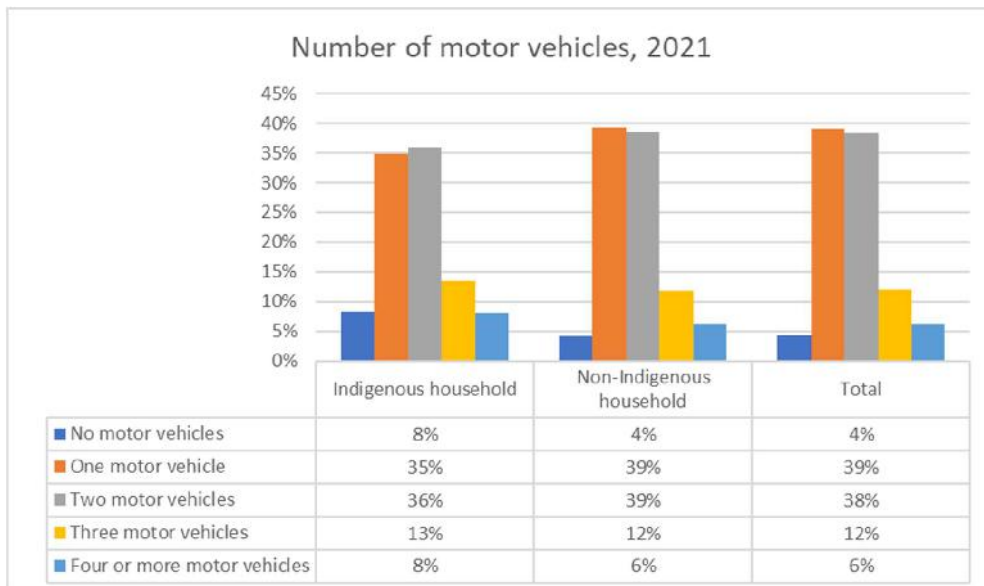


Figure 2.23: Number of motor vehicles profile of Indigenous, Non-Indigenous & Total households in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## 3 Affordable Housing Need

### 3.1 What is ‘Affordable Housing’?

#### 3.1.1 Definition and Benchmarks

Housing is generally considered to be ‘affordable’ when households can meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care, and education.

‘**Affordable housing**’ has a statutory definition under the NSW *Planning and Environment Act 1979*, being housing for very low, low and moderate income households who pay no more than 30% of their gross household income on their rent or mortgage repayments. Households paying more than 30% of their income on housing costs are deemed to be in ‘**housing stress**’, and at risk of after-housing poverty.

The following table provides benchmarks for **Rest of NSW** that are used in this *Strategy* when referring to ‘affordable housing’ in accordance with the statutory definition. These should be updated at least annually to reflect changes in CPI or cost of living.

It can be seen from the table below that, for rental to be ‘affordable’ in Eurobodalla LGA under statutory definitions, rental costs would need to be less than \$238 per week for a very low income household, between \$239 and \$381 for a low income household, and between \$382 and \$572 for a moderate income household. Affordable purchase benchmarks are also shown below.

Table 3.1: Relevant Affordable Housing Income and Cost Benchmarks – Rest of NSW

	<b>Very low-income household</b>	<b>Low-income household</b>	<b>Moderate-income household</b>
Income Benchmark	<50% of Gross Median H/H Income for Rest of NSW	50-80% of Gross Median H/H Income for Rest of NSW	80%-120% of Gross Median H/H Income for Rest of NSW
Income Range (2)	<\$794 per week	\$795-\$1,271 per week	\$1,272-\$1,906 per week
Affordable Rental Benchmarks (3)	<\$238 per week	\$239-\$381 per week	\$382-\$572 per week
Affordable Purchase Benchmarks (4)	<\$194,000	\$194,001-\$313,000	\$313,001-\$469,000

Source: JSA 2023, based on data from ABS (2021) Census and ABS (2023) Consumer Price Index, ANZ online home loan repayment calculator, [www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/](http://www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/)

(1) All values reported are in March Quarter 2023 dollars

(2) Total weekly household income

(3) Calculated as 30% of total household income

(4) Calculated using ANZ Loan Repayment Calculator, using 13 June 2023 interest rate (6.94%) and assuming a 20% deposit for a 30 year ANZ Standard Variable Home Loan and 30% of total household income as repayments.

### 3.1.2 Types of Affordable Housing

‘Affordable housing’ includes the full range of housing for the target groups. This can include housing that is **subsidised** in some way, from **special needs** accommodation such as group homes, crisis, temporary and transitional accommodation, and **social (community and public) rental housing** for those most disadvantaged in the housing market; to **‘key worker’ (discount market rent)** housing, and assisted or subsidised purchase, such as **shared equity**, for households who still need some assistance to afford their rent or enter home ownership.

In *some* areas, it also includes housing **delivered through the private market**, typically smaller, lower cost accommodation such as Boarding houses, Co-living housing, small apartments, secondary dwellings and caravan parks, provided they meet the affordability benchmarks above.

## 3.2 Why is Affordable Housing important?

Anyone in the community could need affordable housing. This includes a young person seeking to live near where they grew up, a recently separated or divorced person with children for whom conventional home ownership may no longer be economically viable, households dependent on one (or even two) low or median-waged key worker jobs, or an older person on a reduced retirement income, for example, after the death of a spouse.

Lack of affordably priced housing affects the **quality of life** of individual families, who may be sacrificing basic necessities to pay for their housing. It also has a serious impact on employment growth and economic development. The loss of young families and workers in lower paid essential service jobs can adversely affect local economies, which is contributing to labour shortages in many regions of NSW. The displacement of long-term residents reduces social cohesion, engagement with community activities such as volunteering and extended family support.

As well as impacting the health and wellbeing of low income families and older and younger people, this contributes to a lack of labour supply among ‘key workers’ who are essential to various services including childcare, aged services, health care, tourism, hospitality and emergency services, but whose wage increasingly does not allow them to access rental or purchase housing close to where they work. Affordably priced housing is thus an important form of **community infrastructure** that supports community wellbeing and social and economic sustainability, including a diverse labour market and economy and strong and inclusive communities.

The **location and suitability** of affordably priced housing is a key issue in terms of social equity and sustainability. Providing a mix of affordably priced housing for different target groups in well-located areas allows for social mix and reduces the potential stigma that can be associated with such accommodation. Locating such housing close to transport and services also provides for the needs of key groups including those with a disability and the frail aged, and reduces car dependency and the cost of transport, which can be a significant impost on very low, low and moderate income households<sup>16</sup> and on the environment.

---

<sup>16</sup> See for example Gleeson, B. and Randolph, B. (2002) ‘Social disadvantage and planning in the Sydney Context’, in *Urban Policy and Research Vol. 20(1) pp101-107*; and Kellett, J. Morrissey, J. and Karuppanan,

### 3.3 The Housing Continuum

In the Australian policy context, there is a continuum of ‘interconnected options across the wider housing system’, ranging from crisis accommodation to full home ownership (see Figure 4.1 below). As noted in a submission to the Productivity Commission by the Community Housing sector, depending on personal circumstances, people have different capacities and aspirations, and ‘need varying entry and transition points along the housing continuum’.<sup>17</sup>

A well-functioning housing continuum needs sufficient property supply at all points to accommodate changing demand and in order to smooth transition between housing options. At the same time, it needs to provide the right type of assistance at the right time for those who slip back along this continuum due to changing life circumstances. In general, higher income households towards the right of the continuum will generally have more housing choices, whereas at the left of the continuum, the requirement for public subsidies is higher, supply is more limited and user choice is more restricted.

Public and community housing providers accommodate a range of residents other than those in ‘social housing’ on the housing continuum. For example, community housing providers operate in the orange shaded areas of the continuum, from crisis and transitional housing through to ‘intermediate housing products’ such as affordable rental housing and entry level home ownership.

As noted in the submission, with a national waiting list of almost 200,000 applicants, ‘a unique combination of short supply and high demand exists’. Typically, 60% of those allocated social housing were homeless at the time of allocation, with housing offered often ‘effectively a single opportunity to leave homelessness, and would be tenants often accept housing far from their place of origin and any family support networks’. In this way, housing allocation has become an ‘ambulance service’ that responds to acute housing need amongst the most disadvantaged sections of Australian society.<sup>18</sup>

As well as an adequate supply of special accommodation options to meet the needs of those most vulnerable, and of social housing for those requiring deep subsidies for their housing to be affordable, there is also the need to substantially increase the supply of affordable rental housing at discount market rents, lower cost private rental types, and opportunities for people on low and moderate incomes to enter home purchase through special housing products such as shared equity.

This approach acknowledges the reality of varying needs, and that needs are likely to change over time, either favourably or less favourably to their housing situation, and that many people will move backwards or forwards along the housing continuum depending on changes to life circumstances.

---

S. 2012. ‘The Impact of Location on Housing Affordability’, *Presentation to 6th Australasian Housing Researchers Conference*, 8-10 February 2012, Adelaide, South Australia.

<sup>17</sup> Community Housing Sector (2016) Human Services: identifying sectors for reform, Submission to the Productivity Commission.

<sup>18</sup> Community Housing Sector (2016) Human Services: identifying sectors for reform, Submission to the Productivity Commission

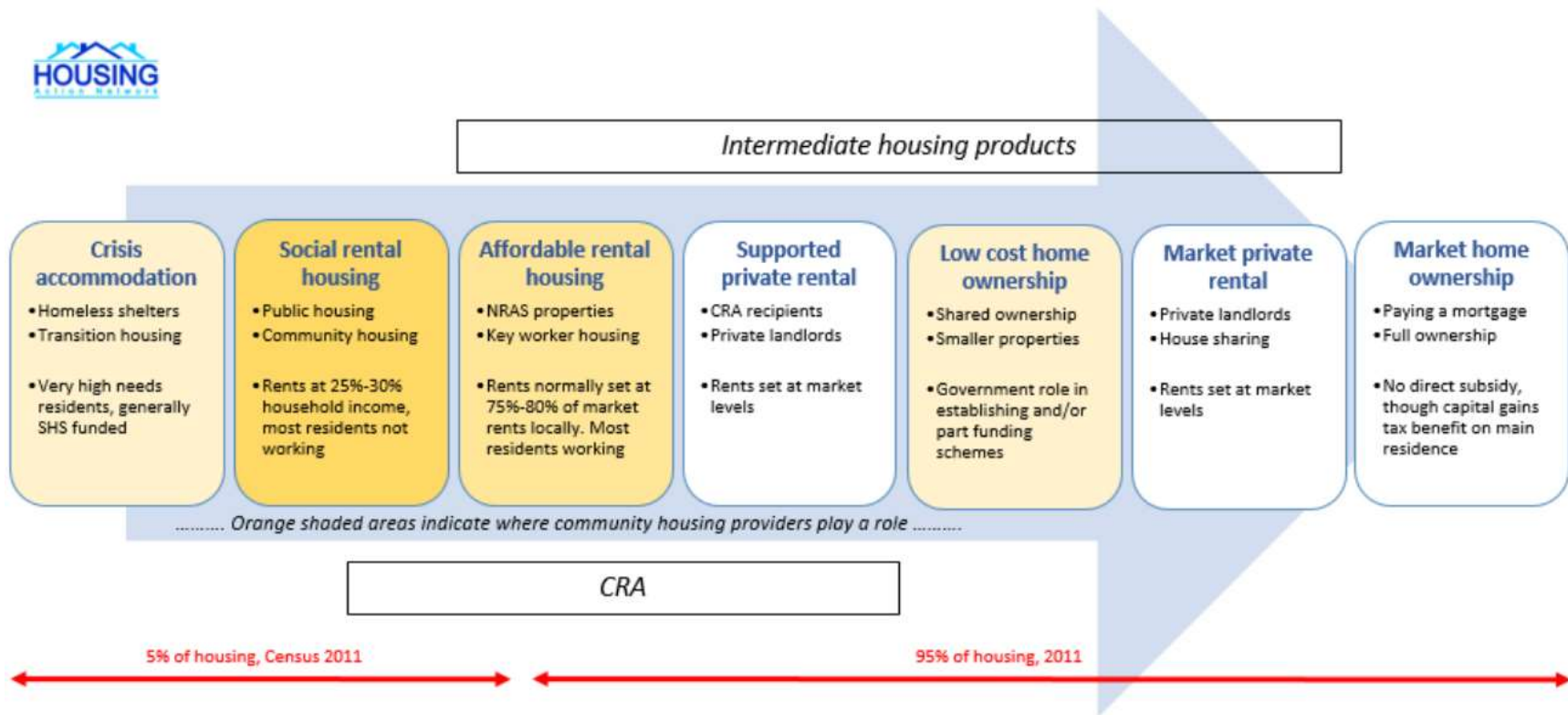


Figure 3.1: The Housing Continuum in the Australian Policy Context

Source: Community Housing Sector (2016) Human Services: identifying sectors for reform, Submission to the Productivity Commission

## 3.4 Comparative Rental Costs

### 3.4.1 Overview

This section provides an overview of the change in the real cost of rents for indicative housing products from September 2017 to December 2022 for Eurobodalla LGA compared with NSW (the smallest scale and longest timeframe for which this published data is available), and noting that NSW is strongly influenced by the Greater Sydney Housing market. The data is adjusted for inflation to December 2023 dollars.

This provides a context to the affordability discussion below, and also provides an understanding of relative demand for selected housing products, including during more recent events such as the COVID 19 pandemic.

### 3.4.2 Comparative Rents and Change Over Time (2017-2023)

#### Comparative Rents (March Qtr 2023)

The following table provides comparative rental cost and availability data on indicative housing products from the DCJ Rent and Sales Report for the most recent quarter for which data is published. It indicates that local rents for strata dwellings was likely to be less expensive than for Rest of State (NSW less GMR), but much cheaper than NSW as a whole, which is strongly influenced by the Greater Sydney housing market for apartments in particular. However, three bedroom houses in the LGA were far more expensive than regional rents, and comparable to NSW average rents.

Perhaps more importantly, the DCJ data indicates a serious lack of supply of diverse housing types available for rent in most areas, including town houses, flats and units, other dwelling types and, in some cases, most separate house bedroom types.

Across the LGA, there was insufficient data for studio and one bedroom apartment rents to be reported, insufficient total bonds held (stock available) for data to be reported on studio apartments and only 152 total bonds held on one bedroom apartments, indicating a relatively low supply of this type of smaller housing stock overall.

In Postcode 2537 (Batemans Bay and surrounds) there are mainly three bedroom houses for rent, with most other dwelling types having too little supply to have enough data to report findings on rents, or total or new bonds held.

Postcode 2536 (Moruya and surrounds) likewise shows a lack of housing diversity for rent in terms of total bonds held and new lettings for most dwelling types, although there was some supply of two bedroom apartments apparent.

In Postcode 2545 (Bodalla and surrounds) there was essentially nothing for rent in any dwelling type in the most recent quarter, and so little rental availability that data on rents and total bonds was not reported for any dwelling type, including separate houses in the DCJ data base.

Postcode 2546 showed a serious lack in recent availability of virtually all rental across all dwelling types for data to be reported.

Table 3.2: Median Rents for 1 and 2 BR Units and 3 BR Houses for Eurobodalla LGA & Relevant Postcodes (March Qtr 2023)

Location	Median weekly rent: 1 BR flat/unit \$	Total bonds held (# new bonds lodged)	Median weekly rent: 2 BR flat/unit \$	Total bonds held (# new bonds lodged)	Median weekly rent: 3 BR House \$	Total bonds held (# new bonds lodged)
PC 2536 – Batemans Bay and surrounds	No Data	67(-)	380	317(s)	550	467 (31)
2537 – Moruya and surrounds	No Data	31(-)	No Data	88(-)	540	240(s)
2545 – Bodalla and surrounds	No Data	(-)(-)	No Data	(-)(-)	No Data	(-)(-)
2546 – Narooma, Bermagui and surrounds	No Data	64(-)	No Data	111(-)	500	201(s)
<b>Eurobodalla LGA</b>	No Data	152 (-)	380	497 (31)	550	861 (66)
Rest of State	290	N/A	370	N/A	465	N/A
<b>NSW</b>	550	N/A	600	N/A	550	N/A

Source: NSW Department of Communities and Justice Rent Tables December 2022 Quarter (Issue 142), s = 30 or fewer bonds lodged during quarter, - = 10 or fewer bonds lodged.



## Change on Rents Over Time

The effects of COVID 19 are evident in the real increase in rent for indicative housing products from September Quarter 2019 to September Quarter 2021, with a real decrease in NSW rents for one and two bedroom flats and units over the period, and a significant increase in LGA rents for these housing types, especially in the 12 months to September 2021 at the height of the pandemic.

Like many other attractive regional and coastal areas on the East Coast of Australia, the effects of internal migration from capital cities to regions with increased opportunities to work from home and concern regarding lockdown constraints resulted in strong and often unprecedented growth in housing prices and rents, particularly in strata dwellings where there was a relatively constrained supply.

Real growth in rents on three bedroom houses during this period was reasonable in both the LGA and NSW as a whole, although again, real rent growth was much stronger in the LGA in the 12 months to September 2021, after which growth in local rents slowed relative to NSW (most likely related to a return to metropolitan areas) as the impacts of the pandemic began to subside.

Growth in rents has been mixed in the six months to March 2023, with strong local growth in rents for three bedroom houses, and negative growth in real terms for two bedroom apartments. The lack of data for one bedroom flats and units in the LGA is again noted, and indicates a lack of supply of such smaller strata dwellings in the local market.



Table 3-3: Median Rents by # of bedrooms, September quarters 2017-2022 and March 2023 quarter – NSW and Eurobodalla LGA - adjusted for CPI

Housing type & no. bedrooms	Sep-17		Sep-18		Sep-19		Sep-20		Sep-21		Sep-22		Mar-23	
	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA
1 bedroom flat	571	250	561	245	529	241	491	285	471	299	506	320	550	-
2 bedroom flat	607	298	596	315	575	322	565	331	532	388	568	408	600	380
3 bedroom house	500	417	502	444	494	442	514	456	532	498	568	516	550	550

Source: JSA 2023, Department of Communities & Justice quarterly Rent Tables and Australian Bureau of Statistics

Note: (s): 30 or fewer bonds lodged; (-): 10 or fewer bonds lodged

Table 3-4: CPI % by which Median Rents adjusted, # of bedrooms, Sept quarters 2018-2022 and March 2023 quarter – NSW and Eurobodalla LGA

Housing type & no. bedrooms	Sep-17		Sep-18		Sep-19		Sep-20		Sep-21		Sep-22		Mar-23	
	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA	NSW	Eurobodalla LGA
1 bedroom flat	-	-	-2%	-2%	-6%	-2%	-7%	18%	-4%	5%	7%	7%	9%	No data
2 bedroom flat	-	-	-2%	6%	-4%	2%	-2%	3%	-6%	17%	7%	5%	6%	-7%
3 bedroom house	-	-	0%	7%	-2%	0%	4%	3%	4%	9%	7%	4%	-3%	7%

Source: JSA 2023, Department of Communities & Justice quarterly Rent Tables and Australian Bureau of Statistics

### 3.4.3 Comparative Purchase Cost and Change Over Time (2017-2022)

#### Comparative Purchase Cost (Dec Qtr 2022)

Overall, Eurobodalla LGA had comparable purchase prices to regional NSW (Rest of State) for strata dwellings, but was far more expensive for houses, and much closer to the NSW sales prices, with the latter strongly influenced by metropolitan housing markets.

The only postcode area that had sufficient sales of strata dwellings for data to be reported was 2536 Batemans Bay and surrounds, where such dwellings were less expensive than regional NSW, and much less expensive than for NSW as a whole, which is strongly influenced by metropolitan housing markets.

Sale prices for houses were lowest in Postcode area 2536 Batemans Bay and surrounds, and most expensive in 2546 Narooma, Bermagui and surrounds, with housing costs significantly more expensive than even the NSW average, as shown below.

Table 3.5: Median Purchase Price for Strata and Non-Strata Dwellings Eurobodalla LGA & Relevant Postcodes (Dec Qtr 2022)

Location	Median Price Strata Dwellings (\$,000)	Median Price Non-Strata Dwellings (\$,000)	Median Price All Dwellings (\$,000)
PC 2536 – Batemans Bay & surrounds	489	800	750
2537 – Moruya & surrounds	No data	850	850
2545 – Bodalla & surrounds	No data	No data	No data
2546 – Narooma, Bermagui & surrounds	No data	985	900
<b>Eurobodalla LGA</b>	<b>530</b>	<b>850</b>	<b>775</b>
Rest of State	540	630	615
NSW	723	930	848

Source: NSW Department of Communities and Justice Sales Tables December 2022 Quarter. NOTE: “-” = less than 10 sales so no published data available

## Change in Purchase Cost Over Time (2017-22)

Real (adjusted) increases in the purchase price of non-strata dwellings (houses) in Eurobodalla LGA have generally been much higher than the NSW average over the past five years (the longest period for which comparative LGA data is published), with much higher than average increases in houses during the first two to three years of COVID 19, although major price differentials were also apparent in 2017-18 in the local housing market.

The decline in the real cost of purchase in the LGA, from at least September 2022, in part reflects the easing of pressure in regional areas from the end of COVID restrictions, although other factors such as some resolution of issues related to bushfires and other issues may also be at play. However, the legacy of COVID, natural disasters and general demand pressures is evident in the much higher real purchase prices for houses in recent years (\$850,000 in December 2022 compared with \$533,000 in September 2017, noting that both are in 2022 dollars).

There were particularly large differences between the local housing market and NSW average for strata dwellings during the COVID 19 period, in particular, the year to September 2021, although pressure from demand for strata dwellings was evident at the local level from before the COVID period.

Again, the steep proportional decline in purchase costs in real terms is evident from at least late 2022, although strata prices are still much greater than in pre-COVID times (\$503,000 in December 2022 compared with \$339,000 in September 2017 in 2022 dollars), as shown below.

Table 3-6: Median Sales Strata and Non-Strata - September quarters 2017-2022 and Dec 2022 quarter adjusted for CPI

Area	Sep-17		Sep-18		Sep-19		Sep-20		Sep-21		Sep-22		Dec-22	
	NSW (\$,000)	Eurobo- dalla LGA (\$,000)	NSW (\$,000)	Eurobo- dalla LGA (\$,000)	NSW (\$,000)	Eurobo- dalla LGA (\$,000)	NSW (\$,000)	Eurobo- dalla LGA (\$,000)	NSW (\$,000)	Eurobo- dalla LGA (\$,000)	NSW (\$,000)	Eurobo- dalla LGA (\$,000)	NSW (\$,000)	Eurobo- dalla LGA (\$,000)
<b>Non Strata</b>	775	533	761	575	754	555	788	636	947	798	940	894	930	850
<b>Strata</b>	781	339	772	366	754	402	756	442	814	574	733	625	723	530
<b>Total</b>	777	500	766	547	754	534	780	597	891	754	854	840	848	775

Source: JSA 2023, Department of Communities & Justice quarterly Sales Tables and Australian Bureau of Statistics, NOTE: “-“ = less than 10 sales so no published data

Table 3-7: CPI Percentage by which Median Sales adjusted - Strata and Non-Strata - September quarters 2017-2022 and Dec 2022

Area	Sep-17		Sep-18		Sep-19		Sep-20		Sep-21		Sep-22		Dec-22	
	NSW	Eurobo- dalla LGA	NSW	Eurobo- dalla LGA	NSW	Eurobo- dalla LGA	NSW	Eurobo- dalla LGA	NSW	Eurobo- dalla LGA	NSW	Eurobo- dalla LGA	NSW	Eurobo- dalla LGA
<b>Non Strata</b>	-	-	-2%	8%	-1%	-3%	5%	15%	20%	25%	-1%	12%	-1%	-5%
<b>Strata</b>	-	-	-1%	8%	-2%	10%	0%	10%	8%	30%	-10%	9%	-1%	-15%
<b>Total</b>	-	-	-1%	9%	-2%	-2%	3%	12%	14%	26%	-4%	11%	-1%	-8%

Source: JSA 2023, Department of Communities & Justice quarterly Sales Tables and Australian Bureau of Statistics. NOTE: “-“ = less than 10 sales so no published data

## 3.5 Comparative Affordability of Housing

### 3.5.1 Overview

This section looks at the relative *affordability* of indicative rental products delivered through the private market, that is, whether very low, low and moderate income households would be paying more than 30% of their gross household income on housing costs in accordance with the statutory definition set out above. It is important to understand the extent to which the market is providing, or can potentially provide, affordable housing for key target groups in accordance with statutory benchmarks above to evaluate the extent to which market intervention is required, and the most effective types of intervention.

### 3.5.2 Rental Affordability

#### DCJ Rent and Sales Report Analysis for Rental

The NSW DCJ *Rent and Sales Report* provides quarterly data on the cost of rental by LGA and postcode area.

The following table shows the median rents at for the last published quarter (March 2023) for the LGA, its four postcode areas and for NSW, and the statutory target groups for whom indicative housing products would be affordable in accordance with Table 3.1 above. Median rents are used as this is a reasonable indication of the minimum rent for new housing products, and thus an indication of affordability in the future, although significant real increases in rents indicate that the findings are likely to be conservative.

The data below indicates that median rents in Eurobodalla for indicative housing products that were available in the private market were not affordable to any very low or low income households. This is likely one of the most constrained regional housing markets in NSW in terms of availability and affordability of private rental.

It is likely that one bedroom units or studio apartments *may* be affordable to some low income households if Rest of State is used as a proxy. There were also serious constraints in relation to two bedroom apartments, which were only affordable to moderate income renters, again with insufficient lettings for data to be reported in most postcodes. Similar constraints were evident for other types of housing, such as town houses.

These findings indicate an urgent need to increase the supply of smaller strata dwellings around major centres, increase housing diversity more generally, and to ensure that specific strategies are included in this Housing Strategy to develop affordable rental housing in perpetuity.

Table 3.8: Median Rents for 1 and 2 BR Units and 3 BR Houses for Eurobodalla LGA & Relevant Postcodes and Benchmarks (March Qtr 2023)

Location	Median weekly rent: 1 BR flat/unit \$	Median weekly rent: 2 BR flat/unit \$	Median weekly rent: 3 BR House \$
PC 2536 – Batemans Bay and surrounds	No Data	380	550
<b>Affordable to:</b>	N/A	Affordable to All Moderate Income H/H	Affordable to Upper 10% of Moderate Income H/H
2537 – Moruya and surrounds	No Data	No Data	540
<b>Affordable to:</b>	N/A	N/A	Affordable to Upper 10% of Moderate Income H/H
2545 – Bodalla and surrounds	No Data	No Data	No Data
<b>Affordable to:</b>	N/A	N/A	N/A
2546 – Narooma, Bermagui and surrounds	No Data	No Data	500
<b>Affordable to:</b>	N/A	N/A	Affordable to Upper 30% of Moderate Income H/H
Eurobodalla LGA	No Data	380	550
<b>Affordable to:</b>	N/A	Affordable to All Moderate Income H/H	Affordable to Upper 10% of Moderate Income H/H
Rest of State	290	370	465
<b>Affordable to:</b>	Affordable to 60% of Low Income H/H	Affordable to All Moderate Income H/H	Affordable to 50% of Moderate Income H/H
NSW	550	600	550
<b>Affordable to:</b>	Affordable to Upper 10% of Moderate Income H/H	Affordable to High Income H/H Only	Affordable to Upper 10% of Moderate Income H/H

Source: NSW Department of Communities and Justice Rent Tables December 2022 Quarter (Issue 142), s = 30 or fewer bonds lodged during quarter, - = 10 or fewer bonds lodged.

## Snapshot of rental properties in Eurobodalla LGA

On 26 July, 2023 a rental snapshot was carried out of all available rental accommodation in the Eurobodalla LGA by searching all rental accommodation advertised on [www.Domain.com.au](http://www.Domain.com.au) using Postcodes 2536, 2537, 2545, 2546, 2622 and 2550. Properties located within these postcodes, but not within the Eurobodalla LGA, were excluded.

A total of 184 properties were advertised with the number of bedrooms ranging between zero (studio) and five bedrooms. Of these, 52 (28%) were advertised as holiday lettings, and 132 (72%) were available for residential lease.

## Holiday rentals

Of the 52 of these properties advertised as **holiday lets**, prices started from \$500 per week (five bedroom older style house at Mossy Point and three bedroom beach house at Broulee) and ranged through to \$2,240 per week (a four bedroom waterfront house).

Moruya and surrounds (Postcode 2537) had the largest number of advertised holiday rentals (33). It is noted that in this Postcode only 20 properties were advertised for longer term residential lease. In the Batemans Bay and surrounds (Postcode 2536) there were 17 properties advertised for holiday rental and in the Narooma, Bermagui and surrounds (Postcode 2546) there were two holiday rentals advertised.

## Residential rentals

The remaining 132 properties available for **residential lease** comprised of 64 strata dwellings (apartments and townhouses) and 68 houses. The median rents for the four main postcodes in the LGA are shown below, together with the groups for whom they were broadly affordable. The only postcode area with a reasonable number of strata dwellings available for rent at this time was Batemans Bay and surrounds.

The affordability analysis in the table below broadly validates the findings from the DCJ data analysis above, with median rents for strata and non-strata dwellings across the LGA generally only affordable to the upper 50% or less of moderate income households (orange shading); and median rent on strata dwellings in Moruya and surrounds only affordable to the upper 20% of low income renters (yellow shading).

Table 3.9: Median Rents for Strata & Non-Strata Dwellings from Rental Snapshot

Postcode	Strata/House	Median	No. properties
2536 -B/Bay & surrounds	Strata	425	48
	House	545	39
	<b>Total p/c</b>	<b>490</b>	<b>87</b>
2537 – Moruya & surrounds	Strata	350	7
	House	490	13
	<b>Total p/c</b>	<b>470</b>	<b>20</b>
2545 -Bodalla & surrounds	Strata	0	0
	House	525	2
	<b>Total p/c</b>	<b>525</b>	<b>2</b>
2546 – Narooma, Bermagui & surrounds	Strata	429	9
	House	510	14
	<b>Total p/c</b>	<b>480</b>	<b>23</b>
LGA	<b>Strata</b>	<b>420</b>	<b>64</b>
	<b>House</b>	<b>520</b>	<b>68</b>
	<b>LGA</b>	<b>485</b>	<b>132</b>

Source: JSA 2023 and www.Domain.com.au, accessed 26 July, 2023

The following breaks this analysis down by **number of bedrooms**. Although dwellings with two or more bedrooms are only affordable to some moderate income renting households in all postcode areas, and to no very low or low income renters, it is positive that studio or one bedroom apartments were affordable to some low income households in Batemans Bay and surrounds (the upper 25% of the income range) and Moruya and surrounds (the upper 70% of the income range). However, there were very few studio and one bedroom apartments for rent in these areas, as shown below.

Table 3.10: Median Rents by Number of Bedrooms

Bedrooms	Postcode 2536 (B/bay, etc)		Postcode 2537 (Moruya, etc)		Postcode 2545 (Bodalla, etc)		Postcode 2546 (Narooma, Bermagui, etc)	
	Median	No.	Median	No.	Median	No.	Median	No.
0-1	350	5	275	2	0	0	390	2
2	400	32	430	5	450	1	410	8
3+	550	50	500	13	600	1	520	13

Source: JSA 2023 and www.Domain.com.au, accessed 26 July, 2023

### Social Housing Waiting times for Relevant DCJ Allocation Zones (as at June 2022)

Expected waiting times for social housing is also an important indicator of affordable housing need, in this case, amongst those eligible for social (public and community) housing.

There are three DCJ allocation zones within Eurobodalla LGA, namely Batemans Bay, Moruya and Narooma, with the most recent available data as at June 2022. At this time, there was a total of 471 households on the waiting list. Of these, 404 households were on the general waiting list, with 297 in Batemans Bay, 54 in Moruya and 53 in Narooma. Sixty-seven households were on the priority waiting list, with 27 in Batemans Bay, and 20 each in Moruya and Narooma.

As such, just over 14% of local applicants were on the priority waiting list compared with 12% in NSW. It is noted that, due to the shortage of social housing relative to need, most allocations are made from the priority waiting list currently, with waiting times reported to be increasing in many areas of NSW from a few months to 12-18 months more recently.

Table 3.9: Social housing waiting times for Allocation Zones in Eurobodalla LGA June 2022

Expected waiting times for general applicants	S018 Batemans Bay	S027 Moruya	S028 Narooma
Studio/1-b/r property	5 to 10 years	5 to 10 years	5 to 10 years
2-b/r property	5 to 10 years	10+ years	2 to 5 years
3-b/r property	10+ years	5 to 10 years	5 to 10 years
4+ b/r property	10+ years	5 to 10 years	2 to 5 years

Source: DCJ website, <https://www.facs.nsw.gov.au/housing/help/applying-assistance/expected-waiting-times>, accessed 24 July 2023.



It is noted that there was significant underoccupancy of social housing dwellings at the time of the 2021 Census, with 25% of social housing dwellings being 3 or 4+ bedroom houses occupied by 1 or two people. Another way of considering this is that whilst 73% of households were comprised of one or two people, 50% of all social housing stock was on or two bedroom dwellings.

Further, whilst 46% of people in social housing were lone persons, only 23% of stock was a studio or one bedroom dwelling.

### 3.5.3 Purchase Affordability

#### DCJ Rent and Sales Report Analysis for Purchase

The NSW DCJ *Rent and Sales Report* provides quarterly data on the cost of rental by LGA and Postcode area.

The following table shows the median purchase price for strata and non-strata dwellings for the last published quarter (December 2022) for the LGA, the four relevant postcode areas and for Rest of NSW and NSW together with the statutory target groups for whom indicative housing products would need to be affordable in accordance with Table 3.1 above.

Median purchase prices are used as this provides a reasonable indication of the minimum purchase price for new dwellings, and thus an indication of affordability in the future, although significant real increases in purchase costs in recent years indicates that the findings may be conservative.

The table below indicates that non-strata dwellings (houses) are only affordable to high income households in Eurobodalla LGA, and much more expensive than Rest of State, the statutory benchmark. Local purchase prices are actually much closer to, or more expensive than, the NSW average, noting that the latter is strongly influenced by the metropolitan housing markets.

Likewise, the median sales price for strata dwellings was well out of reach of very low, low and moderate income households in December 2022, and only affordable to high income households in all areas of the LGA, noting that one postcode area (Batemans Bay and surrounds) had sufficient sales for data to be recorded, as shown below.

Table 3.11: Median Purchase Price for Strata and Non Strata Dwellings for Eurobodalla LGA & Relevant Postcode Areas, and Affordability Assessment (Dec Qtr 2022)

Location	Median Purchase Prices Strata Dwellings (\$)	Median Purchase Prices Non-Strata Dwellings (\$)
PC 2536 – Batemans Bay & surrounds	489,000	800,000
<b>Affordable to:</b>	<b>High income H/hs only</b>	<b>High income H/hs only</b>
2537 – Moruya & surrounds	<b>No Data</b>	850,000
<b>Affordable to:</b>	<b>No Data</b>	<b>High income H/hs only</b>
2545 – Bodalla & surrounds	<b>No Data</b>	<b>No Data</b>
<b>Affordable to:</b>	<b>No Data</b>	<b>No Data</b>

Location	Median Purchase Prices Strata Dwellings (\$)	Median Purchase Prices Non-Strata Dwellings (\$)
2546 – Narooma, Bermagui & surrounds	No Data	985,000
<b>Affordable to:</b>	No Data	<b>High income H/hs only</b>
Eurobodalla LGA	530,000	850,000
<b>Affordable to:</b>	<b>High income H/hs only</b>	<b>High income H/hs only</b>
Rest of State	540,000	630,000
<b>Affordable to:</b>	<b>High income H/hs only</b>	<b>High income H/hs only</b>
NSW	723,000	930,000
<b>Affordable to:</b>	<b>High income H/hs only</b>	<b>High income H/hs only</b>

Source: NSW Department of Communities and Justice Dec 2022 Qtr, s = 30 or less sales; - = 10 or less sales.

### 3.5.4 Detailed Sales Data from NPData

#### Overview

More detailed sales data is available from the NPData data base.<sup>19</sup> This provides detail on dwelling type by bedroom number, noting that the DCJ data reported above only provides the broad categories of ‘strata’ and ‘non-strata’ dwelling, and does not give a breakdown by bedroom number. This provides a more nuanced analysis of both price and affordability.

Data from NPData has been obtained for the 18 month period from 1 January 2022 to 31 July 2023 and analysed by dwelling type, size, ABS SA2 and affordability for strata dwellings (units, townhouses and villas), separate houses and vacant land. Detailed data is contained in **Appendix A**.

#### Cost and Affordability

The tables below summarise sales data for Eurobodalla LGA for apartments, multi dwelling housing and separate houses by bedroom number and for vacant land. These are also coded by affordability to the statutory target groups, as follows.



It is positive that one bedroom apartments would be affordable to upper end of the low income range, and to all moderate income purchasers, with two bedroom units affordable to the upper end

<sup>19</sup> Note that data has been cleansed through removal of commercial sales, land greater in area than 1,000 m<sup>2</sup>, sales of multiple properties in one transaction and transactions where parties appeared to be related. The amount of data entered for each sale varies, with some entries having all fields, and others have price only, as a result the data set varies with the type of analysis uses, so that some differences across analyses may be an artefact of the data, rather than a systematic variation.

of the moderate income range, noting that new build would likely sell for at least the median sale price.

Cheaper areas for one bedroom apartments were Moruya-Tuross Heads SA2 and Narooma-Bermagui SA2, where such dwellings would be affordable to a wider range of low income purchasers, as shown in Appendix A.

It is important to note that there were no sales of studio apartments in the LGA in the 18 month period. Such apartments would generally sell for around 80% of the price of a one bedroom apartment, and so would likely sell for around \$250,000. This would be affordable to around half of low income purchasers, if this type of stock were available.

Table 3.12: Sales price by quartile for unit and apartment sales in Eurobodalla LGA

Bedrooms	1st Quartile	Median	3rd Quartile	No. Properties
1	\$189,000	\$299,000	\$310,000	11
2	\$425,000	\$463,000	\$603,000	77
3	\$590,000	\$675,000	\$790,000	31
<b>All dwellings</b>	<b>\$426,000</b>	<b>\$542,000</b>	<b>\$678,000</b>	<b>152</b>

Source: NPData data base; JSA calculation 2023

Apart from one bedroom villas, medium density dwellings types were generally only affordable to high income purchasing households, noting again that new dwellings would likely sell for median prices or higher. Median priced two bedroom villas were only affordable to some moderate income households in **Moruya-Tuross Heads SA2** (the upper 20% of the income band).

Table 3.13: Sales price by quartile for townhouses, villas and semi-detached sales in Eurobodalla LGA

Bedrooms	1st Quartile	Median	3rd Quartile	No. Properties
0-1	\$-	\$260,000	\$-	2
2	\$433,000	\$510,000	\$561,000	36
3	\$576,000	\$685,000	\$760,000	57
<b>All dwellings</b>	<b>\$494,000</b>	<b>\$630,000</b>	<b>\$754,000</b>	<b>113</b>

Source: NPData data base; JSA calculation 2023

Separate houses of all sizes were only affordable to high income purchasers at the LGA average price. This was the case for all SA2s, as shown in Appendix A.

Table 3.14: Sales price by quartile for separate house sales in Eurobodalla LGA

Bedrooms	1st Quartile	Median	3rd Quartile	No. Properties
2	\$629,000	\$720,000	\$840,000	68
3	\$705,000	\$785,000	\$929,000	300
4	\$825,000	\$937,000	\$1,110,000	210
All dwellings	\$675,000	\$815,000	\$985,000	825

Source: NPData data base; JSA calculation 2023

Vacant blocks of land at the LGA average price were only affordable to the upper 30% of moderate income households. This was generally the case across the LGA, although land was affordable to a wider range of moderate income purchasers in **Batemans Bay SA2**, with the most expensive area in the LGA to buy vacant land Broulee-Tomakin SA2.

Table 3.15: Sales price by quartile for vacant residential land sales in Eurobodalla LGA

	1st Quartile	Median	3rd Quartile	No. Properties
Vacant Land	\$335,000	\$418,000	\$528,000	66

Source: NPData data base; JSA calculation 2023.

## Regression Analysis of Sales Prices

A further analysis of NPData sales data has been carried out to understand the impact on prices of various factors such as location, number of bedrooms and lot size. This is to understand whether varying any of these factors could increase affordability, with implications for strategic planning, development standards and the like. The results of the analyses are shown in the tables below.

For **units and apartments**, prices have shown no statistically significant increase over the period, although prices have likely dropped when adjusted for inflation. Price increases with additional bedrooms and bathrooms, with an \$81,000 premium for Batemans Bay SA2. The number of car parking spaces did not have a statistically significant impact on price.

The effect of smaller dwellings on affordability can be seen here. As an example, a two bedroom one bathroom apartment is predicted to sell for \$453,000, making this dwelling affordable to the top of the moderate income band.

Table 3.16: Linear regression analysis for apartments (Strata) for SA2s in Eurobodalla LGA

Variable	Results	Comment
R <sup>2</sup>	0.35	The model predicts 35% of the variation in house prices
Bedrooms	\$91,948, p=0.023	Each additional bedroom adds \$92,000 to the price of an apartment
Bathroom	\$202,980, p=0.000	Each bathroom adds \$203,000 to the price of an apartment
Batemans Bay SA2	\$80,888, p=0.045	Apartments in Batemans Bay SA2 cost an additional \$81,000 on average compared to apartments elsewhere in the LGA
Constant	\$66,128, p=0.371	

Source: JSA 2023, based on NPData database.

For **multi dwelling housing**, prices have shown no statistically significant increase over the period, although prices have likely dropped when adjusted for inflation. Price increases with additional bedrooms, bathrooms and car spaces, with a \$202,000 premium for Broulee Tomakin SA2.

A two bedroom, one bathroom MDH dwelling with one car park in most of the LGA is predicted to sell for \$492,000, making this dwelling affordable only to higher income households.

Table 3.17: Linear regression analysis for multi dwelling housing (strata) in Eurobodalla LGA

Variable	Results	Comment
R <sup>2</sup>	0.40	The model predicts 40% of the variation in MDH prices
Bedrooms	\$84,767, p=0.010	Each bedroom adds \$85,000 to the price of a MDH dwelling
Bathroom	\$90,314, p=0.018	Each bathroom adds \$90,000 to the price of a MDH dwelling
Car spaces	\$76,593, p=0.004	Each car space adds \$77,000 to the price of a MDH dwelling
Broulee Tomakin SA2	\$202,229, p=0.000	MDH dwellings in Broulee Tomakin SA2 cost an additional \$202,000 on average
Constant	\$155,430, p=0.048	

Source: JSA 2023, based on NPData database.

For **separate houses**, prices have increased over the period, generally in line with inflation. Price increases with additional bedrooms, car spaces and site area, with a \$173,000 premium for Narooma Bermagui SA2, a \$90,000 premium for Batemans Bay South SA2, a \$312,000 premium for Eurobodalla Hinterland SA2 and a \$340,000 premium for Broulee Tomakin SA2.

A three bedroom separate house (assumed to contain one bathroom) with one car park in Moruya Tuross Head SA2 and Batemans Bay SA2 on a 450 m<sup>2</sup> lot is predicted to sell for \$637,000, making this dwelling affordable only to higher income households.

Table 3.18: Linear regression analysis for separate houses in Eurobodalla LGA

Variable	Results	Comment
R <sup>2</sup>	0.20	The model predicts 20% of the variation in MDH prices. A much higher model fit (R <sup>2</sup> = 0.31) was obtained using number of bathrooms as a dependent variable, noting that number of bedrooms was not a statistically significant variable if number of bathrooms was included.
Days	-\$209.15, p=0.006	Prices have risen over the period by about \$76,000 annually, an approximate 4% annual increase. This increase is similar to inflation over the period, suggesting that the real price of housing is relatively constant or increasing slightly.
Bedrooms	\$92,200, p=0.000	Each bedroom adds \$92,000 to the price of a separate house
Car spaces	\$34,361, p=0.017	Each car space adds \$34,000 to the price of a separate house
area	\$184.06, p=0.067	Each additional 100 m <sup>2</sup> of lot area adds \$18,000 to the price of a separate house, noting that the variable is not statistically significant at the 95% level
Narooma Bermagui SA2	\$173,470, p=0.000	Separate houses in Narooma Bermagui SA2 cost an additional \$173,000 on average compared to houses in Moruya Tuross Heads SA2 and Batemans Bay SA2.
Batemans Bay South SA2	\$89,555, p=0.003	Separate houses in Batemans Bay South SA2 cost an additional \$90,000 on average compared to houses in Moruya Tuross Heads SA2 and Batemans Bay SA2.
Eurobodalla Hinterland SA2	\$311,500, p=0.000	Separate houses in Eurobodalla Hinterland SA2 cost an additional \$312,000 on average compared to houses in Moruya Tuross Heads SA2 and Batemans Bay SA2.
Broulee Tomakin SA2	\$340,270, p=0.000	Separate houses in Broulee Tomakin SA2 cost an additional \$340,000 on average compared to houses in Moruya Tuross Heads SA2 and Batemans Bay SA2.
Constant	\$244,340, p=0.006	

Source: JSA 2023, based on NPData database.

There is **no statistically significant change in price for blocks of land over the period**. There was no statistically significant variation in price with the area of the block, with lot sizes typically varying between 500 m<sup>2</sup> and 1,000 m<sup>2</sup>.

**An average block of land in Batemans Bay SA2** is just affordable to a moderate income household (\$402,000), but development with an entry level project home estimated to cost around \$309,000,<sup>20</sup> giving an all up price of \$711,000 and not affordable to any household.

Table 3.19: Linear regression analysis for land sales for SA2s in Eurobodalla LGA

Variable	Results	Comment
R <sup>2</sup>	0.05	The model predicts 5% of the variation in land prices
Batemans Bay SA2	-\$121,710, p=0.069	Blocks of land in Batemans Bay SA2 sell for \$122,000 less on average compared to other land in Eurobodalla.
Constant	\$524,020, p=0.000	

Source: JSA 2023, based on NPData database

### 3.5.5 Policy implications

There are a number of policy implications from this more detailed data analysis.

- An **increase in the supply of studio and one bedroom apartments in centres** will support an aging population, and provide accommodation smaller households, including key workers, more generally.
- Importantly, **one bedroom apartments** will provide affordable purchase for smaller moderate income households and the upper end of the low income range; whilst **studio apartments** would be affordable to around 50% of low income purchasers. If developed in **lower amenity (non-waterfront) and cheaper areas of Batemans Bay, and Moruya and Narooma** these could provide lower cost and (for some) affordable housing over the longer-term. Strategies to increase the supply of such dwellings are therefore important for both diversity and affordability.
- Strategies to increasing the supply of **one and two bedroom villas** are likewise important for diversity and lower cost accommodation, especially in **Moruya**, where they will also be affordable to some moderate income purchasing households.
- **Studio and one bedroom strata dwellings** are likely to be affordable to some low income renters, and to all moderate income renters, particularly if constructed in Moruya and surrounds, and to a lesser extent, in Batemans Bay and surrounds, and to moderate income purchasers. **Boarding house and co-living housing** are likely to be affordable to most low

<sup>20</sup> Rawlinsons Basic standard 140 m<sup>2</sup>, brick veneer plus 10% for GST and 30% for other costs.

income renters, with the former potentially affordable to very low income renters, as these will be managed by a CHP.

Importantly, the **regression analysis** also identifies factors that are likely to reduce housing cost and increase affordability, including the following:

- For apartments, providing one bathroom in a **two bedroom unit**, as well as reducing the car parking to actual ownership, is likely to reduce cost, and make such dwellings more affordable to moderate income purchasers if provided in lower amenity (non-waterfront) and **cheaper areas of Batemans Bay, and Moruya and Narooma**;
- Likewise, reducing the size, number of bathrooms and parking requirements in villas is likely to reduce cost and increase viability, making **one and two bedroom villas** more affordable, with greatest benefits again in lower amenity, less expensive localities;
- Those cost of purchase of a separate house is sensitive to the number of bedrooms, car spaces and site area, so that increasing the supply of **entry level project homes on smaller lots** would be beneficial, particularly around **Moruya**. However, size would have to be reduced significantly if a house were to be affordable to any but a higher income purchaser;
- There is some variability in the price of **vacant lots by locality**, although not by size of lot. Based on the regression analysis, it would be most beneficial to increase land release around Batemans Bay in particular, although other areas (with the exception of Broulee-Tomakin) would also be affordable to some moderate income purchasers. However, the data above excluded lots that were more than 1,000m<sup>2</sup>, and thus excluded lots of 1,200m<sup>2</sup> selling in Moruya for \$250,000, and thus affordable to some low income purchasers. Increasing the supply of land around Moruya would thus be most effective considering affordability.

It is also noted that further analysis on supply constraints, impediments and policy implications are provided in relation to the economics of redevelopment of key centres in **Section 6** below, and **Appendix C**.

## 3.6 Housing Stress

### 3.6.1 Overview

A commonly used measure of underlying **need for affordable housing** is the number of households in 'housing stress', or at risk of after-housing poverty.<sup>21</sup> A broad 'rule of thumb' for 'housing stress' is when a very low, low or moderate income household is paying more than 30% of its gross income on rental or mortgage repayments, and 'severe housing stress' when such a household is paying more than 50% of its income on such housing costs.

---

<sup>21</sup> See for example Yates, J. 2007. *Housing Affordability and Financial Stress*, AHURI, who notes that often 'housing stress' is defined by the 30-40 rule, that is, that a low income household (in the lowest 40% of household income) will pay no more than 30% of its gross income on housing costs. This broad rule of thumb is often extended to the low to moderate income groups as defined under SEPP 70.



Other factors will clearly affect the financial and social wellbeing of a family, including the adequacy and appropriateness of their housing, and costs that are unequally borne by some households, for example, high health care or transport costs where they live in a regional or rural area.<sup>22</sup>

As such, housing stress is useful as a broad metric for understanding the comparative affordability of an area, and indicates the potential scale of the problem for strategic planning purposes.

In total, there were almost 2,000 very low, low and moderate income households in housing stress in the LGA in 2021, with 1,464 (74%) households renters, and 529 (24%) households purchasing their home.

By far the most serious affordability problem when considering housing stress is among **very low and low income renters**, who combined make up two-thirds of all households in housing stress, and for most of whom virtually nothing was affordable in the LGA, either by virtue of cost or availability, as noted above.

As well as the overrepresentation of renters among those in housing stress, it is also noted that home purchasers often have an appreciating asset and their income to repayments ratio generally decreases over time. Long-term renters do not have these benefits, and are particularly hard hit where the real cost of rental continues to grow.

Table 3.20: Break Down of Relative Housing Stress among Income and Tenure Groups

<b>Housing Stress Summary: Eurobodalla LGA (2021)</b>			
<b>INCOME BAND</b>	<b>RENTAL STRESS (Severe + Moderate) # households</b>	<b>PURCHASE STRESS (Severe + Moderate) # households</b>	<b>TOTAL STRESS # households</b>
Very Low	870 (44%)	170 (9%)	<b>1,040 (52%)</b>
Low	433 (22%)	186 (9%)	<b>619 (31%)</b>
Moderate	161 (8%)	173 (9%)	<b>334 (17%)</b>
<b>Total</b>	<b>1,464 (74%)</b>	<b>529 (26%)</b>	<b>1,993 (100%)</b>

Source: JSA 2023, derived from ABS 2021 Census, Table Builder

This is shown in more detail for renters and purchasers in turn below.

### 3.6.2 Housing Stress Among Renters

In 2021, there were 2,369 very low, low, and moderate income renting households in the Eurobodalla LGA for which the ABS had rental affordability data. Of these households, 1,464

<sup>22</sup> See for example Gleeson, B. and Randolph, B. (2002) 'Social disadvantage and planning in the Sydney Context', *Urban Policy and Research* Vol 20(1) pp101-107; and Kellett, J. Morrissey, J. and Karuppanan, S. 2012. 'The Impact of Location on Housing Affordability', *Presentation to 6th Australasian Housing Researchers Conference*, 8-10 February 2012, Adelaide, South Australia.

(62%) were paying more than 30% of their household income on rent. The rest of this rental affordability section refers to these 1,464 households.

The following table shows the income bands and the required dwelling size for households in rental stress in the LGA. Almost 60% of affordable rental housing would need to be targeted at very low income households to meet existing need, which is almost 90% of affordable dwellings when low income households are added. As noted above, this is particularly serious given there was nothing affordable for very low and low income renters available to rent affordably (or even to rent per se) across most housing products in 2023.

In terms of dwelling type, around two-thirds of affordable rental housing would need to be for smaller (couple and lone person) households to meet existing need, although this is likely an underestimate given the much older age profile and projected increase in older people in the LGA.

Importantly, more than 60% of affordable rental housing created would need to be smaller strata dwellings for very low and low income renters, with these dwellings being evenly split between smaller dwellings (suitable for a lone person or couple) and larger dwellings (suitable for a family or group household), who currently need more than 900 dwellings to have their affordability needs met, as shown below.

Table 3.21: Income band and required dwelling size for households in rental stress, Eurobodalla LGA, 2021

Income band	Smaller dwellings	Larger dwellings	Total
Very Low	687 (47%)	183 (13%)	870 (59%)
Low	215 (15%)	218 (15%)	433 (30%)
Moderate	54 (4%)	107 (7%)	161 (11%)
<b>Total</b>	<b>956 (65%)</b>	<b>508 (35%)</b>	<b>1,464 (100%)</b>

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Rental Affordability Indicator, by 2-digit level Family Household Composition, by Total Household Income.

The following Table provides a finer breakdown by household type. More than 40% of those in affordable housing need are **lone person very low income renting households**, whilst more than half overall are **lone person households**. Again, this highlights the urgent need for diverse, affordable and/or lower cost housing products, in particular, well-located studio and one bedroom apartments, and special housing products such as Boarding Houses and Co-Living Housing under SEPP (Housing) 2021.

The other major groups in affordable housing need are **very low and low income sole parent families**, who would need affordable rental housing suited to families, as shown below.

Table 3.22: Income band and family household composition of households in rental stress, Eurobodalla LGA, 2021

Income band	Lone person	Couple only	Couple with children	One parent family	Other family	Group household	Total
Very Low	616 (42%)	71 (5%)	23 (2%)	153 (10%)	3 (0%)	4 (0%)	870 (59%)
Low	124 (8%)	91 (6%)	47 (3%)	139 (9%)	12 (1%)	21 (1%)	433 (30%)
Moderate	23 (2%)	31 (2%)	53 (4%)	48 (3%)	1 (0%)	6 (0%)	161 (11%)
<b>Total</b>	<b>764 (52%)</b>	<b>192 (13%)</b>	<b>122 (8%)</b>	<b>339 (23%)</b>	<b>16 (1%)</b>	<b>31 (2%)</b>	<b>1,464 (100%)</b>

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Rental Affordability Indicator, by 2-digit level Family Household Composition, by Total Household Income.

As noted, the large majority of households in rental stress were in the very low income band, noting that there was a somewhat larger proportion in this income band than NSW, with slightly less in the moderate income band.

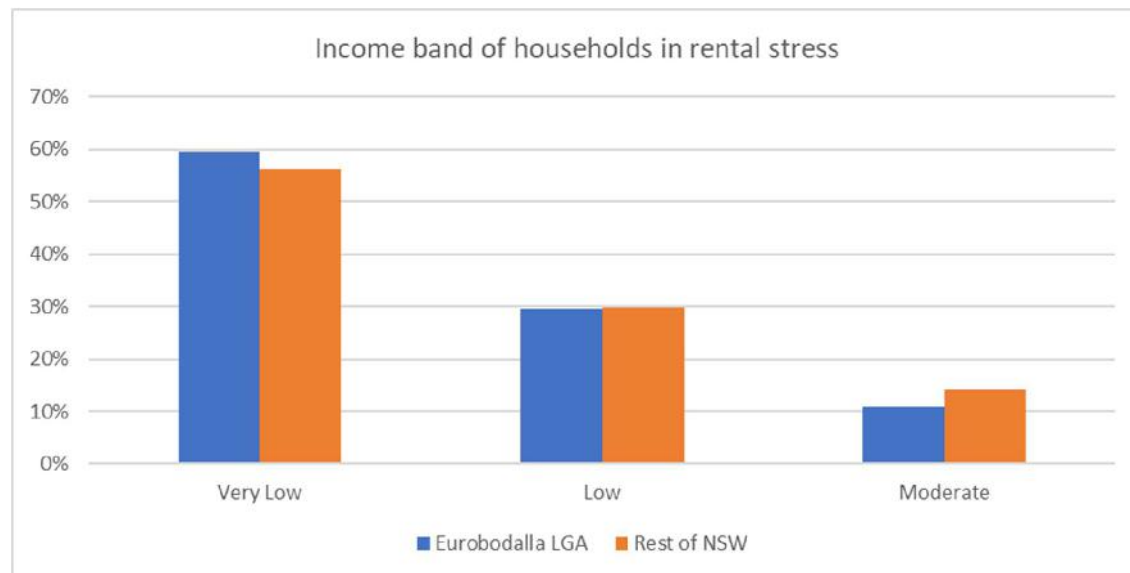


Figure 3.2: Income band of households in rental stress, Eurobodalla LGA and Rest of NSW, 2021 (% of all households in rental stress)

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Rental Affordability Indicator, by Total Household Income.

As would be expected from the much older than average age profile, there is a higher rate of lone person and couple only households in housing stress than the NSW average, and a lower than average rate of one parent and groups households, as shown below.

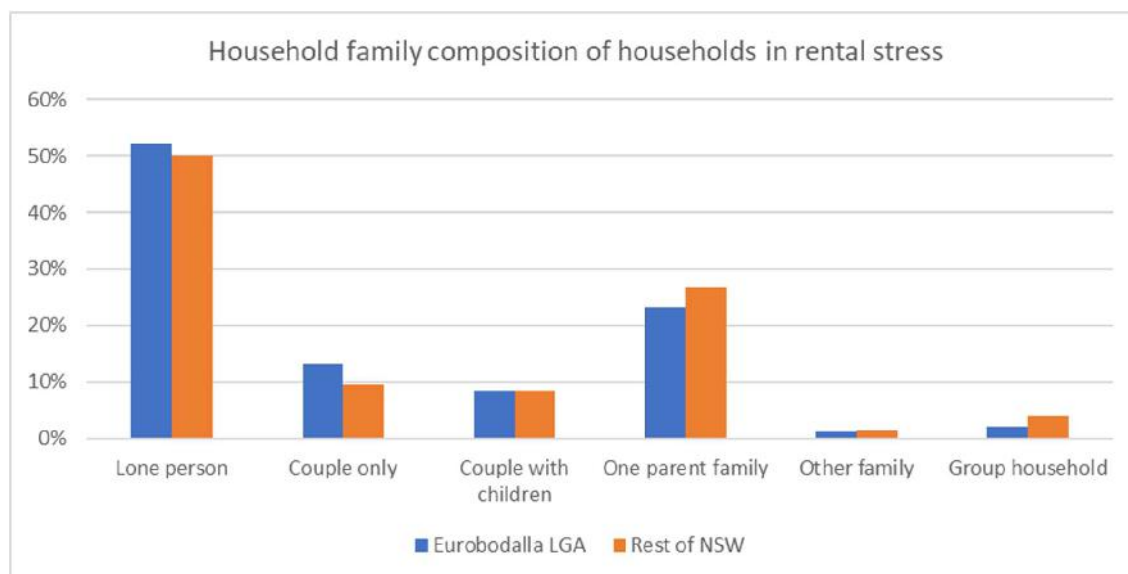


Figure 3.3: Family household composition of households in rental stress, Eurobodalla LGA and Rest of NSW, 2021 (% of all households in rental stress)

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Rental Affordability Indicator, by 2-digit level Family Household Composition.

### 3.7 Purchase affordability

In 2021, there were 2,329 very low, low, and moderate income purchasing households in the Eurobodalla LGA for which the ABS had rental affordability data. Of these households, 529 (23%) were paying more than 30% of their household income on rent. The rest of this purchase affordability section refers to these 529 households.

The Table below shows a quite different housing stress profile to that of renters. Housing stress for purchasers is evenly divided between very low, low and moderate income households, although like renters, a majority of purchasers need smaller strata dwellings to meet their affordable housing need. It is also noted that almost half of purchasers in housing stress are very low and low income smaller (lone person and couple only) households, as shown below.

Table 3.23: Income band and required dwelling size for households in purchase stress, Eurobodalla LGA, 2021

Income band	Smaller dwellings	Larger dwellings	Total
Very Low	140 (26%)	30 (6%)	170 (32%)
Low	108 (20%)	78 (15%)	186 (35%)
Moderate	93 (18%)	80 (15%)	173 (33%)
<b>Total</b>	<b>341 (64%)</b>	<b>188 (36%)</b>	<b>529 (100%)</b>

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Purchase Affordability Indicator, by 2-digit level Family Household Composition, by Total Household Income.

The following Table shows the household types of purchasers in housing stress in more detail. Importantly, more than 40% of those in purchase stress are lone person households, and almost one-quarter are couple only households.

Table 3.24: Income band and family household composition of households in purchase stress, Eurobodalla LGA, 2021

Income band	Lone person	Couple only	Couple with children	One parent family	Other family	Group household	Total
Very Low	108 (20%)	32 (6%)	5 (1%)	25 (5%)	0 (0%)	0 (0%)	170 (32%)
Low	61 (11%)	47 (9%)	31 (6%)	37 (7%)	3 (1%)	7 (1%)	186 (35%)
Moderate	49 (9%)	44 (8%)	61 (11%)	16 (3%)	2 (0%)	1 (0%)	173 (33%)
<b>Total</b>	<b>218 (41%)</b>	<b>123 (23%)</b>	<b>97 (18%)</b>	<b>78 (15%)</b>	<b>5 (1%)</b>	<b>8 (2%)</b>	<b>529 (100%)</b>

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Purchase Affordability Indicator, by 2-digit level Family Household Composition, by Total Household Income.

The household income profile of purchasers in housing stress in the LGA was somewhat different to that of Rest of NSW, with a slightly higher rate of very low and low incomes, as shown below.

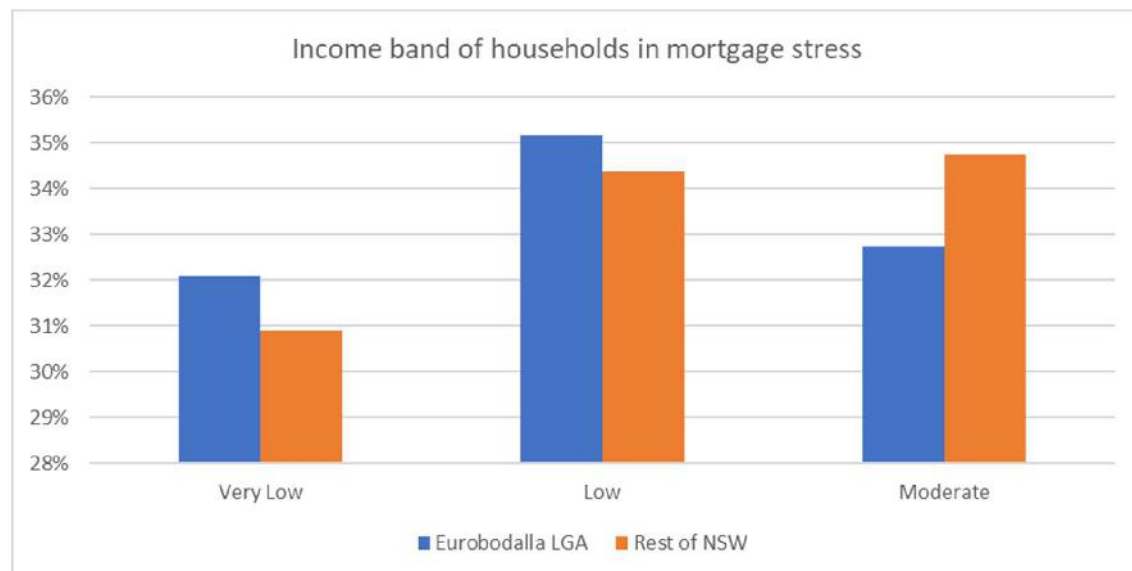


Figure 3.4: Income band of households in purchase stress, Eurobodalla LGA and Rest of NSW, 2021 (% of all households in purchase stress)

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Mortgage Affordability Indicator, by Total Household Income.

A higher than average rate of purchasers in housing stress were in lone person and couple households, with commensurately lower than average rates in other household types, as shown below.

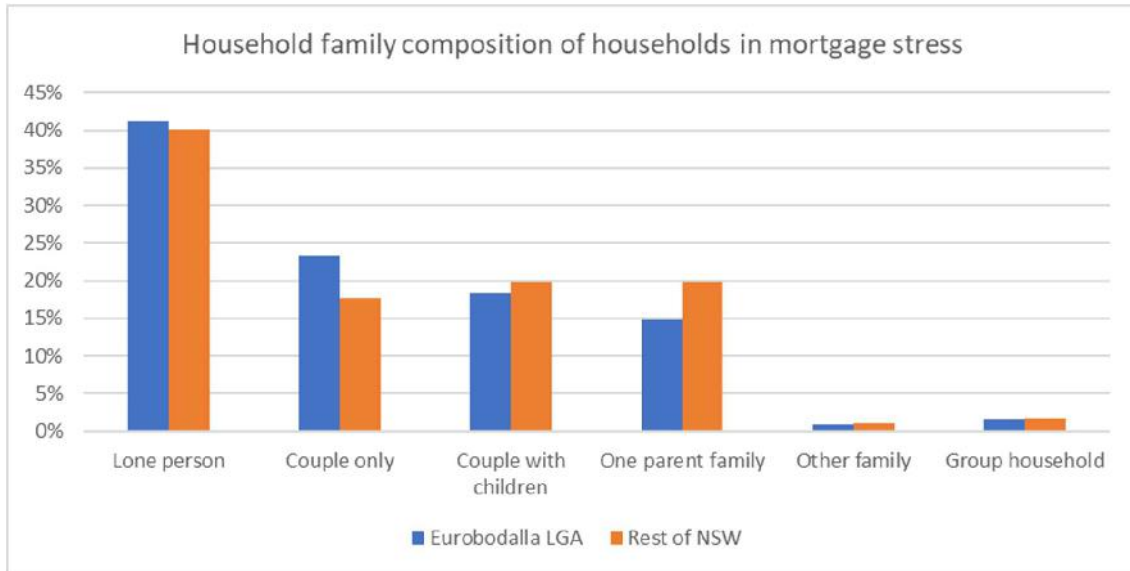


Figure 3.5: Family household composition of households in purchase stress, Eurobodalla LGA and Rest of NSW, 2021 (% of all households in purchase stress)

Source: JSA 2023; ABS (2021) Census, TableBuilder Pro, counting dwellings, place of enumeration, by Mortgage Affordability Indicator, by 2-digit level Family Household Composition.

## 3.8 Housing Stress among Indigenous Households

### 3.8.1 Rental Affordability Indicator (Rental Stress)

At the time of the 2021 Census, 61% of renting households in the Eurobodalla LGA where household income data was available were paying more than 30% of their household income on rent and considered to be in rental stress. Non-Indigenous households were slightly more likely than Indigenous households to be in rental stress at 62% compared to 57%.

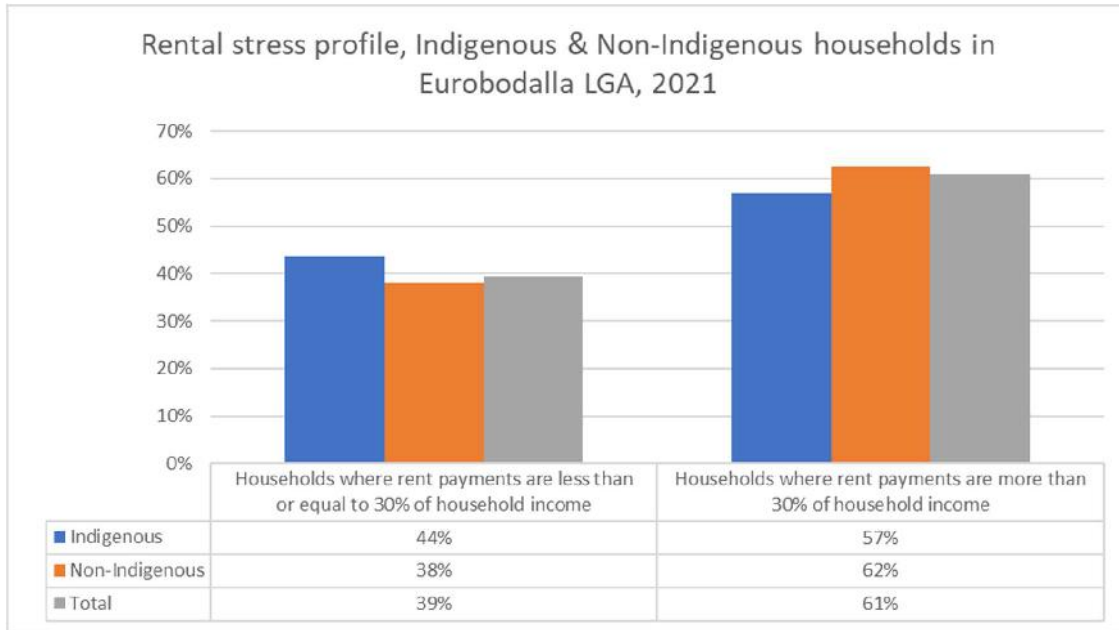


Figure 3.6: Rental stress profile of Indigenous, Non-Indigenous and Total households in Eurobodalla LGA, 2021

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

Over half (53%) Indigenous households in rental stress are very low income households and just over one third (34%) are low income households.

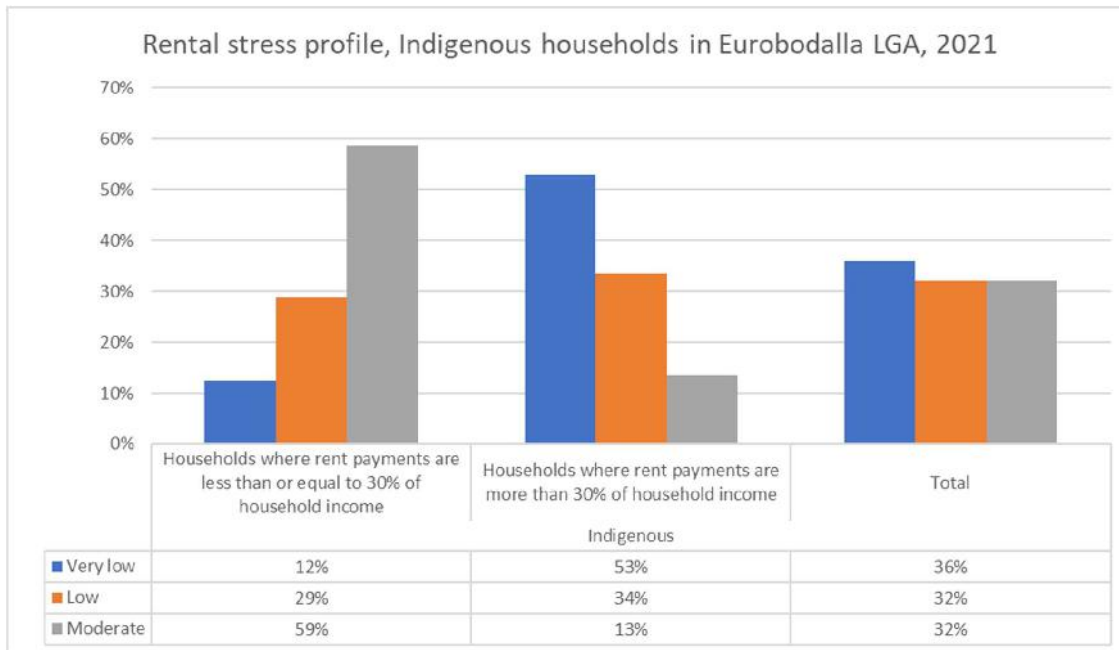
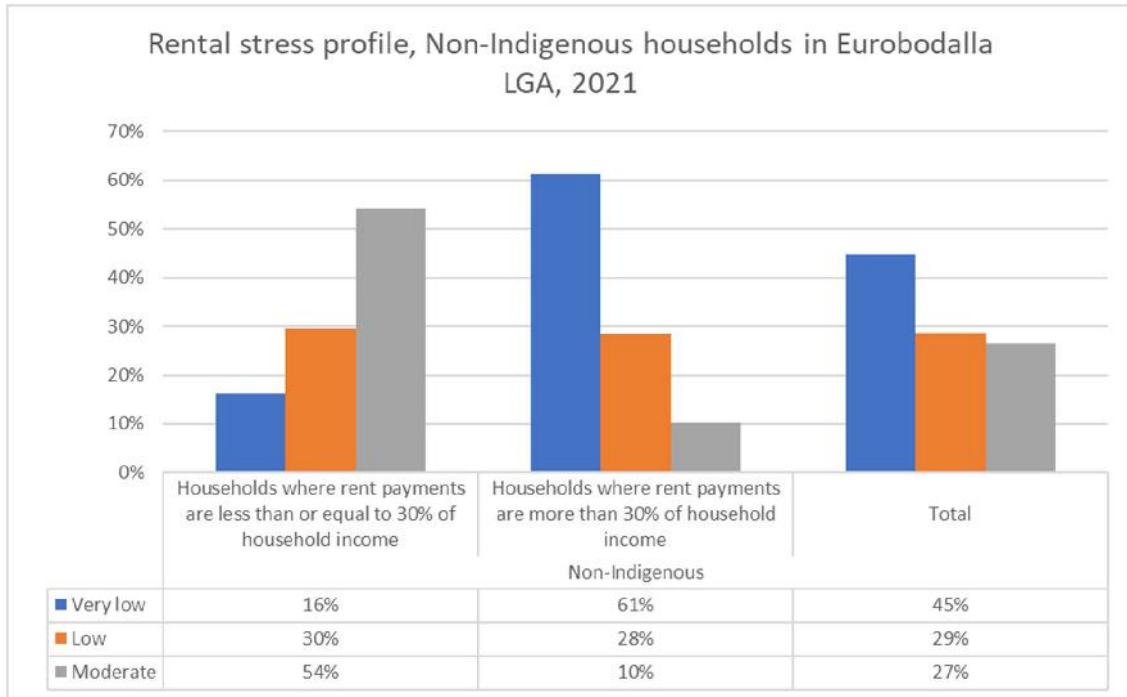


Figure 3.7: Rental stress profile of Indigenous households in Eurobodalla LGA, 2021

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro



**Figure 3.8: Rental stress profile of Non-Indigenous households in Eurobodalla LGA, 2021**

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

### 3.8.2 Mortgage Affordability Indicator (Purchase Stress)

At the time of the 2021 Census, 37% of purchasing households in the Eurobodalla LGA where household income data was available were paying more than 30% of their household income on their mortgage and considered to be in purchase stress.

Indigenous purchasers are much more likely to be in stress compared to non-Indigenous purchasers, at 57% compared to 36% respectively.



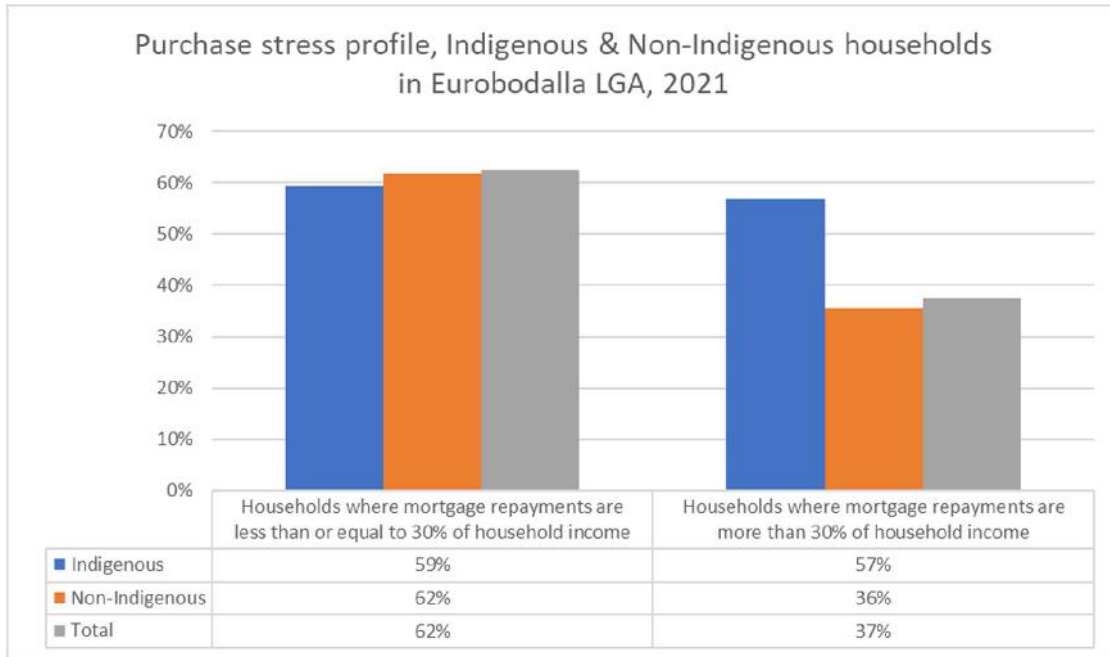


Figure 3.9: Purchase stress profile of Indigenous, Non-Indigenous and Total households in Eurobodalla LGA, 2021

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

Non-Indigenous purchasing households in stress are relatively evenly distributed between very low, low and moderate income households; while Indigenous purchasing households in stress are less evenly distributed and more likely to be in the low income band.

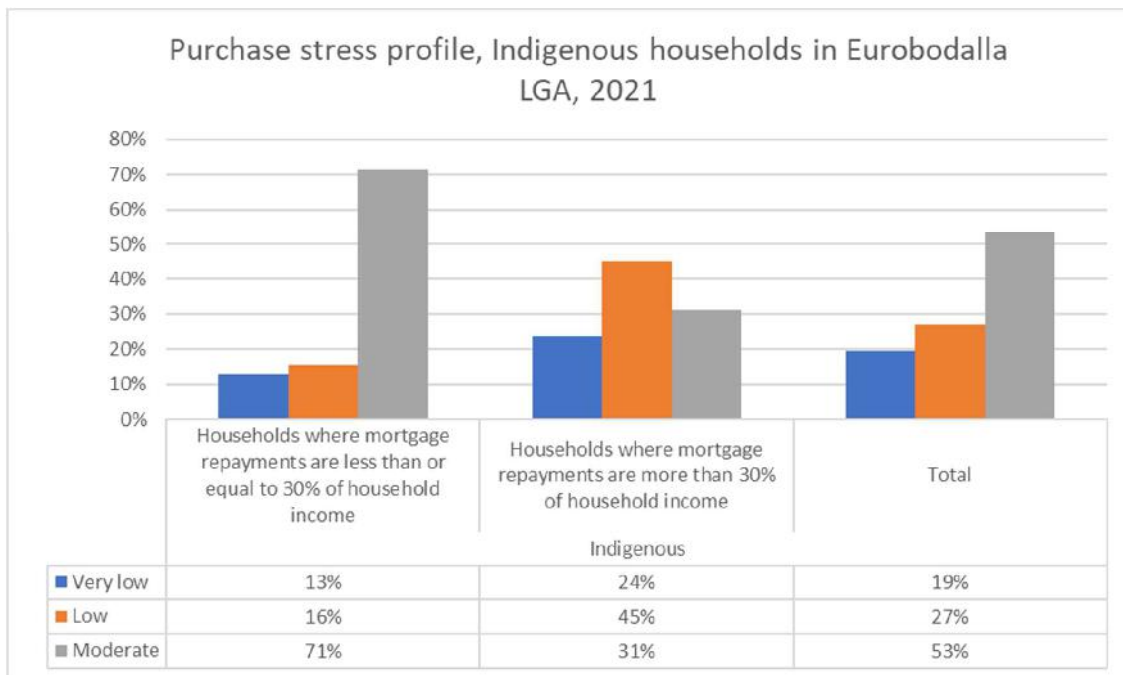


Figure 3.10: Purchase stress profile of Indigenous households in Eurobodalla LGA, 2021

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

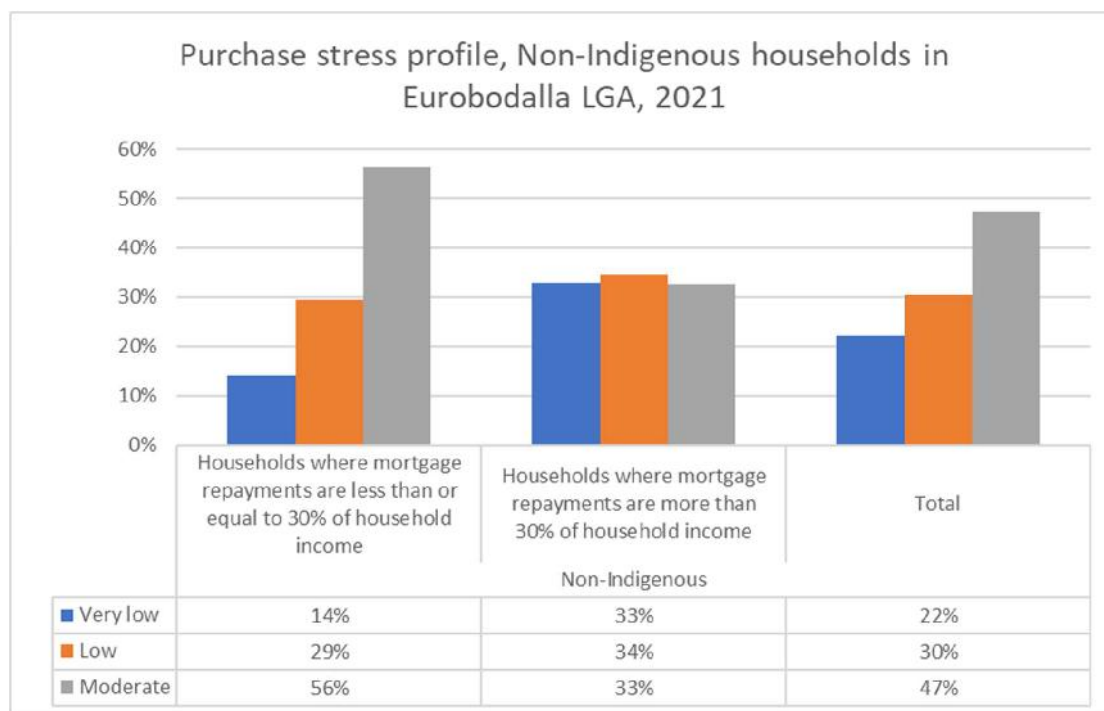


Figure 3.11: Purchase stress profile of Non-Indigenous households in Eurobodalla LGA, 2021

Source: JSA 2023; ABS (2021) Census of Population and Housing, TableBuilder Pro

## 3.9 Homelessness

### 3.9.1 What is homelessness?

According to the ABS<sup>23</sup> a person is defined as 'homeless' if they do not have 'suitable accommodation alternatives', or if their current living arrangement:

- is in a dwelling that is inadequate; or
- has no tenure, or if their initial tenure is short and not extendable; or
- does not allow them to have control of, and access to space for social relations.

Although some agencies and research categorise people as being in different degrees of homelessness,<sup>24</sup> the ABS treats people in the following Census categories as 'homeless':

- Persons living in improvised dwellings, tents, or sleeping out
- Persons in supported accommodation for the homeless
- Persons staying temporarily with other households
- Persons living in boarding houses
- Persons in other temporary lodgings

<sup>23</sup> ABS 4922.0 (2012) Information Paper – A Statistical Definition of Homelessness

<sup>24</sup> For example, primary homelessness as 'sleeping rough', as well as secondary and tertiary homelessness as variously 'couch surfing', staying in more temporary forms of accommodation, etc.

- Persons living in 'severely' crowded dwellings (needing 4 or more additional bedrooms to be suitably housed).

It is noted that the ABS further adjusts these categories regarding the ability of a person to make choices about their housing situation, for example, excluding those living in a boarding house or caravan park who are on higher incomes.

### 3.9.2 Local Context

Like many parts of NSW, the lack of suitable and affordable housing in Eurobodalla LGA has resulted in an affordable housing crisis following a combination of factors unfolding over the last few years. This includes the loss of around 500 homes in the Black Summer bushfires of 2019/20, in-migration from metropolitan areas during the COVID 19 pandemic, and the area's status as a highly desirable destination for tourism, with a high proportion of dwellings used as holiday homes and for STRA.

### 3.9.3 Extent and Nature of Homelessness

In 2021, 113 people were counted as homeless in the Eurobodalla LGA compared with 78 people counted in 2011. This was a rate of 2.8 persons per 1,000 residents compared with 4.3 persons per 1,000 residents for NSW, with the latter strongly influenced by metropolitan rates of homelessness.

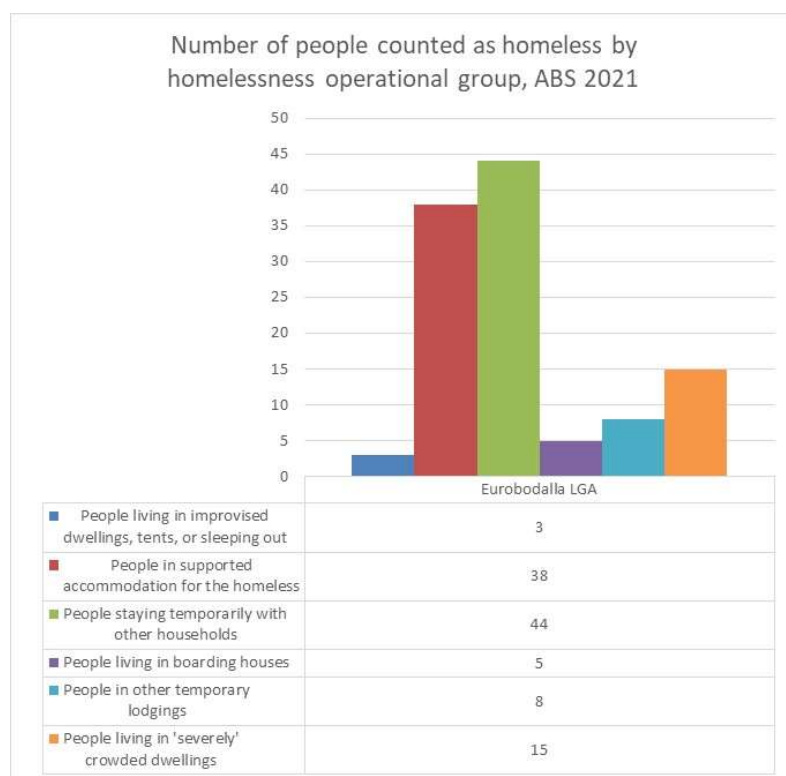
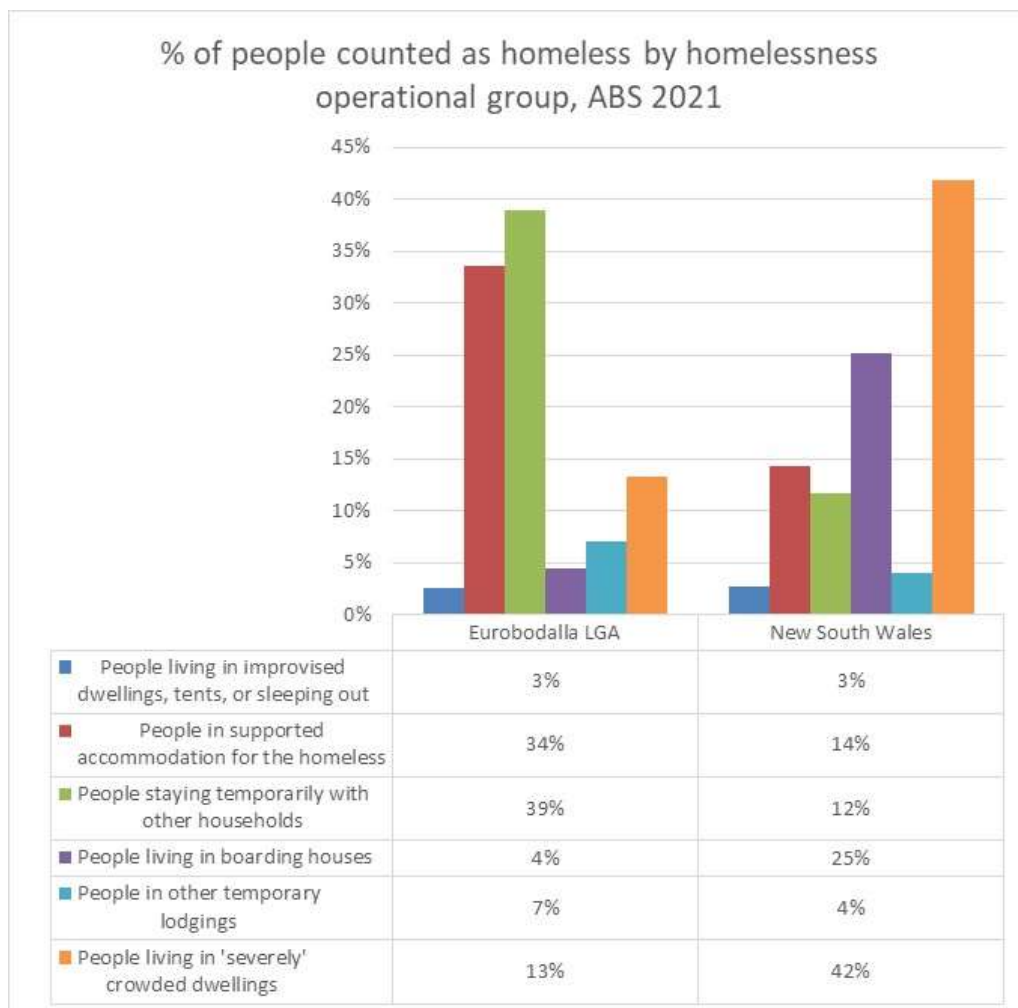


Figure 3.12: No. of people counted as homeless by operational group in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, Estimating Homelessness.



**Figure 3.13: Proportion of people counted as homeless by operational group in Eurobodalla LGA compared to NSW**

Source: JSA 2023; ABS (2021) Census of Population and Housing, Estimating Homelessness.

The above is an estimate of the number of people homeless or marginally housed on Census night 2021. However, the number of people experiencing homelessness in a year will be much greater, due to undercounting and the fact that the Census provides only a snapshot in time. An estimate of the **annual number** of homeless people in Eurobodalla LGA using homelessness duration data from the General Social Survey 2016 is **1,400 to 2,100 homeless people, with a best estimate of 1,800 homeless people in any given year**. Of these around 600 would be expected to seek assistance in total, 90 to obtain assistance from housing service providers and 50 to access crisis accommodation. This may represent repeat episodes of homelessness for some people, particularly those homeless in the short-term, so that this may be better thought of as homeless incidents in a given year.

It is further noted that many people counted as homeless on Census night are able to resolve their homelessness themselves with some assistance, for example, through staying with family or friends, or finding suitable private rental accommodation. However, people who have been homeless for three or more months are at serious risk of long-term homelessness. Considering

duration data, this would be between 64 and 232 people who are at risk of entering long-term homelessness in the LGA in any one year.

A midpoint of 150 people would be a reasonable assumption of the minimum number of dwellings/places that would be needed to accommodate this group. This would be a minimum target for people at risk of chronic homelessness in addition to people in housing stress as a measure of affordable housing need, as discussed elsewhere. All these dwellings/places would be required in Eurobodalla LGA.

Similarly, in 2021, 146 people were counted as marginally housed in the Eurobodalla LGA. This was a rate of 12.9 persons per 1,000 residents compared with 4.1 persons per 1,000 residents for NSW. In Eurobodalla, the rate of people living in other crowded dwellings is 1.5 times the rate for NSW, the rate of people living in other improvised dwellings is 6.7 times the rate for NSW, and the rate of people marginally housed in caravan parks is 24 times the rate for NSW.

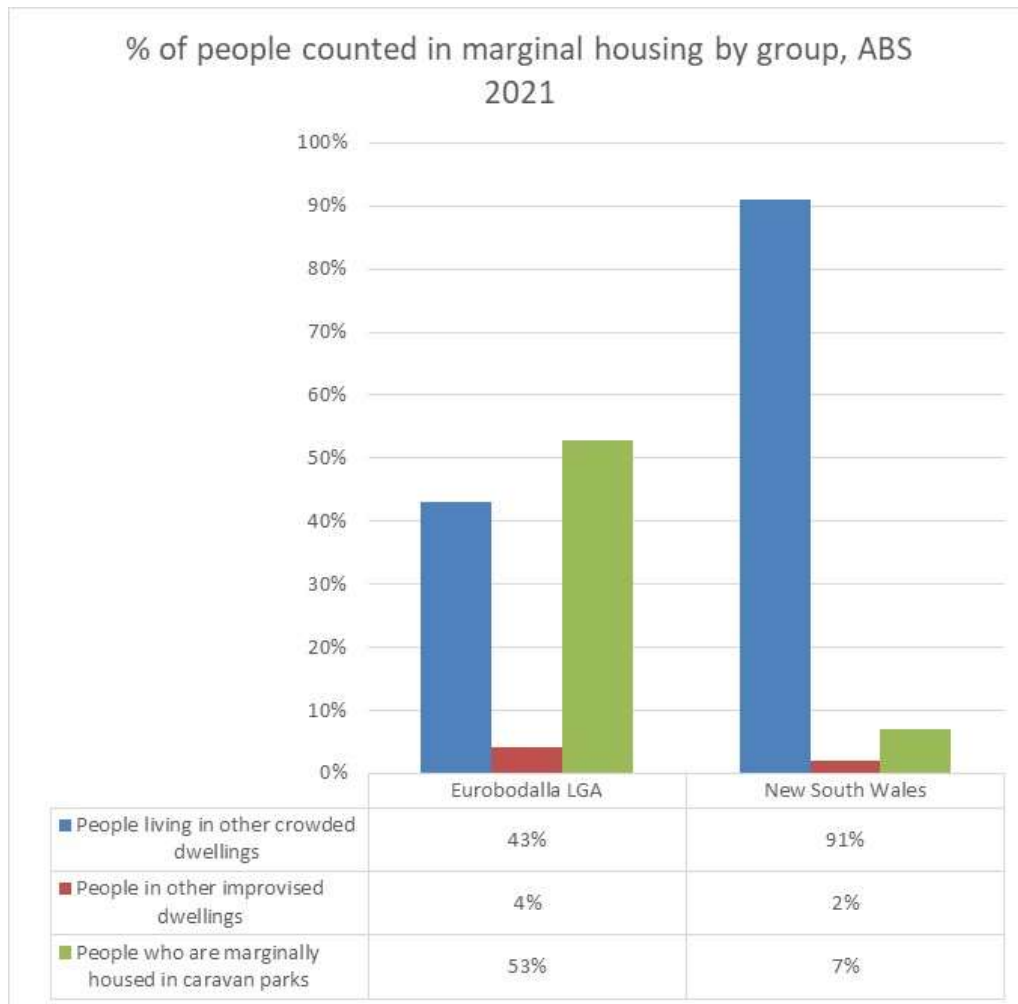


Figure 3.14: Proportion of people counted in marginal housing by group in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, Estimating Homelessness.

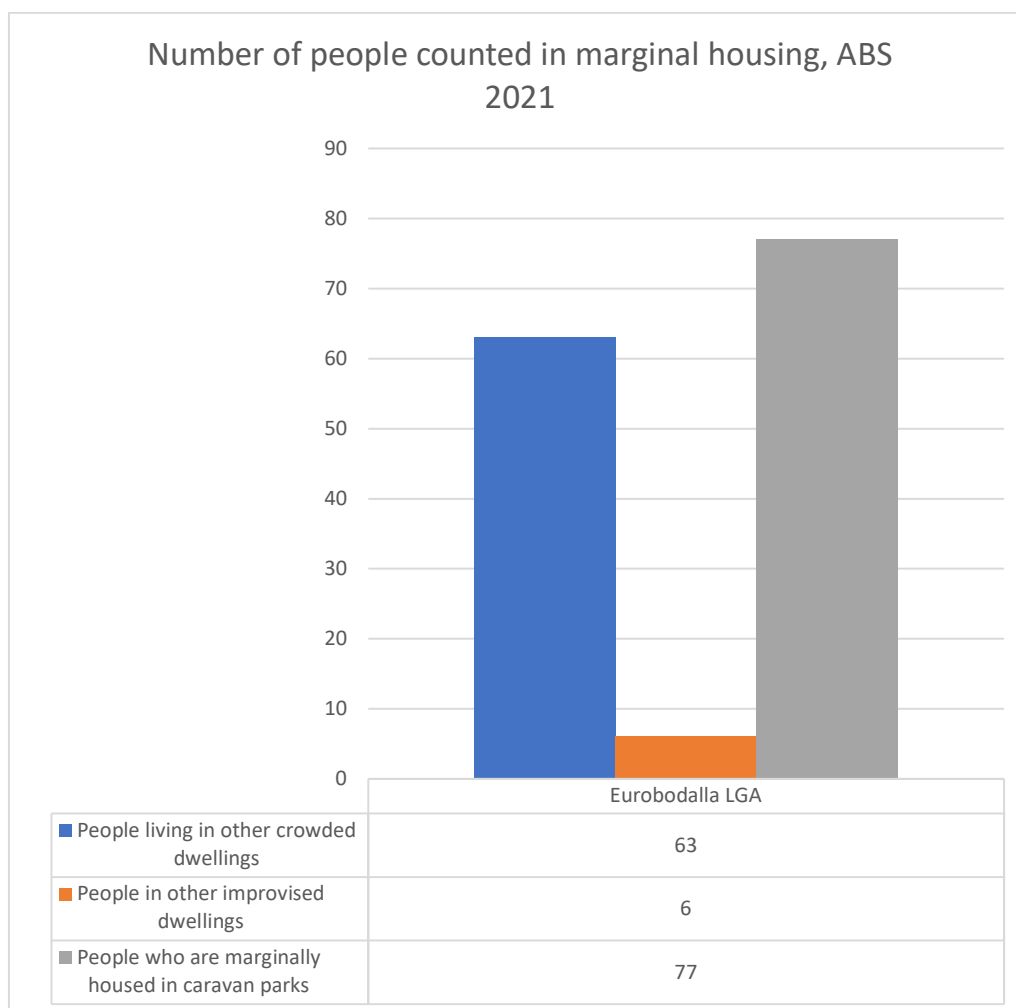


Figure 3.15: Number of people counted in marginal housing by group in Eurobodalla LGA

Source: JSA 2023; ABS (2021) Census of Population and Housing, Estimating Homelessness.

## 3.10 Housing Need Gap Analysis

### 3.10.1 Need for Affordable (including Social) Housing to 2041

As noted, at the time of the 2021 Census, **almost 2,000 very low, low and moderate income households in Eurobodalla LGA were in housing stress**, and in need of affordable housing. Of these, around three quarters were renters, most on very low and low incomes and one-quarter were purchasers.

Forecasts by .id Consulting indicate that there will be 3,945 additional dwellings required from 2021 to 2036, or an average of 263 per annum.<sup>25</sup> Assuming this is constant to 2041, this would be an additional 5,260 total dwellings required from 2021-41 in the LGA, or an increase of 23% on the total number of dwellings at the time of the 2021 Census (22,829 occupied and unoccupied private dwellings).

<sup>25</sup> <https://forecast.id.com.au/eurobodalla/residential-development>

A 23% pro rata increase in current housing stress has been assumed to estimate the additional households likely to be in housing stress from 2021-41, assuming the current distribution of need by income, tenure and housing type. As such, by 2041, affordable housing need is likely to **grow by at least 460 affordable dwellings**, 340 for renters and 120 for purchasers, noting again that the largest and most serious need is among very low and low income renters.

In terms of calculating need for **additional social housing**, it is noted that 3.0% of all occupied private dwellings were rented as social (public and community) housing in 2021. If it is assumed that at least the same proportion should be maintained into the future, this would require the funding of at least 160 additional social housing dwellings by 2041. However, it would be reasonable to apply the NSW rate of 4.2% to future need given the large and growing need among very low income renters in the LGA, many of whom will be eligible for social housing. This would require at least **220 additional social housing dwellings**.

It is noted that this is less than half of the dwellings required to accommodate households currently on DCJ's social housing waiting list. Given the rate of housing stress among very low income renting households, and growing housing unaffordability, this is likely to be a serious underestimate of real need for social housing in the LGA in the coming two decades.

As such, by 2041, the total (current and projected) estimated housing need would be for **2,681 affordable (including social housing) dwellings**. This would be around 50% of total additional projected dwellings required as affordable housing, which is perhaps not surprising, as very low, low and moderate income households make up more than around 60% of all local households.

If **projected need only** from 2021-41 only is considered, this would be an **additional 680 affordable (including social) housing dwellings**, or 13% of total additional projected dwellings. Given growing need and affordability problems and the rate of increase in real rents over some time, it would be prudent and reasonable to plan for **at least 20% of all new dwellings to be provided** as affordable housing in the LGA going forward, in particular studio, one and two bedroom strata dwellings, and lower cost and affordable housing types including Boarding Houses and Co-living Housing under *SEPP (Housing) 2021* in major centres as a matter of priority.

This breakdown is shown for existing, projected additional and total affordable (including social) housing need in the table below.

Table 3.25: Need for Affordable (including Social) Housing to 2041 (Current, Additional and Total)

		Renting Households			Purchasing Households		
		Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL
<b>Total Affordable Housing Required (2021)</b>	Affordable to Very Low Income Households	687	183	<b>870</b>	140	30	<b>170</b>
	Affordable to Low Income Households	215	218	<b>433</b>	108	78	<b>186</b>
	Affordable to Moderate Income Households	54	107	<b>161</b>	93	80	<b>173</b>
<b>Additional Affordable Housing Required 2021-2041 (1)</b>	Affordable to Very Low Income Households	158	42	<b>200</b>	32	7	<b>39</b>
	Affordable to Low Income Households	49	50	<b>100</b>	25	18	<b>43</b>
	Affordable to Moderate Income Households	12	25	<b>37</b>	21	18	<b>40</b>
<b>Additional Social Rental Housing (2)</b>	SH Affordable to Very Low Income Households	176	44	<b>220</b>	n/a	n/a	<b>n/a</b>



		Renting Households			Purchasing Households		
		Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL	Suitable for Lone Persons or Couples w/o Children	Suitable for Families with Children	TOTAL
<b>Total Additional Affordable (incl. Social Housing) 2021-41</b>		<b>396</b>	<b>162</b>	<b>557</b>	<b>78</b>	<b>43</b>	<b>122</b>
<b>Total Affordable (incl. Social) Housing required by 2041 (Current and Projected)</b>	Affordable to Very Low Income Households	1021	<b>269</b>	1,290	172	37	<b>209</b>
	Affordable to Low Income Households	264	<b>268</b>	533	133	96	<b>229</b>
	Affordable to Moderate Income Households	66	<b>132</b>	198	114	98	<b>213</b>
	<b>TOTAL</b>	<b>1,352</b>	<b>669</b>	<b>2,021</b>	<b>419</b>	<b>231</b>	<b>651</b>

Source: JSA calculations 2023, using data from ABS Census of Population and Housing 2021 and .id Consulting Dwelling Forecasts

- (1) Calculated using pro-rata dwelling growth from population projections, that is, a 23% growth in dwellings in the LGA from 2021-41.
- (2) Minimum number of the projected dwellings from 2021-41 required to maintain the proportion of social housing dwellings at the NSW rate (4.2%), and distributed in accordance with smaller and larger very low income households in housing stress (80%/20%)

### 3.10.2 Potential Targets

Assuming 20% of additional projected housing (2021-41) is provided as affordable (including social) housing, this would be **around 1,050 dwellings by 2041** as an indicative target. Based on the above, this would need to be provided as outlined in the table below.

By far, the greatest need will be for **smaller strata dwellings affordable to very low and low income renting households**, who will generally require deep subsidies for their housing to be affordable in the local housing market context outlined above.

Table 3.26: Indicative Targets for Additional Affordable (including Social) Housing 2021-41

<b>Indicative Target (2021-41)</b>	<b>%</b>	<b>No.</b>
<b>Tenure:</b>		
Affordable rental	82%	861
Affordable purchase	18%	189
<i>TOTAL</i>	<i>100%</i>	<i>1,050</i>
<b>Income group – affordable to:</b>		
Very low income households	68%	459
Low income households	21%	143
Moderate income households	11%	77
<i>TOTAL</i>	<i>100%</i>	<i>1,050</i>
<b>Broad dwelling type:</b>		
Smaller strata dwellings	70%	735
Larger (family) dwelling	30%	315
<i>TOTAL</i>	<i>100%</i>	<i>1,050</i>

Source: JSA calculations 2023, using data from ABS Census of Population and Housing 2021 and .id Consulting Dwelling Forecasts

### 3.10.3 Ability of the Market to Provide for Need

#### Purchasers

In terms of **purchasers**, as discussed above, there was no median priced strata dwelling or non-strata dwelling that was affordable to any but high income households in any postcode area of the LGA. Medians are used as indicative of newer products; however, not even a first quartile strata dwelling was affordable anywhere in the LGA, or there were insufficient sales to assess this in some postcode areas.

Based on the above indicative targets, this would be around 190 dwellings needed to be provided as special purchase products, such as shared equity, community land trusts, or more affordable caravan parks and MHEs, where the land component is not included.

However, it is likely that an increase in supply of studio, one and two bedroom strata dwellings through the market would exert some downward pressure on housing prices, which would then be affordable to some moderate income purchasers in less expensive locations, such as Moruya and Batemans Bay.

## Renters

In terms of **renters**, there would need to be around 300 additional homes<sup>26</sup> provided as social housing with deep subsidies that cannot (by definition) be provided through the market.

Of the remaining affordable rental dwellings from the indicative targets (560 dwellings), the following is noted.

- Even smaller strata dwellings were not affordable to any low income purchasers (270 dwellings<sup>27</sup> excluding social housing).
- A median one bedroom unit was not affordable to any low income renting households in the LGA, and there was insufficient letting for data to be recorded by DCJ for any postcode areas. However, the JSA rental snapshot reported above indicates that a **studio or one bedroom unit** could be affordable to around 20% of low income renters if provided in **Batemans Bay area**, and around 80% of low income renters if provided in **Moruya area**. This would leave a market gap of perhaps 13 low income smaller households, and 68 low income family households (a total of 81 low income households whose needs are unlikely to be met through the market).<sup>28</sup>
- The situation for moderate income renters was somewhat better. A moderate income smaller household could affordably rent a one bedroom unit, and around 75% could affordably rent a **two bedroom unit in most Postcodes** based on JSA's rental snapshot. However, a three bedroom house was not affordable to any moderate income family households (a market gap of 24 households).<sup>29</sup>

## Total Unmet Need

Based on the above analysis, it is likely that around 865 households in need of affordable (including social) housing are unlikely to have their needs met through the market. This means that more than **80% of affordable housing need is unlike to be met through market**, and would require strong planning intervention and/or direct funding or substantial subsidies, for example, through partnerships on Council or other government land, to be affordable.

However, it is positive that **studio and one bedroom strata dwellings** are likely to be affordable to many low income renters, and to all moderate income renters, particularly if constructed in Moruya

---

<sup>26</sup> To take into account the increase in the indicative target from 13% to 20% of new dwellings, or 220 social housing dwellings x 1.35 = 298.

<sup>27</sup> 200 dwellings from Table 3.17 x 1.35 = 270 dwellings.

<sup>28</sup> NOTE all relevant figures from Table 3.17 above have been multiplied by 1.35.

<sup>29</sup> NOTE all relevant figures from Table 3.17 above have been multiplied by 1.35.

and surrounds, and to a lesser extent, in Batemans Bay and surrounds. An increase in supply amid a serious lack of such stock would also be likely to put further downward pressure on rental costs over time.

### 3.10.4 Policy Implications

The evidence that informs this Housing Strategy indicates that there is the need for **strong planning intervention** to increase supply of well-located smaller strata dwellings and special housing products dwellings in particular; as well as to increase diversity of dwelling types in urban release areas, including provision for smaller multi dwelling housing and entry level project homes in lower cost areas such as Moruya.

This **increase in housing diversity**, in and of itself, will be of considerable benefit to an aging population, as well as smaller households including key workers, and will also be of benefit in reducing cost in the wider housing market, and increase affordability for some groups over time.

Considering **affordability** specifically, it is likely that around **80% of affordable housing need is unlike to be met through market**, and would require strong planning intervention and/or **direct funding or substantial subsidies**, for example, through partnerships on Council or other government land and affordable housing contributions, to be affordable.

However, it is positive that **studio and one bedroom strata dwellings** are likely to be affordable to some low income renters, and to all moderate income renters, particularly if constructed in Moruya and surrounds, and to a lesser extent, in Batemans Bay and surrounds. An increase in supply amid a serious lack of such stock would also be likely to put further downward pressure on rental costs over time.

There would also be advantages in terms of cost and affordability of increasing the supply of **two bedroom strata dwellings** for moderate income renters, especially in less expensive areas, although again, a significant increase in supply will also provide lower cost (if not always affordable) accommodation to other target groups.

However, all very low income renters, and most families with children will need deeper subsidies to make their housing affordable, even in the most optimistic scenario. Again, it is noted that strong intervention through the planning system, as well as direct funding and other subsidies will be required.

Low and moderate income purchasers would also benefit from an increase in the supply of studio, one and two bedroom strata dwellings in terms of the need for more diverse and lower cost (if not always affordable) purchase products.

It is also noted that **anything that increases supply of smaller strata dwellings, particularly in well located and/or less expensive areas also benefits older people and an aging population, as well as younger workers required for a sustainable local economy**. It is also noted that at least 60% of the local population is likely to be on very low, low and moderate incomes, so that a **majority of current and future residents are likely to benefit from any strategies that reduce housing cost and increase housing affordability**.

# 4 The Planning Context

## 4.1 NSW Planning Context

### 4.1.1 Affordable Housing support in EP&A Act and related policies

There are significant opportunities for local government to support the creation and maintenance of diverse, lower cost and affordable housing through core planning legislation and policies in NSW compared to most Australian states. However, there are also constraints to action by local government, principally arising from its subordinate relationship to state government in Australia, its lack of planning autonomy, the prescriptive nature of the land use zoning system compared with other international jurisdictions like the UK, its constrained economic position and constraints to raising capital through debt financing.

Nonetheless, local government has an implicit role in affordable housing and an impact on diversity, cost and affordability through land use zoning, controls, the timing of land release, location of services and facilities, and the levying of rates and development contributions. It can also choose to play a more proactive role in the creation and retention of diverse, lower cost and/or affordable housing through active intervention in the market through the development of appropriate planning mechanisms and strategies, including under relevant provisions of the *Environmental Planning and Assessment Act 1979 (NSW)*.

### 4.1.2 Opportunities and constraints of principal legislation

#### Overview

Like other Australian states, local government in NSW must take into account the Objects of the *Environmental Planning and Assessment Act 1979 (NSW)* (the Act). Relevant Objects include:

- s1.3(a) To promote the social and economic welfare of the community;
- s1.3(c) To promote the orderly and economic use and development of land; and
- s1.3(d) The provision and maintenance of affordable housing.

As well as s1.3(d), the Act has progressively included an increasing number of implicit and express provisions related to diverse, lower cost and/or affordable housing in principle legislation and in relevant State Environmental Planning Policies (SEPPs). Accordingly, local government in NSW has a range of roles and responsibilities related to diverse, low cost and affordable housing, and NSW councils are engaged in a wide range of activities in this policy area, depending on local needs and priorities, and the resources and preferences of Councils.

There are definitions and benchmarks specifically related to ‘affordable housing’ in the Act and related policy, particularly under the *State Environmental Planning Policy (Housing) 2021* (the Housing SEPP), as discussed above.

Further, it is a requirement of the Act that a consent authority take into account the social and economic impacts of a development application as part of a merits assessment under s4.15(1)(b).

This has obvious applicability to development applications that may result in the loss of affordable or low cost housing, such as low cost flats, boarding houses and caravan parks, as well as the assessment of the benefits of an application involving the creation of diverse low cost or affordable housing, particularly where this is balanced against other factors as part of the merits assessment. The ability to seek mitigation for loss of low cost or affordable housing as part of conditions of consent is also possible under this head of consideration. A growing body of case law in the NSW Land and Environment Court related to social impacts is also relevant.

Likewise, a consent authority is required to consider whether a proposed development is in the public interest under s 4.15(1)(e), and a growing body of case law has likewise determined that it is in the public interest to give effect to the objectives of relevant legislation. It is relevant in this regard that the Act has as an object 'the delivery and maintenance of affordable housing' (1.3(d)) and other relevant objects.

As such, local government has a role and indeed a statutory responsibility to seek to preserve and create diverse, low cost affordable housing through the planning and assessment process to meet local needs and priorities, notwithstanding limitations outlined above.

## Affordable Housing Contributions

In June 2000, amendments were made to the Act to provide consent authorities with the power to require, as a condition of consent, the dedication of land free of charge or the payment of a monetary contribution for affordable housing in certain circumstances. Sections 7.32 and 7.33 were introduced to provide consent authorities with the express power to impose such conditions 'if a State Environmental Planning Policy (SEPP) identifies that there is a need for affordable housing within an area' and certain other conditions are met.

Until recently, the relevant SEPP for this purpose was *State Environmental Planning Policy 70 Affordable Housing (Revised Schemes)* (SEPP 70), which amended relevant local and regional environmental planning instruments to enable the levying of development contributions to provide for affordable housing, but was limited to only a handful of planning schemes in inner Sydney.

Amendments to SEPP 70 in 2019 means that all Councils in NSW can now develop an Affordable Housing Contributions Scheme (AHCS) provided they are able to demonstrate 'affordable housing need' in accordance with DPE's *Guideline for Developing an Affordable Housing Contribution Scheme*, and 'economic viability' using the DPE's 'Viability Tool'.

More recently, the *Housing SEPP* brought together relevant housing SEPPs, including SEPP 70, under the one instrument. The relevant part for the purpose of the development of AHCSs and levying of contributions is Chapter 1 Affordable Housing: Part 1 Preliminary.

## Voluntary Planning Agreements

Section 7.4 of the Act provides for the making of a voluntary planning agreement in relation to a proposed amendment to a planning instrument or development application. Under such a planning agreement, the developer is required to dedicate land free of cost, pay a monetary contribution, or provide any other material public benefit, or any combination of them, to be used for or applied

towards a public purpose. ‘Affordable housing’ as defined in the Act is one of the listed ‘public purposes’.

A planning agreement is generally advertised in conjunction with the development or rezoning application to which it relates, and forms part of the conditions of consent. A planning agreement is registered and runs with the title to the land, and is binding on, and enforceable against, the owner of the land from time to time as if each owner for the time being had entered into the agreement. The provisions also provide for administrative, reporting, review and other accountability requirements like other forms of development contributions, and may be used in place of or as well as levies with respect to other infrastructure under normal development contributions provisions of the Act. Importantly, a planning agreement does not have to demonstrate nexus between the development and the public purpose for which it was made.

### 4.1.3 SEPP (Housing) 2021

#### Overview

The gazettal of the Housing SEPP in November 2021 brought together relevant SEPPs (SEPP 70, *SEPP Affordable Rental Housing 2009*, *SEPP (Housing for Seniors and People with a Disability) 2004*, *SEPP 21 (Caravan Parks)* and *SEPP 36 (MHEs)*) under the one instrument, and rationalised, amended and/or added to existing provisions.

It also introduced new types of development, and revises controls on a range of developments. Relevant types of developments facilitated by the SEPP are set out below, along with more relevant provisions, including their impact on the provision of affordable housing.

#### Affordable Housing

Requirements for Affordable Housing are set out in Chapter 2 of the SEPP. Section 1.4(1) of the Environmental Planning and Assessment Act defines affordable housing as “*housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument*”.

Clause 13 of the SEPP defines a very low, low and moderate income household as a household that:

*(a)(i) has a gross income within the following ranges of percentages of the median household income for Greater Sydney or the Rest of NSW—*

*(A) very low income household—less than 50%,*

*(B) low income household—50–less than 80%,*

*(C) moderate income household—80–120%, and*

*(ii) pays no more than 30% of the gross income in rent, or...*

*(b)(i) is eligible to occupy rental accommodation under the National Rental Affordability Scheme, and*

*(ii) pays no more rent than the rent that would be charged if the household were to occupy rental accommodation under the Scheme.*



The definition under clause 13(a) above is commonly referred to as social rent, with the rent being set by the tenant's income. The definition under clause 13(b) above is commonly referred to as affordable rent, as the rent is at a discount (no more than 80%) of market rent. In 2019, typical maximum income limits for eligible households under the National Rental Affordability Scheme (NRAS) were \$51,398 for a single adult household, \$71,061 for a two adult household and \$105,161 for a couple household with two children.

Clause 7.32(1) of the *Environmental Planning and Assessment Act 1979* sets out requirements for conditions that require land or contributions for affordable housing. The section is applicable if “*a State environmental planning policy identifies that there is a need for affordable housing within the area*”. Clause 14 of the SEPP identifies a need for affordable housing within each area of the State.

Amongst other things, the contribution must be reasonable. The NSW Department of Planning, Industry and Environment has developed an affordable housing viability tool to assist Council's in calculating contribution rates that will not adversely impact on development, and assist in calculating an appropriate rate of contribution.

### In-fill affordable housing

Clause 17 provides for an additional (bonus) FSR for residential development that will be used for affordable housing. Formulae for estimating the quantum of the bonus FSR are set out in clause 17.

There are a number of restrictions on the application of the bonus. These include:

- The development must be permissible under another instrument;
- At least 20% of the floor area will be used for the purposes of affordable housing.

In the Greater Sydney, Newcastle or Wollongong region, the development must be within an accessible area. An accessible area is defined by access to public transport, including within 800 metres of a railway station or ferry wharf, within 400 metres of a light rail station, or within 400 metres of a bus stop providing one service per hour between 6 am and 9 pm weekdays and 8 am and 6 pm on weekends.

In other areas, development must be within 800 metres of land zoned B1 Neighbourhood Centre, B2 Local Centre or B4 Mixed Use.

An addition incentive may be provided by lower rates of parking set out in clause 18, including, for example, 0.5 parking spaces for a two bedroom dwelling for a social housing provider and 1 parking space for a two bedroom dwelling otherwise.

The affordable housing component of the development must be used for affordable housing for 15 years, and must be managed by a registered community housing provider.

### Boarding Houses

Boarding houses are permissible with consent only where allowed under another planning instrument. In addition, boarding houses are only allowed in R2 Low Density Residential zones where:

- In the Greater Sydney region, the land is within an accessible area; and



- Otherwise, the land is within 400 metres of land zoned B2 Local Centre or B4 Mixed Use.

Where Residential flat buildings are permitted, an FSR bonus is available.

A range of development standards are set out. Notably, the Apartment Design Guide applies to developments of 3 or more stories, and minimum parking is 0.2 spaces per boarding room in an accessible area and 0.5 spaces otherwise.

The boarding house must be used for affordable housing and managed by a registered community housing provider.

Boarding houses developed by Aboriginal Housing Office and Land and Housing Corporation have somewhat less stringent controls including being generally permissible in R2 Low Density Residential zones subject to accessibility requirements and can be carried out without development consent.

### Supportive Accommodation

Supportive accommodation is allowed where residential flat buildings or boarding houses are permissible under another planning instrument, and is allowable without consent if delivery does not include erection, alteration or addition to a building.

### Residential Flat Buildings

Public authorities or social housing providers can carry out development for residential flat buildings where they are not otherwise permissible on:

- Land in the Greater Sydney Region within 800 metres of a rail or light rail station; and
- Land zoned B3 Commercial Core or B4 Mixed Use within nominated regional centres.

A site compatibility certificate must be obtained for development consent.

Car parking is not required for the portion used for affordable housing. Street frontages must not be used for residential purposes.

The development must be used for affordable housing for 15 years, 50% of dwellings must be used for affordable housing, and the affordable housing must be managed by a registered community housing provider.

### Residential Development by AHO and LAHC

The Aboriginal Housing Office and Land and Housing Corporation can carry out a range of developments without consent.

### Retention of existing affordable housing

Clauses 45 - 48 allows a consent authority to refuse development consent, or to collect a contribution for affordable housing where development will result in the loss of low rent accommodation.

## Secondary dwellings

Construction of secondary dwellings is permissible with consent in a range of residential zones subject to meeting standards set out in the SEPP.

## Group Homes

Development for group homes carried out by or on behalf of a public authority and of less than ten bedrooms may be carried out without consent.

## Co-living housing

Co-living housing (similar to a boarding house) is allowable with consent where co-living housing, residential flat buildings or shop top housing is permissible.

Bonus FSR of 10% is available for this type of development. The requirement for parking is 0.2 spaces per room in an accessible area, and 0.5 spaces per room otherwise. The building must comply with the Apartment Design Guide if three storeys or more, and cannot be sub-divided. A range of development standards are set out in clauses 68 and 69.

## Build to Rent Housing

Construction of build to rent housing for at least 50 dwellings allows the development of multi dwelling housing, residential flat buildings and shop top housing where residential flat buildings are permitted or in Zone B3 Commercial Core, B4 Mixed Use and B8 Metropolitan Centre. The building must be subdivided for 15 years. A range of development standards are set out, including reduced parking in the Greater Sydney Region and active street frontages in business zones.

## Housing for seniors and people with a disability

Housing for seniors and people with a disability is permissible with consent in a wide range of zones including all residential and business zones, subject to providing adequate access to facilities and services. A range of development and design standards are set out. Housing for seniors and people with a disability includes self-care housing, hostel accommodation and residential care facilities.

Development by the Aboriginal Housing Office and Land and Housing Corporation is allowable without development consent.

## Short term rental accommodation

Development for hosted short term rental accommodation is exempt development, and development for non-hosted short term rental accommodation is also exempt, and is subject to maximum usage of 180 days in a 365 day period in prescribed areas.

## Manufactured home estates

Manufactured home estates are permissible where caravan parks are permissible with the exception of certain land, including crown land and non-urban land in the four LGAs.

## Caravan parks

Caravan parks can be used for long term use, short term use or both. Manufactured homes are allowable within caravan parks, and subdivision is allowable, noting that the restrictions on caravan parks are much less onerous than the restrictions on manufactured home estates.

## Temporary emergency accommodation

Development for the purposes of caravan parks or camping grounds for a period of use of five years may be carried out without consent if the development is a response to a natural disaster.

### 4.1.4 NSW Housing Strategy

In May 2021, the NSW Government released *Housing 2041: NSW Housing Strategy* and the 2021-2022 Action Plan. *Housing 2041: NSW Housing Strategy* sets out 'a 20-year end-to-end housing strategy which covers everything from homelessness to home ownership' for the state for the first time.<sup>30</sup>

The issue of affordable housing is a priority of the Strategy, with 'Affordable Housing' listed as one of the four 'Housing System Pillars'.<sup>31</sup> The Strategy notes that apart from existing planning mechanisms already embedded at the local level, there is potential for NSW Government to increase the delivery of well-designed and well-located affordable housing across the state through:

- development of appropriate government-owned land for affordable housing;
- planning and development projects that encourage build-to-rent;
- new communal living models; and
- encouraging incentives to build affordable housing in mixed-tenure communities.<sup>32</sup>

The importance of the use of State Government land for affordable housing is emphasized at a number of points in the Strategy, noting that,

...the NSW Government has an important role to play in the provision of social and affordable housing solutions, including through the use of government owned land. We know that safe, secure and affordable housing contributes to physical and mental health benefits and positive wellbeing outcomes.

By investing in housing on government-owned land, we can deliver more social housing and improve housing affordability for our communities. Similarly, responses to homelessness have the potential to contribute to reduced healthcare costs, reduced crime and improved outcomes for employment or education

---

<sup>30</sup> NSW Department of Planning, Infrastructure and Environment, *Discussion Paper: A Housing Strategy for NSW*, May 2020, <https://www.planning.nsw.gov.au/Policy-and-Legislation/Housing/A-Housing-Strategy-for-NSW>, accessed 22/04/2021.

<sup>31</sup> NSW Department of Planning, Infrastructure and Environment (2021) *Housing 2041: NSW Housing Strategy*, p 9.

<sup>32</sup> NSW DPIE, *Housing 2041: Housing Strategy NSW*, pp 32.

opportunities. By providing more direct investment, the NSW Government can support transition pathways across the housing spectrum.<sup>33</sup>

The Strategy also aims to provide increased support for those most in need including by continuing to invest in the social housing portfolio, reducing social housing waiting times, supporting the community housing sector, providing ongoing support and programs to reduce homelessness and support those with complex needs, and by *'increasing the supply for affordable housing to meet agreed targets in both metropolitan and regional areas'*.<sup>34</sup>

With regard to regional NSW, *Housing 2041* notes that short-term impacts of the COVID-19 pandemic have reduced affordability in some regional housing markets due to increased demand from people within metropolitan areas moving to regional areas but that the long-term effects are uncertain.<sup>35</sup>

The 2021-2022 Action Plan sets out a range of activities, many of which are relevant to Councils and other proponents seeking to grow the supply of affordable housing. Some of these include:

- Establishing a register of NSW Government land and assessing its suitability for housing outcomes that will be publicly available and allow stakeholders (like CHPs and others) to identify opportunities and submit proposals for the use of state-owned land for housing (Action 1.3.2 and Action 3.6.1);
- Investigate development of new sources of sustainable funding for affordable housing (Action 2.1.5);
- Undertake a review of key worker housing provision across NSW (Action 2.1.6);
- Implement proposed changes to the build to rent sector (Action 2.6.1);
- Partner with local governments, CHPs and developers to trial ways of facilitating temporary accommodation options for people experiencing homelessness (Action 2.6.2);
- Support on-going growth of CHPs (Action 3.1.1);
- Partner with councils to develop modern, fit-for-purpose social and affordable housing on LAHC land and support implementation of local housing strategies (Action 5.1.2);
- Support councils to explore potential use of under-utilised operational land for the purpose of housing (Action 5.1.3); and
- Encourage all NSW councils to develop an affordable housing contribution scheme and seek changes to their LEP to capture affordable housing contributions under SEPP 70 (Action 5.2.1).

---

<sup>33</sup> NSW Department of Planning, Infrastructure and Environment (2021) *Housing 2041: NSW Housing Strategy*, p 7.

<sup>34</sup> NSW DPIE, *Housing 2041: Housing Strategy NSW*, pp 26.

<sup>35</sup> NSW DPIE, *Housing 2041: Housing Strategy NSW*, pp 4.

## 4.2 Draft South East & Tablelands Regional Plan 2041

### 4.2.1 Overview of Key Issues

The *Draft South East and Tablelands Regional Plan 2041* provides the framework for local and regional planning for the next two decades, and is an important context to the *Eurobodalla Housing Strategy*.

The *Draft Plan* reports that the Region is ‘expected to grow by 1% annually and to cater for more retirees as people relocate from neighbouring communities, including the ACT for lifestyle and affordability reasons’.<sup>36</sup>

The *Draft Plan* notes that a ‘borderless and connected region brings opportunity’, with the region’s ‘network of strategic centres and clusters well connected to Canberra and Sydney; and advances in information technology creating ‘smart work opportunities, connecting people physically and digitally’.<sup>37</sup> It notes that Canberra is ‘intrinsically linked’ to the region through transport connections, educational institutions, tertiary health services and employment; whilst the region supports Canberra’s sustainable growth by ‘providing space for a greater diversity of housing, experiences and opportunities beyond the city’s limits’.<sup>38</sup>

The immediate and long-term impacts of COVID 19 on living and working patterns are also highlighted, including the need for access to appropriately skilled workers for to support economic growth, as well as the forecast impacts of climate change, including on the location and form of urban development. The ongoing importance of Aboriginal culture and genuine engagement in the planning process is also highlighted by the *Draft Plan*.

The need for consideration for environmental, economic and social sustainability is noted in this context. As such, the *Draft Plan* seeks to ensure that ‘new housing and jobs are located to make the best use of infrastructure and services’, and catering for long term residents as well as those who relocate from major population centres. The importance of increased affordability and diversity of housing is also highlighted, including that people have ‘access to a greater range of affordable housing types that suit the growing and ageing population’. As such, planning for housing needs to focus on user needs and sets targets for different housing types and tenures, including social, affordable, temporary and low cost housing.

### 4.2.2 Eurobodalla LGA in the Context of the Regional Plan

Eurobodalla LGA is predicted to grow by almost 6,222 people based on the most recent DPE projections reported in the *Draft Plan*.<sup>39</sup>

The *Draft Plan* highlights Eurobodalla’s rich Aboriginal history on the traditional lands of the Yuin nation, with the area known for its rugged rocky headlands, beaches, and rivers, and its population is clustered across a series of coastal and inland towns, focused on **Bateman's Bay, Moruya and Narooma**.

---

<sup>36</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 11.

<sup>37</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 14.

<sup>38</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 11.

<sup>39</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 11.

It notes that, while traditional fishing, dairy and forestry sectors remain important, the economy is now driven by **tourism, retail, property, health services, aquaculture and an emerging niche agriculture sector**. There is also the need to grow the region's tourism sector and lifestyle appeal for visitors from Sydney and Canberra; and that improving the reliability of infrastructure and telecommunications, and providing accommodation for seasonal workforces remain a priority.

**Batemans Bay** is categorised as a **'Strategic Centre'**, a well-serviced centre with opportunities for new housing and employment growth. **Narooma** is designated as a **'Centre'**, providing services such as shopping, health and personal services to meet the needs of the local community. Although **Moruya** is also a 'Centre', together with **Batemans Bay**, it forms part of a **'Strategic Cluster'**, recognising that inter-relationship of these areas in terms of function and capacity for growth.<sup>40</sup>

Although the 2036 Regional Plan identified Batemans Bay as a Strategic Centre, the current *Draft Plan* notes that investment in Moruya 'requires strategic thinking about how each centre interacts'. Batemans Bay remains the commercial, retail, tourist and service centre within the LGA; however, investment in the new \$260 million Eurobodalla Regional Hospital, and a \$15 million Emergency Management Centre in Moruya are likely to influence growth on the coast. The planned Moruya Bypass will also reduce CBD traffic and bring opportunities for redevelopment.

The current *Draft Plan* now considers the two centres as a 'Strategic Cluster' that includes a 25km corridor, incorporating the tourist destination of **Mogo** and the **North Moruya Industrial Area**. It notes that, while Moruya offers significant greenfield development potential alongside access to the future bypass and the new Eurobodalla Regional Hospital, 'any growth potential needs to be considered alongside environmental assets, exposure to coastal and flood hazards, and the viability of Batemans Bay'.

The *Draft Plan* notes in this regard that Batemans Bay has a limited supply of future commercial and industrial land. The focus on **higher density and infill housing opportunities will continue, particularly around the CBD**, although infrastructure upgrades are required.<sup>41</sup> Priorities for the Batemans Bay-Moruya Strategic Cluster include:

- Investigating opportunities to re-purpose of NSW Government and Council owned assets;
- Investigating opportunities for employment and residential land around Batemans Bay to cater for new and innovative business.
- Investing in regionally significant public open space and urban environments, such as the Bateman's Bay waterfront;
- Investing in and introducing programs to improve public amenity in each CBD, with a focus on a 24 hour economy.

### 4.2.3 Working with Aboriginal Communities

The *Draft Plan* notes the importance of working in partnership with Aboriginal people through a process of 'co-design in early stages of projects and strategies', to build trusting relationships, and

---

<sup>40</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 22.

<sup>41</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 30.

better enable Aboriginal people to achieve their aspirations for their land, including increased opportunities for residential and commercial development.

Supporting initiatives include working with Local Aboriginal Land Councils (LALCs), local Aboriginal knowledge holders, PBCs and councils to better reflect their aspirations by:

- involving LALCs, PBCs and knowledge holders in strategic planning;
- supporting and partnering with Aboriginal communities to identify opportunities to activate land, including through biodiversity offsets;
- identifying where land returned to LALCs has suboptimal planning controls and facilitating amendments;
- supporting a better understanding of the planning system;
- initiating MOUs to promote greater collaboration on local and regional matters;
- support for appropriate resolution of Aboriginal land claims, including improved processes.

#### 4.2.4 Fit for Purpose Housing and Services

##### Overview

**Theme 4: Planning for Fit for Purpose Housing and Services** is particularly relevant to the Eurobodalla Housing Strategy, and includes a range of potential indicators, including:

- Increased housing completions, particularly medium density infill development;
- Increased completions of temporary worker, seasonal, social and affordable housing;
- Increased availability, capacity and access to essential goods and services in strategic centres and clusters; and
- Increased percentage of dwellings within 30 minutes of a strategic centre or cluster.<sup>42</sup>

Relevant objectives and actions are set out below.

##### Housing Diversity

**Objective 17** notes that a mix of well-planned infill, greenfield and rural residential development is essential for the region. However, it noted that **infill housing** ‘takes advantage of existing infrastructure and services, increases the viability of public and active transport, and protects valuable agricultural and environmental land – it is a more sustainable option’.

The objective focuses on planning for a supply of housing in appropriate locations; and responds to predicted significant demographic change, and the implications for future demand and location of housing. This includes reduced households size, and a significant increase in lone person and couple only households, influenced by changing household composition as the population ages, so that a mix of smaller, low maintenance dwellings will be required.<sup>43</sup>

---

<sup>42</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 84.

<sup>43</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 86.



Improving housing diversity and density is a key action under this objective. The *Draft Plan* notes that ‘housing diversity includes aspects such as lot sizes, the number of bedrooms and accessibility for seniors, students or people with a disability’; and that ‘housing diversity gives more people more options at different stages of life’.<sup>44</sup>

It also notes that around 87% of all dwellings in the region are currently single detached houses; and that, whilst primarily in rural areas, existing centres could be suitable for appropriate medium density housing products. It comments that, ‘Careful design can ensure additional density does not compromise the character and amenity of the region’s towns and villages.’

As well as providing support for an aging population and major increase in smaller households, the *Draft Plan* notes that, ‘Smaller homes with fewer bedrooms can support lower cost and lower maintenance lifestyles....This type of housing will then enable younger families to move into established larger homes’ as older people downsize from such housing.<sup>45</sup>

## Housing affordability

**Objective 18:** Plan for more affordable, low-cost, and social housing, is also relevant to the Housing Strategy.

This objective notes that affordable housing is part of the housing tenure continuum, and means that ‘households with low or very low incomes have somewhere to live’. Among other things, it notes that *State Environmental Planning Policy (Housing) 2021* provides mechanisms for councils to investigate and develop affordable housing contributions schemes to increase the availability of dedicated affordable housing in their LGA.

The *Draft Plan* notes that there are a range of ways that Councils can assist in improving housing affordability and reducing housing cost.

It notes that the cost of housing ‘can be influenced by planning processes, design standards and market responses’. As such, there are many opportunities to reduce cost and improve affordability, for example, ‘by designing homes with fewer bedrooms or car parking spaces, smaller lots or on strata title’ that can be delivered by the conventional market, with such housing available for purchase or private rental. Depending on the market context, these dwellings can remain lower cost (and for some, affordable) in perpetuity.

The *Draft Plan* notes that statutory plans and development control plans ‘can include stringent development controls that add to the cost development’, which can be an impediment to development and to affordability. It suggests that alternative methods, such as qualitative based performance criteria, can provide opportunities for development to respond in innovative ways, with the potential to reduce housing costs.

The important role of affordable, community and social housing providers in NSW is also noted. This includes for those currently needing social and affordable housing, people facing severe disadvantage including Aboriginal people, and those who are homeless or at risk of homelessness,

---

<sup>44</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 86.

<sup>45</sup> DPE (2022) *Draft South East and Tablelands Regional Plan 2041*, p 88.



as well as to meet the needs of an aging population in the context of declining purchasing rates and an increase in people in long-term private rental.

It also reports that there is likely to be further investment in new homes in Moruya in coming years, which will support in working towards Closing the Gap target 9 – that by 2031 there is an 88% increase in Aboriginal and Torres Strait Islander people living in appropriately sized (not overcrowded) housing.

The importance of community housing providers (CHPs) active in the region is also highlighted, together with opportunities for local councils and state agencies ‘to make it easier and simpler for housing models such as this by reducing assessment fees, fast-tracking assessment pathways or providing grant funding’.

Accommodation for seasonal and itinerant workers is also noted as a need in the region. Impacts on the local housing market in terms of cost and availability also arise from the influx of seasonal workers at peak time for agriculture and tourism, as well as major construction projects that attract temporary workers. An undersupply of accommodation options for these workers can put in upward pressure on rents and may lead to overcrowding and makeshift housing.

The Draft Plan notes that, while land uses such as boarding houses, hostels, backpackers’ accommodation, and caravan parks can accommodate such workers, ‘any form of residential, tourist and visitor accommodation, can support these workforces, when planned effectively’. The role of development bonuses and incentives, funding offsets and design flexibility are mentioned as promoting ‘greater uptake of these uses, where infrastructure and services are, or can be readily available’. The impacts of such workers on the local housing market also need to be fully assessed and planned for.

As such, the Draft Plan requires that strategic planning and local plans:

- identify suitable locations for social and affordable housing developments;
- promote mixed tenure development outcomes for social, affordable and market housing, including outlining minimum density and dwelling mix requirements for new developments;
- identify where opportunities exist to renew social housing and increase and diversify social housing stock; and
- include minimum affordable and social housing targets, including suitable development incentives to enable development.

## 4.3 Local Strategic Planning Context

### 4.3.1 Eurobodalla Local Strategic Planning Statement

#### Overview

The Eurobodalla Local Strategic Planning Statement (LSPS) sets out the 20-year vision for land use planning in the LGA. It outlines how growth and change will be managed to ensure high levels

of liveability, prosperity and environmental protection are achieved in Eurobodalla, and has been prepared in accordance with the Environmental Planning and Assessment Act 1979 (NSW), the South East Region and Tablelands Regional Plan, and Council's Community Strategic Plan - One Community.

It notes that Eurobodalla has 'settlements of unique character and diverse communities', including three main towns and several coastal and inland villages. The three towns – Batemans Bay, Moruya and Narooma - have originally been settled along waterways and have 'long acted as regional centres to the surrounding rural communities.'<sup>46</sup>

The LSPS identifies four overarching planning priorities to achieve Council's vision for the shire. These are:

1. Liveable community - having a pride of place, ease of access and feeling of safety and security;
2. Sustainable community - showing an appreciation of the natural surroundings;
3. Productive community - facilitating positive investment and employment opportunities and strengthening tourism development;
4. Collaborative community - engaged, informed and involved community members.

A range of planning sub-priorities are outlined under these four overarching themes. Those most relevant to the preparation of the Housing Strategy include the following, with relevant actions also listed.

### **Planning priority 1: Encourage greater housing diversity and affordability**

The LSPS notes that, while the vast majority of households in Eurobodalla are one or two person households (74.3%), the predominance of the housing stock is of three- and four- bedroom houses (68.6%). As such, 'Housing diversity and affordability remain major challenges across the shire, requiring community and government agency collaboration'. Related actions include:

- 1.1 Develop an Affordable Housing Strategy that responds to an aging population and attracts workers;
- 1.3 Investigate height controls, housing density and infill potential in town and activity centres;
- 1.4 Encourage greater housing diversity and affordability.

### **Planning priority 3: Consolidate development within town and village centres**

The LSPS notes that, while there will continue to be demand for single dwelling housing, 'the forecast growth in one and two person households over and above all other types of households requires a greater diversity of housing types accessible to town and village centres'. Also, constraints on new greenfield sites increases the need 'consolidate future development within existing towns and activity centres'. It also notes the need for staged master planning and a comprehensive suite of subdivision provisions over greenfield land to avoid ad hoc rezoning and 'ensure that future residential areas are quality places in years to come'.

---

<sup>46</sup> Eurobodalla Local Strategic Planning Statement, p. 15.

Related actions include:

- 3.1 Develop subdivision controls;
- 3.2 Investigate preparation of master planning for residential land release areas to strategically address land constraints;
- 3.3 Review medium and high density planning provisions in DCPs;
- 3.4 Develop planning provisions concerning waterfront developments in DCPs.

### Planning priority 11: Activate town and village centres

The LSPS reports that Eurobodalla continues to be a popular tourist destination, with significant growth in visitation in recent years, providing an important source of local employment. It notes, however, that there are economic challenges including risks associated with too heavy a reliance on tourism, as well as the ongoing consequences of the 2020 fires and floods and COVID-19, and increase in on-line shopping. Importantly, it reports that the local economy has not grown at a pace to provide sufficient jobs for the local population, resulting in high unemployment and underemployment, and a concentration of employment in relatively low paying jobs. The changing nature of retail to online shopping and potential impact of COVID-19 will require businesses to provide unique shopping experiences and retail precincts to become destinations to attract business.

It notes the need to diversify and create year-round employment opportunities, and to reinvigorating town and village centres and the respective waterfronts to provide attractive and functional centres, integrated transport networks and strengthened night economy for new and existing businesses. Relevant activities include:

- 11.1 Implement the actions of the draft Batemans Bay Waterfront Masterplan and Activation Strategy;
- 11.3 Develop place-based activation plans for immediate and affordable actions in town and village centres.

### 4.3.2 Local Environmental Planning Instruments

*Eurobodalla LEP 2012* and Eurobodalla DCPs provide the land use planning framework and related controls in accordance with the *Environmental Planning and Assessment Act 1979*. It is important that these local environmental planning instruments (EPIs) support strategic directions and priorities set out in key regional and local plans, including those discussed above, as well as emerging needs and issues in the local community and wider environment.

JSA has conducted a high level audit of these EPIs in the context of the evidence set out in this *Housing Strategy Background Paper*, in particular, the need to facilitate housing diversity, and lower cost and affordable housing within and around key centres.

This is discussed in detail in **Section 7 below**, and in **Appendix C** to this report.

# 5 Community Consultation

## 5.1 Summary of Preliminary Council Engagement

### 5.1.1 Overview of Preliminary Engagement Activities

Eurobodalla Shire Council undertook preliminary community consultation in relation to the preparation of the first draft of the Local Housing Strategy in [insert date].

Engagement at that time included:

- Meetings with stakeholders including homelessness service provider, DCJ, and Council in relation to rough sleepers;
- Meetings and discussions with community housing providers, housing peak bodies, Local Aboriginal Land Councils and Aboriginal community representatives and allies;
- Briefing and discussion with builders' and developers' group;
- Council workshops;
- Meetings and discussion with Government agencies; and
- Survey of community needs, detailed below.

The following provides an excerpt from Council's report on these consultations. Detailed reporting on the community survey is reported in **Appendix ?**

### 5.1.2 Overview of Key Issues Raised

All engagement participants recognised the crises of housing availability in Eurobodalla LGA and more widely across Australia. Many participants also recognised that the current housing crises disproportionately affects the most vulnerable and lowest income earners in the community.

### 5.1.3 Summary of Survey findings

From the survey respondents (n=415) one resident noted the complexity of the housing affordability issue "Council should not be trying to resolve the housing crisis. This is a national and state issue and local government is only a small player in this. There are multiple factors that are impacting homelessness and cost of housing and housing availability. Figure out what you are trying to resolve and what is the remit of Local Government."

The purpose of the survey was to understand perceived housing need within the community and relate those perceptions to the demographic data and population projections to generate an evidence based picture of what Council can do to improve support the most vulnerable and those in housing stress. Respondents made a number of suggestions in relation to needs, potential solutions and issues associated with Council processes. These have been sorted and prioritised to develop an action list which can be found at section CHECK.

The survey differentiated between residents and those who owned an investment property (and living in Eurobodalla or outside of the LGA). While a few investment owners wished to maximise the return on their investment through STRA, some investment owners placed their homes in the long term rental market to assist housing supply.

Many residents (without investment properties) were concerned about the impact on society as a whole, and many had direct family and friends impacted by the housing crises. A number of people had considered creating a secondary dwelling on their own home site. This was for reasons of rental income and to assist housing supply. Some were deterred by the impact that capital gains tax would have if they pursued this course of action.

These examples illustrate the diversity of individual circumstances, which affect how those policy levers play out within the market. These examples serve to illustrate the complexity of the housing market – with policy influences from all levels of government situation.

The most common responses were common to both groups including:

- Strong desire to see biodiversity conserved through any future development;
- Objection to clear felling approach of greenfield developers to date, many respondents wanted more vegetation conserved and maintained, especially habitat for wildlife and large trees for shade;
- Both groups were aware of the difficulty faced by those in the long term rental market, though this was more acute amongst residents many of whom had family in difficulty or residing with them due to inability to find or afford rental property.
- Residents were strongly critical of the many unoccupied homes and called on Council to implement increased rates or other taxation/levy to discourage STRA and unoccupied holiday homes.
- Both groups recognised the inequity in the housing market and
  - The previous loss of professionals such as GPs who couldn't find appropriate accommodation
  - The need for accommodation of single and couple key workers/ young professionals to encourage young people back to the town
  - the need for greater supply of housing, and for programs and services to focus on supporting the homeless.
  - Showed concern for who housing supply might ultimately cater for - being marketed and priced for people from outside the LGA to move into the Shire and still not meeting the needs at the lower price end of the housing continuum
  - Expressed the need for greater supply of economical smaller dwellings for downsizers who currently could not access adequate homes to meet their needs
- Future development was accepted where appropriate infrastructure - not just sewerage and stormwater but also community and open spaces – was provided in a timely manner

Among both groups people generally preferred separate houses for both themselves and for future provision. A small number of residents (16) would prefer some type of medium density development. Regardless, most people in both groups also sought a 3 bedroom home. One respondent explained,

*“A 3 bedroom home for 2 people is considered excessive. However, many elderly people sleep separately, due to illness and/or disturbed sleeping patterns; many have interests and volunteer duties that require a reasonable office space; many also require enough room to accommodate visitors and family members they may be either assisting with short-term accommodation or grandchildren they are minding for working adult children.”*

Both groups also preferred future provision homes to be through development of townhouse /terrace style medium density accommodation. With regard to housing needs both groups recognised the need for:

- A broad mix of housing types to cater for the different needs of residents including more town houses and low apartments not requiring lifts as well as more granny flats (secondary dwellings).
- Neither group preferred high rise apartment type development.
- The need for smaller rentals set aside for visiting single professionals.
- Amongst Residents the key issues identified were
- Supply and cost of homes to purchase (111 and 67 respectively),
- Cost of rent (94) and supply of rentals (97) and
- Waitlist and supply of social housing (67).

In terms of future housing, generally, residents expressed a desire to see a diversity of housing developed within the LGA going forward. Preferences for housing type in the future were as follows:

1. Medium density housing including terraces, townhouse or villas (54%);
2. Separate dwellings (46%);
3. Secondary dwellings (42%)
4. Dual occupancy (41%);
5. Apartments (23%);
6. Rural residential (23%).

Generally, investors also expressed a desire to see a diversity of housing developed within the LGA in the future. Most wanted to see:

1. Secondary dwellings (55%);
2. Separate dwellings (40%);
3. Medium density terraces - townhouse or villas (40%); and
4. Dual occupancy (30%).

## 5.2 Consultation on Draft Background Report

### 5.2.1 Overview

JSA assisted Council with further community consultations during October 2023 in relation to the *Draft Background Report* for the Local Housing Strategy. These were in the form of community workshops, where key findings and potential strategies and actions were presented and ground-truthed with participants. These forums were:

- Online Community Services workshop;
- Senior Council staff;
- Housing Provider workshop;
- Developer and Landholder workshop; and
- Initial Council briefing.

Overall, the key findings were validated by participants, and were reported to reflect their experience of key demographic, economic and housing market trends and issues in the LGA (see sample Presentation at **Attachment ?**). The potential strategies and actions were also generally well received, with constructive discussion and suggestions in all forums.

A summary of key issues in the Community Services, Housing Provider and Developer/Landholder workshops is provided below.

### 5.2.2 Community Services Workshop

Community services agencies and workers generally validated the findings of the research conducted to prepare this Background Paper.

They stressed the urgent need to accommodate the growing number of people who are homeless and at risk of homelessness, including non-traditional groups such as older women and low income working people that they were increasingly seeing.

The need to identify facilities for meanwhile use, including more Temporary Accommodation options, to address the impacts of itinerant works on the local rental market, and to accommodate key workers in aged care and health as part of facilities development and upgrade were endorsed.

### 5.2.3 Housing Provider Workshop

SEARMS Aboriginal Housing Corporation noted the importance of providing opportunities for an increase in housing for Aboriginal residents, including on land owned by Aboriginal organisations, Crown Land, and other relevant opportunities. Issues raised included the following:

- There are serious affordability issues in relation to rental and purchase in the private market related to high housing costs and low incomes;
- It is likely that there is an under-reporting of overcrowding in Aboriginal households due to concerns about family or visitors staying without approval, and the impact on rents;



- Concerns raised about downzoning of SEARMS land, which reduces development opportunities, and could be reconsidered;
- LALCs have a lot of land, but it is difficult to unlock, both due to legislative constraints, particularly with regard to beneficiaries, and also due to zoning constraints;
- LALCs often lack expertise in planning and development, and economic/feasibility modelling, and are seeking funding to develop this expertise. Additional support from Council planning staff would also be beneficial in helping to navigate the complexity of the planning process.

More generally:

- With regard to development on Council or other public land, Southern Cross Housing noted the advantage of having a first option on purchase as ‘shovel ready projects’ are required for funding options;
- It would be helpful to have a housing officer in Council;
- Noted that some public housing options are less desirable and people would rather sleep rough than take up options in some developments. This is an impediment to tenure mix; and
- There was discussion around redevelopment of public housing regarding displacement and pushing people into less desirable areas. Location was also seen as important due to the need to minimise car dependence.

#### 5.2.4 Developer and Landholder Workshop

Attendees at the workshop were typically landowners in the area who were seeking to have their land rezoned in order to allow for residential development.

There was discussion around dwelling targets and whether projections allowed for influx of workers, secondary dwellings and constraints on development.

Council advised in response that projections take out a proportion of land to allow for constraints.

With regard to reduced parking requirements, one attendee noted that car sharing could be considered as an option for studio apartments, and is strongly supported in Sydney.

The lack of infrastructure, such as sewerage and water, was seen as an impediment to development.

DCP and LEP provisions were seen as essential to achieving medium density housing in Greenfields sites.



# 6 Strategic Framework and Broad Priorities

## 6.1 Overview

This section sets out a summary of key findings and issues from the evidence set out above. It suggests broad strategic directions and priorities arising from this evidence, as well as potential housing and affordable housing targets.

This provides a context to the more detailed strategies and mechanisms, and the rationale for these, set out in **Sections 6 to 10** below.

The broad strategic framework under which relevant strategies and actions are grouped is first set out below. This reflects relevant regulatory powers and responsibilities of NSW councils, as well as the roles that NSW councils may legally choose to engage in.

## 6.2 Strategic Framework

Local councils in NSW have a range of planning powers and responsibilities under relevant legislation and regulations, and are also guided in their strategic planning functions by state and regional policies and plans, including those discussed in Section 4 above.

Local councils may also choose to take up other roles, depending on local needs, strategic priorities and available resources. This includes the extent to which they intervene in the housing market through the planning and approvals system, and use their own resources, to gain outcomes such as increased social and economic sustainability, housing diversity and affordability.

The following table provides an overview of strategies that NSW councils are engaged in along a continuum of minor to major planning intervention, based on their regulatory powers, priorities and preferences, with examples of the types of strategies that are considered most relevant to Eurobodalla Council in **Sections 6 to 10** below.

Table 6.1: Continuum of housing intervention to create sustainable, diverse and affordable housing

<b>MINOR INVOLVEMENT:</b> <b>Research, policy &amp; advocacy</b>	<b>MODERATE INVOLVEMENT:</b> <b>Facilitate housing outcomes through planning &amp; regulation</b>	<b>MAJOR INVOLVEMENT:</b> <b>Mandatory mechanisms &amp; direct housing provision or funding</b>
<ul style="list-style-type: none"> <li>• Housing research</li> <li>• Staff development &amp; capacity building</li> <li>• Community education</li> <li>• Developer forums</li> <li>• Councillor workshops &amp; engagement</li> <li>• Setting housing (including affordable housing) targets</li> <li>• Advocate to other levels of government on local needs &amp; issues</li> <li>• Advocate for increased affordable (incl. social) housing funding &amp; resources</li> <li>• Convene local and regional forums</li> <li>• Provide for a sufficient supply of urban zoned land</li> </ul>	<ul style="list-style-type: none"> <li>• Employing a Housing Officer to actively implement strategies</li> <li>• Amending planning controls in LEP &amp; DCP to remove impediments to affordable, low cost and diverse housing types</li> <li>• Facilitating effective operation of SEPP (Housing) 2021</li> <li>• Provide incentives for affordable and low cost housing, e.g. small strata dwellings, boarding houses &amp; co-living</li> <li>• Capture voluntary contributions for variations to control through VPA</li> <li>• Streamline approval processes to facilitate efficient housing production</li> <li>• Support LALCs to improve housing outcomes for Indigenous people</li> <li>• Monitor and report on performance against KPIs</li> </ul>	<ul style="list-style-type: none"> <li>• Develop an Affordable Housing Contribution Scheme to create affordable rental housing in perpetuity</li> <li>• Mandate lower cost and diverse housing types &amp; sizes in centres</li> <li>• Mandate diversity in greenfield sites</li> <li>• Identify &amp; allocate Council land for affordable housing partnerships</li> <li>• Identify other public land with potential for affordable, diverse, and lower cost housing &amp; broker relationships to facilitate or require housing outcomes</li> <li>• Identify opportunities for social housing redevelopment to increase diversity &amp; social housing yield, &amp; broker relationships to facilitate or require housing outcomes</li> </ul>

Source: Framework adapted from Stubbs. J. 2003. *Battle for the Right to the City*, (unpublished) PhD Thesis, School of Town Planning & Social Science, RMIT.

## 6.3 Key Issues from the Evidence

### 6.3.1 Demographic and Housing Trends

In 2021, Eurobodalla LGA was home to 40,593 residents, a 13.6% increase from 2011, or 1.3% annually compared with 1.2% for regional NSW. There were around 23,000 private dwellings, with 6,226 unoccupied, which was 27% of all dwellings (around three times the NSW rate).

The LGA has a much older than average age profile, with a median age of 54 compared with 39 years for NSW, and double the NSW rate of residents aged 70+ years. Those aged 55+ years make up around 50% of the local population compared with only 30% for NSW.

Accordingly, there are much higher than average rates of people living in lone person and couple only households, making up almost 70% of households compared with only 50% for NSW. The rate of people with a severe disability (likely age-related) is also higher, with median income and education levels much lower than average, and a greater likelihood that employed local residents are concentrated in lower paying essential services jobs.

The characteristics of Indigenous residents, who make up 6.5% of the population, is quite different to the non-Indigenous population, including a much younger age profile, higher levels of disadvantage, higher rate of people living in larger family households, and much lower rates of home ownership and much greater likelihood of living in private rental and social housing.

There is evidence of a significant and growing mismatch between housing need and supply in this context, in particular a serious deficit of diverse and affordable housing.

Although 70% of households are lone person and couple only households, only 14% of dwellings are medium and higher density dwelling types (villas, townhouses, attached dwellings, flats and apartments, etc). The supply of smaller stock is particularly low relative to need, with less than 1% as studio apartments, only 2% as one bedroom dwellings, and 13% two bedroom dwellings.

There was also a relatively low rate of growth in more diverse housing types in the LGA from 2011-21, with the number of medium and higher density dwelling types relatively static. Although there was a small proportional increase in one and two bedroom dwellings over the period, by far the largest proportional and numerical increase was in 4+ bedroom dwellings, with a commensurate decline in the proportion of three bedroom homes. This was likely related to increased capitalisation of the family home, such as extension to add bedrooms, and/or redevelopment of smaller, older houses for larger dwellings, as well as some redevelopment of older homes for smaller strata dwellings.

The local rate of social (public and community) housing was also lower than average, and has been declining proportionally over some decades due to lack of government investment to meet growing affordable housing need.

The relatively low growth in housing diversity, both in terms of structure and tenure, needs to be viewed in the context of the much older than average age profile, and the very high rate of residents aged 70+ years, around 80% of whom are living in larger separate houses (around 2,500

households). The historical and projected growth in older people and smaller households also forms an important context to the low growth in housing diversity over the decade to 2021.

Lower cost caravan parks, manufactured housing estates (MHEs) and retirement villages also provide an important source of accommodation for older people, and can be a lower cost or affordable housing option, depending on the purchase and rental arrangement of the facility. Although there is a reasonable supply of permanent or long term dwellings/sites in caravan parks and MHEs, there was a significant undersupply of independent living units (ILUs) in retirement villages, with the rate of such accommodation at less than one third the rate for regional NSW as a whole.

Another important source of low cost and (for some) affordable rental accommodation can be special housing products through SEPP (Housing) 2021, such as boarding houses, co-living houses and affordable 'key worker' rental housing. However, these are also in very short supply in the LGA.

It is understood that there has been an increased in development applications and commencements or completions more recently, which is positive. However, the serious mismatch between housing need and supply evidence over some years indicates the need for strong planning intervention to increase both diversity and affordability of local housing.

See **Sections 3 and 4** above for detailed data and analysis.

### 6.3.2 Housing Cost and Affordability

#### Definition and Benchmarks

Housing is generally considered to be 'affordable' when households can meet their housing costs and still have sufficient income to pay for other basic needs such as food, clothing, transport, medical care, and education.

**'Affordable housing'** has a statutory definition under the *NSW Planning and Environment Act 1979*, being housing for very low, low and moderate income households who pay no more than 30% of their gross household income on their rent or mortgage repayments. Households paying more than 30% of their income on housing costs are deemed to be in **'housing stress'**, and at risk of after-housing poverty.

The following table provides benchmarks for **Rest of NSW** that are used in the *Strategy* when referring to 'affordable housing' in accordance with the statutory definition. These should be updated at least annually to reflect changes in CPI or cost of living.

Table 6.2: Relevant Affordable Housing Income and Cost Benchmarks – Rest of NSW

	Very low-income household	Low-income household	Moderate-income household
Income Benchmark	<50% of Gross Median H/H Income for Rest of NSW	50-80% of Gross Median H/H Income for Rest of NSW	80%-120% of Gross Median H/H Income for Rest of NSW
Income Range (2)	<\$794 per week	\$795-\$1,271 per week	\$1,272-\$1,906 per week
Affordable Rental Benchmarks (3)	<\$238 per week	\$239-\$381 per week	\$382-\$572 per week
Affordable Purchase Benchmarks (4)	<\$194,000	\$194,001-\$313,000	\$313,001-\$469,000

Source: JSA 2023, based on data from ABS (2021) Census and ABS (2023) Consumer Price Index, ANZ online home loan repayment calculator, [www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/](http://www.anz.com.au/personal/home-loans/calculators-tools/calculate-repayments/)

- (1) All values reported are in March Quarter 2023 dollars
- (2) Total weekly household income
- (3) Calculated as 30% of total household income
- (4) Calculated using ANZ Loan Repayment Calculator, using 13 June 2023 interest rate (6.94%) and assuming a 20% deposit for a 30 year ANZ Standard Variable Home Loan and 30% of total household income as repayments.

‘Affordable housing’ includes the full range of housing for the target groups. This can include housing that is **subsidised** in some way, from **special needs** accommodation such as group homes, crisis, temporary and transitional accommodation, and **social (community and public) rental** housing for those most disadvantaged in the housing market; to **‘key worker’ (discount market rent)** housing, and assisted or subsidised purchase, such as **shared equity**, for households who still need some assistance to afford their rent or enter home ownership.

In *some* areas, it also includes housing **delivered through the private market**, typically smaller, lower cost accommodation such as boarding houses, co-living housing, small apartments, secondary dwellings and lower cost caravan parks and MHEs, provided they meet the affordability benchmarks above.

## Housing cost and affordability in Eurobodalla LGA

There is an affordable housing crisis in Eurobodalla LGA due to demographic factors, long-term structure issues in the local housing market, and related to fires and the effects of COVID 19 on migration, living and working arrangement over the past few years. This has led to a ‘perfect storm’, with unprecedented increases in rent and purchase costs.

Although the rate of increase has slowed more recently, rents and prices are still well above their pre-COVID levels, and there is a critical shortage of smaller strata dwellings and lower cost housing types. The affordability situation for very low and low income renters in particular is bleak, with nothing affordable and/or available for most of these target groups at the time of writing. The affordability situation for very low, low and most moderate income family households is also serious, with virtually nothing affordable to renters or purchasers in this group.

Not surprisingly, there is a high rate of housing stress and unmet need for affordable housing in this context. By far the most serious affordability problem is among **very low and low income renters**, who combined make up two-thirds of all households in housing stress, and for most of whom virtually nothing was affordable in the LGA, due to cost or to availability of smaller, lower cost housing products.

As well as the overrepresentation of renters among those in housing stress, it is also noted that home purchasers often have an appreciating asset, and that their income to repayments ratio generally decreases over time. Long-term renters do not have these benefits, and are particularly hard hit where the real cost of rental continues to grow, including at unprecedented rates of recent increases.

Housing stress and potential affordable housing targets are set out in more detail in **Section 5.4.2** below.

### 6.3.3 Population and Housing Projections

The population of the LGA is forecast to grow from 40,402 in 2021 to 49,742 in 2401, an increase of 23.1% or 9,340 people. Dwellings are projected to grow by 21.5% from 24,524 to 29,789, a total increase of 5,265 dwellings, which includes provision for unoccupied private dwellings (26%).<sup>47</sup>

The largest forecast growth from 2021-36<sup>48</sup> in numerical terms is for Urban Moruya-Moruya Heads (+1,477); Broulee-Tomakin-Mossy Point (+1,109); Malua Bay-Lilli Pilli-Rosedale-Guerilla Bay (+1,051), and Surfside-Long Beach-Maloney's Beach-North Batemans Bay (+722), which also are projected to have well above average growth rates. Lower than average growth rates are projected for most other areas, including Batemans Bay-Catalina, and Narooma-North Narooma-Kianga.

The LGA is projected to maintain its much higher than average rate of people aged 60+ years (41% or almost double the NSW average), with more than one third of growth among those aged 60+ and the highest growth in absolute terms among those 75+ years, with reasonable growth among other age groups.

Importantly, by far the largest numerical change is predicted to be in **couple only and lone person households**, which together make up almost **two-thirds of projected change in households, and will be 67% of all future households**. All areas are projected to have a significant increase in lone person and/or couple only households, even areas that are projected to have the highest growth rates, which will also have a significant increase in family with children households.

This indicates a need to significantly increase housing diversity in major centres, as well as areas across the LGA, including new urban growth areas.

---

<sup>47</sup> .id Consulting (2022) forecasts have been relied upon rather than DPE (2022) projections as the former are more detailed, and more closely reflect recent historical trends, as well as other relevant factors, including availability of land for residential uses.

<sup>48</sup> .id Consulting projections are from 2021-36, and it is understood that there will not be an update in times for the release of the Housing Strategy. These projections have been extended by linear interpolation for total population, households and dwellings to 2041; however, this is a more complex and less accurate process for finer data, such as age and households type, so that the 2021-36 projections have been used for these variables.

## 6.4 Strategic Priorities

### 6.4.1 Strategic Response

The significant and growing mismatch between housing need and supply indicates a need for strategic priorities that focus on increasing the supply of smaller strata dwellings in the key centres of Batemans Bay, Moruya and Narooma, particular in lower value and non-premium (non-waterfront) localities where possible to reduce cost, increase affordability, and increase the likelihood that they will enter the private rental market rather than be used as holiday lettings. This is also in line with key policy directions outlined in Section 4 above.

The development of small lot, entry level project homes and smaller villas in lower cost release areas such as Moruya, as well as across the LGA more generally, is also an important priority to meet the needs of low and moderate income family households. This will also support housing diversity more generally, noting also that projections to 2041 indicate that there will be high growth in smaller (lone person and couple only households) across all localities in the LGA.

A range of recommended strategies and mechanism to achieve these priorities, together with the rationale for each, is set out in **Sections 6 to 9** below.

## 6.5 Housing Targets

### 6.5.1 General Housing Targets

Population and housing projections indicate that there will be 9,340 people and 5,265 dwellings in the LGA by 2041, including 26% as unoccupied private dwellings.

As noted, by far the largest numerical change is predicted to be in couple only and lone person households, which together make up almost two-thirds of projected change in households, and will be 67% of all future households. All areas are projected to have a significant increase in lone person and/or couple only households, even areas that are projected to have the highest growth rates, which will also have a significant increase in family with children households.

Given the current and projected mismatch, it would be reasonable to seek to ensure that around **70% of new dwellings were provided as more diverse dwelling types**, particularly smaller strata dwellings, and that 30% be provided as dwellings suited to families, including smaller entry level project homes to meet the need for lower cost and affordable family accommodation.

It would also be reasonable to seek to ensure that at **least 60% of new dwellings are provided as well-located strata dwellings in Batemans Bay, Moruya and Narooma**, and close to the **Batemans Bay Strategic Cluster** to meet the needs of an aging population, as well as smaller essential services workers and the growing number of smaller households more generally.

These broad indicative targets are shown in the table below.



It is also noted that the DPE (2022) dwellings projections are somewhat higher than the .id projections, likely related to the assumption by DPE that average persons per dwelling (ppd) will fall to 2.0 ppd, whilst .id assumes that it will remain constant at 2.2 ppd.

As such, the table that follows also provides the DPE total dwelling number (around 6,220 dwellings).

Table 6-3: Indicative Dwellings Target 2021-2041

Indicative Target 2021-41	%	No.
<b>.id TOTAL</b>	<b>100%</b>	<b>5,625</b>
<b>Tenure:</b>		
Key Centres	60%	3,375
G/field & other areas	40%	2,250
<b>Broad Dwelling type:</b>		
Strata (studio, 1, 2 b/r, Co-living)	70%	3,940
Larger (family) dwelling	30%	1,685
<b>DPE TOTAL</b>	<b>100%</b>	<b>6,220</b>
<b>Tenure:</b>		
Key Centres	60%	3,732
G/field & other areas	40%	2,488
<b>Broad Dwelling type:</b>		
Strata (studio, 1, 2 b/r, Co-living)	70%	4,354
Larger (family) dwelling	30%	1,866

Source: JSA (2023) based in .id (2022) and DPE (2022) dwelling projections

## 6.5.2 Affordable Housing Intervention and Targets

### Rationale

Around **75-80% of affordable housing need** is unlikely to be met through market, and would require strong planning intervention and/or direct funding or substantial subsidies to be affordable to most of the statutory target groups.

It is positive that at least **some of this need (around 20-25%) can be met through the market**, mainly through an increase in the supply of well-located, smaller strata dwellings, co-living housing, and lower cost caravan parks and MHEs, particularly where these are constructed in lower



cost, non-premium centres/localities. The development of small lot, entry level project homes and smaller villas in lower cost release areas such as Moruya are also likely to be affordable to some of the target group.

This **increase in housing diversity**, in and of itself, will be of considerable benefit to an aging population, as well as smaller households including key workers, and lower income smaller households more generally. This is particularly the case when such dwellings are constructed in lower cost or lower amenity (non-waterfront) areas, where they are more likely to enter the private rental market, and remain lower cost or affordable over the longer-term.

An increase in supply amid a serious deficit of such stock would also be likely to put further downward pressure on rental costs over time.

In particular, **increasing the supply of studio and one bedroom apartments, and smaller villas**, in lower amenity areas of Batemans Bay, and especially Moruya, will result in an increase in affordable housing for **low income renting households**, as well as increasing much-needed diversity in centres. **Two bedroom strata dwellings** may also be affordable to some moderate income renters, especially in less expensive areas.

Although there were none available for rent at the time of writing, there would be considerable benefit in developing a supply of **boarding house and co-living housing under SEPP (Housing) 2021**, with the former to be managed by a CHP, and likely affordable to very low income households on pensions and benefits, and the lowest paid service sector jobs, and the co-living housing likely affordable to most smaller, low income working households.

In terms of **purchase affordability**, data from DCJ's *Rent and Sales Report* indicates that even median priced strata dwellings were not affordable to any of the statutory target groups in the LGA, noting also the serious gap in supply across almost all Postcodes in the LGA apart from Batemans Bay and surrounds. Separate houses were well out of the affordability range for any very low, low or moderate income purchasers.

More detailed sales data from **NPData**, discussed in Section 3.5.4 above, enables a more nuanced analysis of both supply, price and affordability. This indicates that **studio and one bedroom apartments** could provide affordable purchase for smaller moderate income households and the upper end of the low income range; whilst **studio apartments** would be affordable to around 50% of low income purchasers. If developed in **lower amenity (non-waterfront) and cheaper areas of Batemans Bay, and Moruya and Narooma** these could provide lower cost and (for some) affordable housing over the longer-term.

JSA's research also indicates that cost could be reduced, and affordability increased, through some of the strategies and mechanisms set out in **Section 6** below.

However, **strong planning intervention and direct funding or subsidies** will be required to meet most of the affordable housing need identified.

This **planning intervention** is required to actively facilitate an increase in supply of lower cost and affordable housing types through the market, including to remove impediments to the creation of such housing and open up opportunities through mechanisms available to Council. Stronger

intervention is also available through the development of Affordable Housing Contribution Schemes through section 7.13 of the Act; and mandatory mechanisms where appropriate.

**Direct funding or subsidies** are available through the use of Council or other public land in affordable housing partnerships, the more efficient use of resources such as selective redevelopment of older social housing, and obtaining funding under government programs and initiatives.

As well as increasing housing supply and diversity more generally, the strategies and mechanisms in **Sections 6 to 9 below** are also likely to reduce cost and increase housing affordability for the 60% of local people who are in the statutory target groups.

In order to address issues related to cost and affordability, it is necessary to establish indicative targets to understand the nature and quantum of the problem, and to monitor progress in addressing identified need.

### Affordable (including Social) Housing Targets

By 2041, the total (current and projected) housing need is for **2,681 affordable (including social housing) dwellings**. This would mean that 50% of additional projected dwellings would be provided as affordable housing, which is perhaps not surprising, as very low, low and moderate income households make up more than around 60% of all local households.

If **projected need only** from 2021-41 is considered, this would be an additional 680 affordable (including social) housing dwellings, or 13% of total additional dwellings. Given the severity of the affordable housing crisis, it would be prudent and reasonable to plan for at **least 20% of all new dwellings (1,050 dwellings)** be provided as affordable housing by 2041. This is likely conservative given the unmet need for social housing, discussed in **Section 8.4** below.

Indicative targets set out below indicate that, by far, the greatest need will be for **smaller strata dwellings affordable to very low and low income renting households**, who will generally require deep subsidies for their housing to be affordable in the local housing market context. In particular studio, one and two bedroom strata dwellings, and lower cost and affordable housing types including co-living housing under *SEPP (Housing) 2021* in major centres are the priority, in terms of diversity, cost and affordability.

Very low, low and moderate income **families with children** are a smaller, but important target group, given the lack of anything affordable for rent or purchase for them in the LGA.

Table 6.4: Indicative Targets for Additional Affordable (including Social) Housing 2021-41

<b>Indicative Target (2021-41)</b>	<b>%</b>	<b>No.</b>
<b>Tenure:</b>		
Affordable rental	82%	861
Affordable purchase	18%	189
<b>TOTAL</b>	<b>100%</b>	<b>1,050</b>
<b>Income group affordable to:</b>		
Very low income households	68%	459
Low income households	21%	143
Moderate income households	11%	77
<b>TOTAL</b>	<b>100%</b>	<b>1,050</b>
<b>Broad dwelling type:</b>		
Smaller strata dwellings	70%	735
Larger (family) dwelling	30%	315
<b>TOTAL</b>	<b>100%</b>	<b>1,050</b>

Source: JSA calculations 2023, using data from ABS Census of Population and Housing 2021 and .id Consulting Dwelling Forecasts

# 7 Research, Policy and Advocacy

## 7.1 Overview

As outlined above, local councils in NSW are engaged in a range of strategies that seek to create or influence the supply of sustainable, diverse, lower cost and affordable housing in accordance with the Objects of the *Environmental Planning and Assessment Act 1979* (NSW).

These include strategies that are less interventionist in the market, and arguable less resource intensive. These include strategies such housing research and policy development, community education and awareness raising, setting housing (including affordable housing) targets, ensuring that there is a sufficient supply of urban zone land, and advocating for improved outcomes and a fair share of funding and resources from other levels of government.

A number of the strategies below are related to matters discussed in Sections 5.3 to 5.5 above, and discussed immediately below. Strategies related to advocacy are then outline from Section 6.3.

## 7.2 Research and Policy

### 7.2.1 Rationale

Creating a robust evidence based for sound policy and advocacy is an important role for local government, and is the aim of Eurobodalla Shire Council in commissioning the preparation of this *Background Paper* and forthcoming evidence-based *Local Housing Strategy*. The adoption of targets for to monitor implementation of the *Strategy* are also important.

### 7.2.2 Potential Strategies and Mechanisms

Noting that Council is already actively engaged with these strategies, it is recommended that Council continue its actions in relation to:

- The ongoing development and review of research as a basis for policy development and advocacy;
- The development and adoption of a Local Housing Strategy with short, medium and long-term strategies, and regular review regarding its implementation;
- Setting and monitoring general and affordable housing targets guided by those set out in **Section 5.5** above;
- Continue to ensure that there is an adequate supply of urban zoned land appropriate to current and future housing needs;
- Conduct ongoing community awareness raising and consultation forums with housing providers, government and community service agencies, and the development industry to jointly achieve desired housing outcomes;

- Make this Background Paper publicly available to support housing research, planning and advocacy by other government, private and community sector agencies, and the wider Eurobodalla community.

## 7.3 Advocacy

### 7.3.1 Rationale

Council has an important role in providing leadership in relation to housing, and in advocating for the needs of its local community with other levels of government, noting that State and Federal Government have a range of powers, responsibilities and resources not open to local government. Council can also continue to facilitate forums with developers and land owners to encourage the development of uses appropriate to current and future housing needs.

The following strategies are related to this advocacy role, particularly in relation to use of public land for diverse and affordable housing, and ways that Council may be able to support and/or help to facilitate appropriate outcomes. Other strategies relate to the need for a more robust social impact assessment process in cases where Council is not the land holder or consent authority.

### 7.3.2 Awareness raising to increase diverse and lower cost housing

#### Rationale

Awareness raising regarding needs and opportunities for diverse, lower cost and affordable housing through the market is an important leadership role that Council can play. Demonstration projects can also provide excellent examples of what is possible.

#### Potential Strategies and Actions

- Council conduct an awareness raising campaign to help landowners realise opportunities for diverse, lower cost and affordable housing including the capacity of their land to deliver additional housing in the form of:
  - Secondary dwellings and dual occupancy;
  - Medium density development (Medium Density Housing Code);
  - Increased awareness of the DA and CDC process, including steps, requirements and fees and charges;
- Council seek grant funding and/or in-kind support for demonstration projects to investigate and trial innovative housing solutions e.g. alternative building materials.

### 7.3.3 Use of Other Public Land for Affordable Housing

#### Rationale

There are significant opportunities for the **identification and use of other public land** for the purpose of diverse and affordable housing partnerships. This includes underutilised or redundant

Crown land, railway reserves, and other public land, noting that a number of State Government departments are reported to be currently undertaking strategic land audits, including to identify surplus land for residential uses, including for affordable housing.

State Government has signalled that it is willing to consider proposals on the use of government land for affordable housing partnerships in regional plans, and is considering affordable housing targets on such land. The potential for 30% affordable housing is being considered by the NSW State Government.<sup>49</sup>

It is likely that modelling conducted by JSA in relation to Council owned sites discussed later would apply to similar government sites if they were available. It is important that Council advocate for relevant government authorities to use their land in diverse and affordable housing partnerships, and to include low cost housing types and affordable housing on their land.

## Potential Strategies and Mechanisms

Noting that preliminary modelling on Council owned sites below is likely to apply to other similar located publicly owned land, advocate for other government authorities to identify **at least three sites owned by such public authorities** for diverse, low cost and affordable housing developments, including the following actions:

- Develop a register of public land suitable for re/development for diverse and additional affordable housing developments, including vacant land, redundant uses and underutilised sites;
- Assess the suitability of public sites identified with regard to locational criteria and constraints, zoning and controls;
- Conduct a preliminary assessment of economic feasibility and anticipated yield;
- Development of an appropriate mechanism for development and/or dedication of land or dwellings, which may include:
  - Partnership development with a Community Housing Provider, with land dedicated free of charge or with value recouped through sale of some dwellings; and/or
  - Development of a Planning Agreement to provide for dedication of a reasonable proportion of dwellings as affordable rental housing; and/or
  - Development of an Affordable Housing Contribution Scheme if preferred and/or to accompany the lodgement of a Planning Proposal for rezoning/upzoning of the land.
- Advocate for other government authorities to explore the potential for ‘meantime use’ of facilities such as hospitals, aged care facilities, or other health or welfare facilities while decisions are being made about future use to provide temporary housing for key workers, or people at risk of homelessness (e.g. redundant hospital facilities awaiting redevelopment).

---

49

### 7.3.4 Direct funding of Affordable (incl. Social) Housing

#### Rationale

As outlined above, at least 220 additional social housing dwellings would be required by 2041 (4.2% of additional projected dwellings) to maintain social housing dwellings at current levels.

However, it is likely that far more would be needed, taking into account the large number of very low income renting households likely to be in housing stress by 2041 (1,290 households) and that there are already 471 households on the DCJ waiting list at the time of writing, more than double the potential target for 2041.

As such, a target of **at least 500 new social housing dwellings** would be reasonable by 2041.

In addition, JSA has estimated that at least **150 additional supported accommodation places** (crisis, temporary and transitional) are required as a matter of priority.

Council is in a strong position based on the evidence in this *Background Paper* to lobby State Government for an urgent increase in direct funding of social housing to meet serious and growing local need.

#### Potential Strategies and Mechanisms

Given the existing and projected shortfall of social (public and community) housing amid serious and growing unmet need, there is a need to urgently advocate with the NSW State Government and LAHC, including for a commitment to the following:

- Funding for at least 500 additional social housing dwellings in Eurobodalla Shire by 2041;
- Funding for at least 150 additional supported accommodation places (crisis, temporary and transitional) are required as a matter of priority
- At least maintain existing amounts of social housing in all redevelopment projects and sites in the LGA;
- Allowing 'meanwhile use' of vacant properties while decisions are being made about future redevelopment of such properties.

### 7.3.5 Redevelopment of Existing Social Housing

#### Rationale

##### Overview

There are also significant opportunities for the **redevelopment of existing public housing** where this is older, separate dwellings on large lots, whether on discreet sites or clusters of sites, or precincts with a large concentration of public housing. This could be provided as multi tenure development to meet projected need for more diverse and low cost housing, as well as social housing, but it is important that there is a **net gain of social housing in the process**, and no loss of social housing stock.

There is evidence of a supply-demand mismatch in relation to existing social housing. In 2021, 25% of social housing dwellings were 3 or 4+ bedroom houses occupied by only one or two people (120 of 475 dwellings). This underoccupancy indicates that there is an opportunity to selectively redevelop older houses on large lots on LAHC land and to unlock the latent value and potential for more efficient use of such land.

Given the nature and extent of need set out above, it is important that any redevelopments on LAHC land be guaranteed to result in a net gain, and certainly no net loss, of social housing dwellings. Such redevelopment could be in the form of multi-tenure developments, such as those discussed above in relation to partnership developments on Council land, consisting of social housing, affordable (key worker or discount market rent) housing, and a component of purchase, possibly including shared equity.

Council could advocate that State Government undertake a similar process to that below in relation to LAHC land, where it identifies potential redevelopment sites (adjacent sites that could be amalgamated, or within larger estates), undertake preliminary modelling on yield and tenure mix for economic viability, and enter into discussions with LAHC/State Government regarding potential redevelopment options, required planning controls, etc.

It is also noted that such multi-tenure redevelopments would meet the twin objective of increasing affordable (including social) housing, as well as housing diversity in the market component of the development.

It is also important that Council require a social and economic impact assessment on any redevelopment plans or proposals in relation to existing social housing sites or precincts requiring approval to ensure that there is no net loss of social housing stock and to advocate for such an outcome with LAHC.

## Batemans Bay

JSA has identified a number of Land and Housing Corporation (LAHC) sites that appear to be prime redevelopment opportunities. These are:

- 5 contiguous lots at 1-9 Herarde Street, Batemans Bay with a total area of 3,200 m<sup>2</sup>. The land is zoned R3 and has 15 metres height. The site currently contains five single storey dwelling houses and could be redeveloped to provide 50 two bedroom apartments, a tenfold increase in dwellings.
- A similar site at 1 Miller Street and 86-88 Beach Road, Batemans Bay with a total area of 1,600 m<sup>2</sup> and a potential yield of 25 two bedroom apartments.
- Another site at 5a Short Street and 14,16 and 20 High Street Batemans Bay currently developed as multi dwelling housing. The site has a total area of 3,800 m<sup>2</sup>, R3 zoning and 15 metres height.

## Moruya

There are four large parcels of contiguous Land and Housing Corporation land in Moruya. These are at Jeffrey Place (about 10,000 m<sup>2</sup> across 16 lots and about 10,000 m<sup>2</sup> across 12 lots), Woodbridge Avenue (about 4,500 m<sup>2</sup> across 7 lots) and corner of Murray and Lagoon Street (about 8,000 m<sup>2</sup>



across 7 lots). The land is zoned R2 with height of 8.5 metres and currently contains single storey dwellings, mostly as separate housing but with some multi dwelling housing.

The land could be redeveloped to provide secondary dwellings or could be redeveloped as townhouses, although in the latter case the uplift would be small. As an example, four lots with area of 2,400 m<sup>2</sup> currently contain four separate houses and could be redeveloped to provide 12 two storey multi dwelling housing dwellings, a threefold increase in dwellings.

## Narooma

Land and Housing Corporation owns five contiguous lots at 10-14 Willcocks Avenue and 177 and 173 Princes Highway Narooma with a total area of 3,500 m<sup>2</sup>. The land is zoned R3 and has 10 metres height. The site currently contains two single storey dwelling houses and 12 one and two storey multi dwelling housing dwellings. It could be redeveloped to provide 36 two bedroom apartments, a 2.5 increase in dwellings.

There are three other sites zoned R2 and with height of 9 metres. These are 1-7 Chisholm Place with an area of 2,700 m<sup>2</sup> containing four single storey dwellings and a potential yield of 12 two storey multi dwelling housing dwellings; 7a-11a Costin Street and 4 Chisholm Place with an area of 3,600 m<sup>2</sup> containing six single storey dwellings and a potential yield of 18 two storey multi dwelling housing dwellings; and 5-7 Payne Street and 1-3 Isabela Street with an area of 3,200 m<sup>2</sup> containing four single storey dwellings and a potential yield of 16 two storey multi dwelling housing dwellings.

## Potential Strategies and Mechanisms

There are significant opportunities for redevelopment of Land and Housing Corporation Land (LAHC) in Batemans Bay, Moruya and Narooma to increase in the amount and diversity of social housing and affordable rental housing to meet existing and projected need, and to ensure the long-term viability of such housing stock, including through:

- Advocating with the NSW Land and Housing Corporation (LAHC) for a strategic approach to selective redevelopment of existing stock, and the funding of new social housing stock, to better meet current and projected need;
- Exploring opportunities with NSW LAHC for the selective redevelopment of concentrations of older, low density social housing (including sites identified by JSA above) to create smaller, more diverse housing types in multi-tenure developments including social, affordable and shared equity and affordable purchase to meet changing needs;
- Seeking to ensure that senior Council staff are included in any planning or negotiations with LAHC and relevant State Government departments on decisions affecting the supply of affordable (including social) housing, and entering into relevant agreements to work collaboratively on public housing renewal projects;
- Ensuring that there is no net loss of social housing dwellings as a result of any regeneration activities, including through a comprehensive social impact assessment as part of any applications;

- Advocating to State Government on behalf of local Community Housing Providers (CHPs) for a transfer of title and/or long-term (50-year lease) on existing public housing on contiguous sites in appropriate areas to facilitate the redevelopment of selected stock through increased economic viability for CHPs;
- Reviewing zoning and controls in precincts targeted for estate renewal or site-specific redevelopment where necessary to support density and increase yield.

### 7.3.6 Social Impact Assessment & Mitigations

#### Rationale

There are significant housing impacts from employment generating projects, including additional low paid key worker jobs associated with new or expanded facilities, such as the Moruya District Hospital; as well as major infrastructure projects that attract an itinerant workforce that is often better paid than local workers, and can out-compete them in the private rental market, as well as taking up scarce accommodation in motels and caravan parks.

It is important that there be a comprehensive social and economic impact assessment process that identifies local housing impacts, and seeks appropriate mitigations. These mitigations could include provision of adequate key worker accommodation as part of the facility (for example, in the case of Moruya Hospital, lower paid ENs, AINs, cleaners, kitchen staff, wardspeople, and entry level professionals. In the case of large infrastructure projects, such as the Moruya Bypass, this could include temporary accommodation for construction workers via the placement of mobile/tiny homes in appropriate road reserves, and private and public land already zoned for caravan park uses, in advance of the project commencement.

#### Potential Actions

It is recommended that Council consider:

- Strengthening its social impact assessment processes and requirements to ensure that large employment generating projects include key worker accommodation, and large infrastructure projects include temporary worker accommodation as mitigation for housing impacts in cases where it is the consent authority or has other delegated responsibilities;
- Continuing to advocate for the relevant consent authority to properly consider the social impacts of such projects where Council is not the consent authority, and advocate for appropriate housing provision;
- Continue to conduct proper peer review of relevant socio-economic studies conducted during the preparation of an EIS or similar, and seeks to have input to the approvals process where serious adverse potential impacts are identified;
- Seeking to have the project approval modified in cases where such approvals do not contain housing provision, based on the evidence in this *Background Paper*.

# 8 Facilitative Mechanisms

## 8.1 Overview

This section provides an overview of strategies that Council can engage in if it chooses to take a more active and facilitative role in the development of diverse, lower cost and/or affordable housing, including through the market. This includes the employment of a housing offices and/or seeking funding for such a position, understanding that the implementation of many of the proposed strategies would benefit are likely to be time consuming, and would benefit from a dedicated resource.

Facilitative approaches also include removing any impediments to the creation of diverse, lower cost or affordable housing in local planning instruments, and enabling the full operation of SEPP (Housing) 2021. As such, this section also reports on a detailed analysis undertaken by JSA of the main impediments to the development of diverse, lower cost and affordable housing types in the key centres and other relevant localities, together with recommended strategies and mechanisms to address these impediments. It also reports on a high level review of impediments to the full implementation of SEPP (Housing) 2021, and potential strategies to increase its effectiveness in the LGA.

Council can also be more proactive in support special housing needs in the local community, including in relation to local Indigenous residents, and potential strategies are also outlined below.

## 8.2 Housing Officer

### 8.2.1 Rationale

The employment of a housing offices and/or seeking funding for such a position would provide Council with a dedicated resource to implement a range of strategies and actions in the forthcoming Local Housing Strategy that are more time-intensive. Such a position could be funded by Council, or Council could part fund or seek full funding for such a position.

It may also be possible to fund such a position on partnership with another adjoining council, as there are likely to be cross-border housing and labour market conditions that would benefit from a combined approach.

### 8.2.2 Potential Strategies and Actions

It is recommended that Council consider the employment of dedicated Housing Officer to assist in implementing the Local Housing Strategy, and consider whether the position should be:

- Funded by Council or in part or full be another level of government;
- Shared with another council or employed solely by Council.

## 8.3 Impediments in EPIs

### 8.3.1 Overview

The main priority arising from the evidence is the need for a significant increase in housing diversity, in affordable housing and lower cost strata dwellings (apartments and villas), in well-located areas, particularly in lower amenity (non-waterfront) areas of Batemans Bay and Moruya, as well as in Narooma.

Increasing the supply of **studio and one bedroom apartments, and smaller villas** in particular, will be of considerable benefit in increasing much-needed diversity for an aging population and for low income key workers, as well providing affordable housing opportunities for low and moderate income renters and for moderate income purchasers. Such dwellings are also far more likely to enter the private rental market.

There would also be considerable benefit in developing a supply of **boarding house and co-living housing under SEPP (Housing) 2021**, with the former to be managed by a CHP, and likely affordable to very low income households on pensions and benefits, and the lowest paid service sector jobs, and the co-living housing likely affordable to most smaller, low income working households.

**Appendix C** of this *Background Report* provides an analysis of planning and economic constraints to the development of residential flat buildings, shop top housing, multi dwelling housing and land for residential uses within and around the three major urban centres of Batemans Bay, Moruya and Narooma. As well as diverse housing within centres, greenfield sites can provide opportunities to increase housing diversity and reduce cost, including for lower cost family accommodation.

It is therefore important that there are **no impediments to the delivery of such accommodation** through local planning instruments, and to provide for **additional incentives** for the market delivery of such housing where this is justified economically.

The following provides a summary of findings in relation to opportunities within E1 Local Centre, MU1 Mixed Use, R3 Medium Density Residential and R2 Low Density Residential zones within and around each of the three main urban centres, with detailed modelling and analysis set out at Appendix C. This is also supported by the findings of the regression analysis in Section 3.5.5 above. Parking constraints is an issue that applies to all centres, and so is considered first below.

### 8.3.2 Parking Constraints

Parking is likely to be a **significant constraint on viability** of residential flat buildings and shop top housing, with the DCP requiring two parking spaces for dwellings with two or more bedrooms. Council staff have advised that reduced parking in line with the *Apartment Design Guide* is currently applied to residential flat buildings in Batemans Bay.

A lesser provision **based on actual vehicle ownership for smaller dwellings**, with a further discount for town centre locations would be appropriate, and likely facilitate an increase in apartment development and reduce cost and increase affordability. The table below shows actual rates of vehicle ownership for apartments in Eurobodalla LGA.

Table 8.1: Actual vehicle ownership for apartments in Eurobodalla LGA

Number of Bedrooms	Average Vehicle Ownership per dwelling (1)	DCP requirement	Apartment Design Guide Requirement (including visitor parking)	Recommendation
Studios	n/a	n/a	n/a	0.5
1	0.74	1	0.8	0.5
2	0.99	2	1.1	1
3+	1.26	2	1.6	1.5

Source: ABS Census 2023, JSA calculation

- (1) Where households own more than one car (for 1 bedroom apartments) or two cars (2+ bedroom apartments) demand for parking has been assumed to be for one or two cars respectively.

## 8.4 Batemans Bay

### 8.4.1 Overview

Batemans Bay is the main service centre for the LGA and is a relatively low cost area for rental and purchase compared with other higher amenity town and villages, particularly in non-premium (non-waterfront) areas. It has extensive areas of R3 zoning, with redevelopment currently occurring in the housing market context. However, the supply of vacant land is exhausted, and expansion opportunities have largely been quarantined through R5 zoning and subsequent development.

As well as actively facilitating housing diversity and lower cost housing forms in non-premium areas of the town where holiday lettings are also less likely, there are extensive areas of RU3 zoned land, some of which could be considered for urban expansion subject to an assessment of environmental constraints and opportunities, including lower cost family accommodation and smaller multi dwelling housing.

### 8.4.2 Batemans Bay MU1 zoning

#### Rationale

Based on preliminary modelling, the MU1 zoning in Batemans Bay does not support redevelopment for shop top housing due to:

- High levels of onsite parking required for residential and retail; and
- The relatively high value (and/or likely high level of development) of existing commercial space in Batemans Bay.

## Potential Strategies and Mechanisms

The following **changes to controls** are likely to lead to increased viability of redevelopment in Batemans Bay:

- Remove all DCP requirements related to residential flat buildings and instead rely on the provisions of the Apartment Design Guide;
- Maintain provision for developer contributions in lieu of provision of onsite parking, with contributions used to fund provision of a parking station on existing at grade car park sites in Batemans Bay MU1 area;
- Review the parking-deficient development contribution rate, based on construction of parking stations on existing land rather than including provision for land purchase;
- Allow for parking stations to be an allowable ground floor use in the MU1 zone, coupled with provisions for active street frontages;
- Allow for residential flat buildings to be an allowable use in the MU1 zone;
- Allow for five storeys height across the MU1 zone;
- Consider increased height across the MU1 zone (noting that a height bonus is available for Seniors Housing under SEPP (Housing) 2021).

### 8.4.3 Batemans Bay R3 zoning

#### Rationale

Based on preliminary modelling, the R3 zoning in Batemans Bay supports redevelopment for residential flat buildings and this is supported by recent development in the area.

#### Potential Strategies and Mechanisms

The following **changes to controls** are likely to lead to increased viability of redevelopment for residential flat buildings in Batemans Bay:

- Remove all DCP requirements related to residential flat buildings and instead rely on the provisions of the Apartment Design Guide;
- Allow for five storeys height across the R3 zone; and
- Consider opportunities for increased height;
- Amend LEP to prohibit dwelling houses as a use in R3 zones to facilitate zone objectives;
- Amend LEP to allow Torrens Title subdivision of dual occupancies.

## 8.4.4 Batemans Bay Vacant Land

### Rationale

Based on preliminary modelling, provision of vacant residential land (and development of that land) is likely to be the most viable and effective way of delivering housing, including medium and higher density forms, in Batemans Bay, noting that development of residential flat buildings may add to the supply of visitor accommodation rather than to the supply of residential accommodation.

Council appears to have adopted a policy of urban consolidation in the area, and the price of land is much higher than would be expected based on the price of rural land and the cost of development, suggesting constraints on supply. In the absence of supply constraints, land would be expected to be selling for between \$150,000 and \$200,000 per lot. Even though most of the available land has been zoned R5 and has been developed, redevelopment of this land for smaller lots may be viable at current prices, although this may be adversely affected by service delivery for piecemeal delivery.

There may also be opportunities to undertake development on crown land currently held as state forests, and this would provide opportunities to deliver residential lots at well below market prices and/or to sell lots at current market price and support an Affordable Housing Contribution Scheme.

### Potential Strategies and Mechanisms

The following **changes to planning controls** are likely to lead to increased availability of residential land in Batemans Bay SA2 and result in downwards pressure on prices:

- Zone appropriate areas within greenfield areas as R1 with height of 11.5 metres, which would allow for residential flat building in more suitable areas;
- Identify opportunities to rezone RU1 and RU3 land for residential purposes, subject to an assessment of environmental constraints and opportunities;
- Rezone areas of R5 zoned land to R1 with height of 11.5 metres;
- Mandate for a proportion of larger lots (1,200 m<sup>2</sup> or greater) in greenfield developments to provide opportunities for the delivery of Multi dwelling housing and Residential flat buildings;
- Negotiate with the State Government to identify parcels of crown land (RU3 zoned land) that are close to urban areas and are suitable for development as residential land (discussed later); and
- Consider opportunities for implementation of an Affordable Housing Contribution Scheme (also discussed later);
- Amend LEP to prohibit dwelling houses as a use in R3 zones to facilitate zone objectives;
- Amend LEP to allow Torrens Title subdivision of dual occupancies.



## 8.4.5 Batemans Bay Masterplan Area

### Rationale

There are particular opportunities available to Council to significantly increased diverse, lower cost and affordable housing as part of the Batemans Bay master planning process, including strategies and mechanisms above, and those that follow. These can also apply to a future Moruya masterplan if funding and resources are made available.

### Potential Strategies and Mechanisms

Noting the important opportunities that exist to increased diverse, lower cost and affordable housing as part of the Batemans Bay master planning process, the following are recommended:

- Continue to prepare a **masterplan for Batemans Bay** investigating opportunities for residential development and great density. This may lead to:
  - Requirements to include affordable housing as part of developments
  - Increasing heights by amending the LEP
  - Changing development controls to increase viability of shop top housing
  - Reduced parking requirements
- Continue to seek grants and collaboration opportunities to prepare a masterplan for Moruya and associated technical studies
- Continue to prepare a masterplan for Batemans Bay investigating opportunities for residential development and great density. This may lead to:
  - Requirements to include affordable housing as part of developments
  - Increasing heights by amending the LEP
  - Changing development controls to increase viability of shop top housing
  - Reduced parking requirements
- Continue to seek grants and collaboration opportunities to prepare a **masterplan for Moruya** and associated technical studies

## 8.5 Moruya

### 8.5.1 Overview

Moruya is one of three key centres in the LGA, and part of the Batemans Bay ‘Strategic Cluster’, with significant expansion on health and community service planned or occurring. There is a ready supply of residential zoned land in Moruya, and it is a lower cost area for both rental and purchase, with lower levels of pressure from holiday accommodation (only 9.9% of dwellings compared with 33% for nearby Tuross Heads, and 27% for the LGA). As such, this is an area where opportunities to deliver lower cost housing forms and housing diversity should be maximised.



## 8.5.2 Moruya E1 zoning

### Rationale

Based on preliminary modelling, the E1 zoning in Moruya does not support redevelopment for shop top housing due to high levels of Flood Risk. As well as flood risk, there are a range of impediments in planning controls, including relative lack of viability for ground floor commercial compared with residential uses, and DCP provisions above the Apartment Design Guide, that are likely impediments of development of shop top housing.

### Potential Strategies and Mechanisms

Assuming flood risk can be managed, the following **changes to planning controls** are likely to lead to increased viability of redevelopment in Moruya:

- Remove all DCP requirements related to residential flat buildings and instead rely on the provisions of the Apartment Design Guide;
- Require residential parking in accordance with actual vehicle ownership rates in Eurobodalla LGA;
- Maintain provision for developer contributions in lieu of provision of onsite parking, with contributions used to fund provision of a parking station on existing at grade car park sites in Moruya E1 area;
- Allow for parking stations to be an allowable ground floor use in the E1 zone, coupled with provisions for active street frontages;
- Allow for Residential flat buildings to be an allowable use in the E1 zone; and
- Allow for four storeys height across the E1 zone.

## 8.5.3 Moruya R3 zoning

### Rationale

Based on preliminary modelling, the R3 zoning in Moruya supports redevelopment for one and two storey multi dwelling housing, however this does not appear to be happening, likely due to the fact that multi dwelling housing is allowable with consent in the R2 zone so that there are likely to be development or redevelopment opportunities available in the wider area which would have a greater return.

There is also a supply of larger vacant lots, and the returns on multi dwelling housing development on vacant land are much greater than the returns from redevelopment of existing housing, so there is no pressure to redevelop sites.

Construction of residential flat buildings is largely precluded by the 8.5 metre height limit outside the B2 zone, noting that residential flat buildings are likely to need four storeys to be viable, and we are advised that this would need be in areas of lower flood risk.

## Potential Strategies and Mechanisms

The following **changes to planning controls** are likely to lead to increased viability of redevelopment in Moruya:

- Identify further areas suitable for R3 zoning, and provide for height of 15 metres (four storeys);
- Amend LEP to prohibit dwelling houses as a use in R3 zones to facilitate zone objectives;
- Amend LEP to allow Torrens Title subdivision of dual occupancies.

### 8.5.4 Moruya Vacant Land

#### Rationale

There is a ready supply of residential zoned land in Moruya, and it is a lower cost area for both rental and purchase, with lower levels of pressure from holiday accommodation. As such, this is an area where opportunities to deliver lower cost housing forms and housing diversity should be maximised.

Based on preliminary modelling, provision of vacant residential land (and development of that land) is likely to be the most viable way of delivering housing, including medium density forms, in Moruya. There appears to be a plentiful supply of land, developed lots are selling for relatively low prices, and preliminary modelling suggests that development should be quite viable.

Despite the favourable economics, there was no evidence of multi dwelling housing on new lots along Caswell Street, with lots being developed as separate housing. It is not clear why development is not occurring. This may reflect greater demand and higher prices for land and multi dwelling housing in established holiday coastal areas.

## Potential Strategies and Mechanisms

The following **changes to planning controls** are likely to lead to increased viability of development of multi dwelling housing in Batemans Bay SA2:

- Zone appropriate areas within greenfield areas as R1 with height of 11.5 metres, which would allow for residential flat building in more suitable areas;
- Mandate for a proportion of larger lots (1,200 m<sup>2</sup> or greater) in greenfield developments to provide opportunities for the delivery of multi dwelling housing and residential flat buildings;
- Mandate a % of dwellings as multi dwelling housing in greenfield developments;
- Amend LEP to prohibit dwelling houses as a use in R3 zones to facilitate zone objectives;
- Amend LEP to allow Torrens Title subdivision of dual occupancies.

## 8.6 Narooma

### 8.6.1 Overview

Narooma is the third centre within the LGA and is also an important area to increase housing diversity and lower cost housing types. There are reasonable areas of R3 zoning, with much of it consisting of lower density housing, providing opportunities for redevelopment. Historically residential flat buildings have been constructed in Narooma R3 zone however parking controls appear to be constraining development, noting recent housing market conditions should favour such development.

The supply of residential zoned land is largely exhausted, which will constrain the supply of family accommodation and multi dwelling housing. There are extensive areas of RU1 zoned land to the south, and some of these may provide opportunities for urban expansion, including lower cost, entry level project homes and smaller multi dwelling housing.

### 8.6.2 Narooma E1 zoning

#### Rationale

Based on preliminary modelling, the E1 zoning in Narooma supports redevelopment for shop top housing, although lack of development suggests that modelling assumptions may be optimistic.

#### Potential Strategies and Mechanisms

The following **changes to planning controls** are likely to lead to increased viability of redevelopment in Narooma:

- Remove all DCP requirements related to residential flat buildings and instead rely on the provisions of the Apartment Design Guide;
- Require residential parking in accordance with actual vehicle ownership rates in Eurobodalla LGA;
- Maintain provision for developer contributions in lieu of provision of onsite parking, with contributions used to fund provision of a parking station on existing at grade car park sites in Narooma E1 area;
- Allow for parking stations to be an allowable ground floor use in the E1 zone, coupled with provisions for active street frontages; and
- Allow for Residential flat buildings to be an allowable use in the E1 zone.

### 8.6.3 Narooma R3 zoning

#### Rationale

Based on preliminary modelling, the R3 zoning in Narooma does not support redevelopment for multi dwelling housing. While two storey walk up apartments were modelled to be viable, these

may be difficult to deliver within the height of 10 metres and are likely to be adversely affected by DCP requirements around private open space and high levels of onsite parking.

Historically, residential flat buildings have been constructed in Narooma R3 zone, and these typically have one garage per dwelling. The current DCP requires two parking spaces per two bedrooms or larger dwelling, which is likely constraining development. Given this, residential flat buildings are not being constructed, despite favourable market conditions in the past few years.

### Potential Strategies and Mechanisms

The following **changes to planning controls** are likely to lead to increased viability of redevelopment for residential flat buildings in Narooma:

- Remove all DCP requirements related to residential flat buildings and instead rely on the provisions of the Apartment Design Guide;
- Require residential parking in accordance with actual vehicle ownership rates in Eurobodalla LGA;
- Review height controls in the light of existing development; and
- Allow for 11.5 metres height across the R3 zone;
- Amend LEP to prohibit dwelling houses as a use in R3 zones to facilitate zone objectives;
- Amend LEP to allow Torrens Title subdivision of dual occupancies.

## 8.6.4 Narooma Vacant Land

### Rationale

Based on preliminary modelling, provision of vacant residential land (and development of that land) is likely to be the most viable way of delivering housing, including medium density forms, in Narooma. The supply of undeveloped R2 zoned land appears to be exhausted.

In the absence of supply constraints, land would be expected to be selling for between \$150,000 and \$200,000 per lot. There is an extensive supply of RU1 zoned land and rezoning of this land is highly likely to be viable and would be expected to support an Affordable Housing Contribution Scheme, as discussed later.

### Potential Strategies and Mechanisms

The following **changes to planning controls** are likely to lead to increased availability of residential land in Narooma Bermagui SA2 and result in downwards pressure on prices:

- Generally, zone greenfield areas as R1 with height of 11.5 metres;
- Identify opportunities to rezone RU1 land for residential purposes;
- Mandate for a proportion of larger lots (1,200 m<sup>2</sup> or greater) or for a proportion of multi dwelling housing in greenfield developments to provide opportunities for the delivery of multi dwelling housing and residential flat buildings; and

- Consider opportunities for implementation of an Affordable Housing Contribution Scheme, as discussed in **Section 7.1** below;
- Amend LEP to prohibit dwelling houses as a use in R3 zones to facilitate zone objectives;
- Amend LEP to allow Torrens Title subdivision of dual occupancies.

## 8.7 Impediments to SEPP (Housing) 2021

### 8.7.1 Overview

*State Environmental Planning Policy (Housing) 2021* (SEPP Housing 2021) provides a range of facilitative provisions for more diverse and lower cost housing types, as well as housing needed by specific groups including affordable rental housing, social housing, group homes and seniors housing.

These can provide important opportunities in the context of the Eurobodalla housing market and housing need discussed above. As such, it is important to identify any impediments to the full operation of the SEPP in local planning instruments.

This section provides a high level analysis of such impediments in the Eurobodalla LEP and DCP.

### 8.7.2 In-fill Affordable Housing (c16-22)

#### Rationale

FSR bonuses are available for the delivery of in-fill affordable housing. These bonuses do not apply in Eurobodalla as control of bulk and scale is achieved through height, set backs and open space requirements, rather than through FSR. In other areas of the state where FSR constraints are in place, take up of the FSR bonus is constrained by the available height, that is the theoretical FSR cannot be utilised within height constraints so that often the bonus cannot be accessed.

There are also opportunities for reduced parking, with further reductions for accessible areas, noting that it is unlikely that any area within Eurobodalla will meet the requirement for an accessible area.

#### Potential Strategies and mechanisms

- Provide additional height in selected areas for development of affordable housing to provide an incentive for development of affordable housing; and
- Adopt parking controls for an accessible area for affordable housing in Council's DCP where development is within 800 metres of land zoned B4 or B2.

### 8.7.3 Boarding Houses (c22-27)

#### Rationale

FSR bonuses are available for the delivery of boarding houses. Like infill affordable housing, these bonuses do not apply in Eurobodalla as control of bulk and scale is achieved through height, set

backs and open space requirements, rather than through FSR. Again, more generally, in areas outside Eurobodalla where the bonus is available, take up of the bonus will be constrained by the available height.

Reduced parking rates are available (0.2 spaces per room in an accessible area, and 0.5 spaces per room otherwise), and these will be significant in light of the DCP requirement for two spaces per room.

### Potential Strategies and mechanisms

- Maintain existing permissibility of boarding houses (currently allowed in R2, R3, E1 and MU1);
- Provide additional height in selected areas for development of boarding houses to provide an incentive for development of Boarding houses; and
- Adopt parking controls for an accessible area for boarding houses in Council's DCP where development is within 800 metres of land zoned B4 or B2.

## 8.7.4 Residential Flat Buildings: Social Housing Providers etc (c36-41)

### Rationale

This clause applies to Batemans Bay and provides an opportunity for a Social Housing Provider to construct a residential flat building without parking. Clause 38(4) of the SEPP is not clear, however it seems that any apartments rented for market rent must have parking in accordance with DCP requirements, although, if the residential flat building is also affordable housing, reduced parking may also be available. There is also no requirement for active street frontages.

### Potential Strategies and mechanisms

- Promote opportunities with Community Housing providers; and
- Consider development of Council owned land at Hill St Batemans Bay (identified in Appendix B) for development as a residential flat building providing affordable housing in partnership with a social housing provider.

## 8.7.5 Co-living Housing (c67-70)

### Rationale

FSR bonuses are available for the delivery of co-living housing. Again, the lack of FSRs is noted as an impediment to this incentive. Again, in other LGAs where the bonus is available, take up of the bonus will often be constrained by the available height.

Reduced parking rates are available (0.2 spaces per room in an accessible area, and 0.5 spaces per room otherwise), and these will be significant in light of the DCP requirement for two spaces per room.

## Potential Strategies and mechanisms

- Provide additional height in selected areas for development of co-living housing to provide an incentive for development of co-living housing; and
- Adopt parking controls for an accessible area for co-living housing in Council's DCP where development is within 800 metres of land zoned B4 or B2.

### 8.7.6 Build to Rent Housing (c71-78)

This part of the SEPP is unlikely to have any application in Eurobodalla as no areas are zoned B3 or B8. It applies in zone B4 but does not provide any incentive over and above existing controls.

### 8.7.7 Housing for Seniors and People with a Disability (c79-108)

#### Rationale

FSR bonuses are available under clause 87, however these bonuses again do not apply in Eurobodalla due to a lack of FSR controls. An additional 3.8 metres of height is available under clause 87 (c) and this will allow for construction of an additional storey on residential flat buildings or shop top housing in Eurobodalla, providing a significant incentive to development of seniors housing.

The SEPP does not consider the situation where there are no FSR controls, but it is likely that the extra storey would need to be used for seniors housing.

Reduced parking is also available.

Take up of the various incentives under the SEPP require provision of a 'transport service' meeting a range of criteria, and in regional areas this can be met by a taxi service. The NSW government is rolling out on demand bus services in regional area (for example in Merimbula and Bega) and this service provides a low cost and practical 'transport service'.

## Potential Strategies and mechanisms

- Promote the available height bonus with the development industry;
- Adopt parking controls for an accessible area for co-living housing in Council's DCP where development is within 400 metres of land zoned MU1, B4 or B2; and
- Lobby the state government for provision of on demand bus services in the Batemans Bay, Moruya and Narooma areas;
- In terms of location, it is recommended that seniors housing should be provided in consideration of the following criteria:
  - Within 400 metres of the MU1, B4 or B2 zones in Batemans Bay, Moruya and Narooma.

### 8.7.8 Short-term Rental Accommodation (c109-114)

#### Rationale

Eurobodalla is not within a prescribed area, consequently there are no limits on letting of dwellings for non-hosted short term rental accommodation. There is a high level of unoccupied private dwellings generally within the LGA. Tourism is likely to be a significant industry in Eurobodalla LGA.

#### Potential Strategies and mechanisms

- Lobby the State government for inclusion of Eurobodalla as a prescribed area.

### 8.7.9 Manufactured Home Estates (c118-125)

#### Rationale

Manufactured home estates provide an opportunity to deliver lower cost housing. The main impediment to provision of manufactured home estates is likely to be the availability of suitably zoned land. Manufactured home estates provide an opportunity to deliver ‘tiny homes’.

#### Potential Strategies and mechanisms

- Consider opportunities to rezone well located RU1, RU4, RU5 and R5 land to allow manufactured home estates, for example by making them allowable with consent.

### 8.7.10 Caravan Parks (c126-133)

#### Rationale

Caravan parks provide an opportunity to deliver lower cost housing. The main impediment to provision of caravan parks is likely to be the availability of suitably zoned land. Caravan parks provide an opportunity to deliver manufactured homes and ‘tiny homes’.

#### Potential Strategies and mechanisms

- Consider opportunities to rezone well located RU1, RU4, RU5 and R5 to allow caravan parks, for example by making them allowable with consent.

## 8.8 Aboriginal Housing Needs

### 8.8.1 Rationale

Aboriginal families and communities often experience particular housing needs associated with demography, household size and structure, cultural needs and issues, family connections and obligations, low rates of home ownership, and additional barriers to accessing the private rental market such as racial discrimination.



Indigenous households are far less likely to be in owner occupancy (owned outright or with a mortgage) than non-indigenous residents (44% compared with 76%), although there is a similar rate of purchasing among the two groups. Indigenous people are twice as likely to be in private rental (36% compared with 18%), and 10 times more likely to be in social housing (20% compared with only 2% for non-Indigenous households).

Although Indigenous renters were somewhat less likely to be in housing stress, Indigenous purchasers were far more likely to be in housing stress (57% compared with 36% for non-Indigenous purchasers).

Indigenous people had a far younger than average age profile, with one-third aged 0-14 years, and were twice as likely to live in couple or sole parents with children households (51% compared with 26%), with only 17% living in lone person households compared with 32% for non-Indigenous households.

As well as benefiting from an increase in housing diversity and affordability more generally, actions to **increase home ownership among Indigenous households** are also likely to be important, taking into consideration cultural needs and preferences, as well as the lower incomes and higher rates of housing stress among Indigenous purchasers. Such actions could include access to special housing products, such as shared equity with a community and/or Aboriginal housing provider, and community land trust models, affordable MHEs and the like which remove the land component from home purchase. Each of these types of models also ensure that the housing purchased is affordable in perpetuity, and can be of benefit to future purchasers rather than an upfront capital subsidy, which only benefits the first purchaser and can result in a 'windfall' profit if the home is sold.

It is also important to acknowledge that the much higher rate of Indigenous households living in social housing due to higher levels of disadvantage is likely to continue into the foreseeable future, noting also that they are more likely to live in larger households, with larger and extended families and multiple generations. Previous research by JSA indicates that it is important to **increase the supply of both larger dwellings, as well as smaller accommodation for singles and couples, and affordable seniors accommodation, for people who would prefer to live independently, whilst remaining near family and community.**

Enabling Aboriginal communities to use their land for residential development, including as part of affordable housing partnerships and/or to secure affordable (including) social housing funding can be an important part of the solution. However, this often requires the resolution of existing land title claims, as well as support in planning for rezoning and development, often on land that may have considerable environmental constraints, and feasibility analysis to determine appropriate sites and actions.

JSA has identified two potential sites that could be developed for residential uses. These are:

- A 17.27 ha R2 zoned site at 28 Costin Street, Narooma owned by Wagonga LALC, which is 1.1 kms to Narooma B2 zone. A wide range of residential uses are permissible with consent including boarding houses, dwelling houses, dual occupancies, multi dwelling housing, secondary dwellings and seniors housing. Height is nine metres. There are some environmental constraints including being on bushfire prone and sloping land. The site may

be worth investigating for a range of uses, including family homes, multi dwelling housing and seniors housing;

- A 19.3 ha RU1 zoned site at Lattas Point Rd Batemans Bay owned by Batemans Bay LALC, which would warrant further investigation. The site is on the urban fringe of Batemans Bay, and 2.3 kms to the B4 zone. Although dual occupancies, dwelling houses and secondary dwellings are permissible with consent, the minimum lot size is 40 ha, and an extension of (or onsite provision) of infrastructure would be required, including an access road. There may be the potential for a Planning Proposal to rezone land to R2, or to vary controls on the land to provide for smaller lot sizes, or permissibility for an MHE that would provide for 'tiny home' development, community land trust or similar.

It is also noted that there are a number of sites owned by Crown Land that are the subject of land title claims. It is beyond the scope of this report to investigate this land, but there are likely to be sites that could provide opportunities for development for Aboriginal housing, including more innovative models or demonstration projects that are culturally responsive and meet the diverse needs of the community.

## 8.8.2 Potential Strategies and Mechanisms

There is a need to support and help to facilitate an increase in appropriate, secure and diverse housing options for local Aboriginal people, and actively support communities in addressing long-term structural inequalities in relation to meeting their housing needs, including through:

- Supporting Local Aboriginal Land Councils (LALCs) to identify suitable Crown Land that is capable of being rezoned to ensure effort is directed to feasible sites;
- Encourage LALCs to prepare Development Delivery Plans under the Aboriginal Land SEPP (or other relevant mechanism) as appropriate on suitable sites;
- Providing Aboriginal organisations with an interest in progressing demonstration projects on their own land, or suitable Crown Land, with the resources to assist with town planning, feasibility analysis and development, including in the preparation of Planning Proposals, DA documentation, as well as managing biodiversity related processes that are highly resource intensive;
- Co-ordinating and facilitating discussions between Aboriginal organisations and relevant Government authorities to identify and gain access to/gain consent in relation to such demonstration projects;
- Providing a single point of contact within Council for Aboriginal organisations seeking to progress developments, for example, in relation to planning, water, sewer, environmental issues, etc;
- Consider fee waivers in relation to development applications by Aboriginal organisations;
- Advocating on behalf of Aboriginal housing providers with State Government agencies including Land and Housing Corporation and the Aboriginal Housing Office for improved maintenance of existing stock, and the co-design with Aboriginal communities of new

- housing/redevelopment of existing stock to ensure cultural appropriateness of future accommodation;
- Conducting a more detailed housing needs analysis in close conjunction with local Aboriginal communities in relation to issues outlined above, and seek to ensure culturally relevant housing projects are developed, including the following options:
    - Co-design of culturally appropriate housing location, forms and configuration;
    - Affordable, well-located seniors' accommodation;
    - Affordable accommodation for single people/smaller households, including those with more complex needs;
    - Micro-housing clusters, and other innovative solutions;
    - Potential for other more flexible living arrangement on large lots and/or rural zoned land such as 'sweat equity' and multiple occupancy developments, including under *SEPP Primary Production 2021* (Schedule 5: Rural Land Sharing Communities).
  - Shared equity pilot scheme to support affordable home ownership and/or development as part of a land trust model or MHE (where the home is owned and the land held under shared or community title);
  - Improved maintenance, upgrade and/or regeneration of existing larger social housing dwellings; and examining the potential for secondary dwellings and/or dual occupancies on larger/consolidated lots;
  - Other housing provision in accordance with needs identified in close consultation with Aboriginal communities and organisations.
  - Support LALCS /other relevant agencies to investigate rezoning on more feasible sites, for example:
    - Certain land Merrimans LALC land at Wallaga lake to align with the residential use of this land and to increase resilience of the community.
    - Certain Cabowra LALC land in Moruya.
  - Finalise transfer of land in Bodalla to the Aboriginal Housing Company (as per resolution Council 28 March 2006)

# 9 Mandatory Planning Mechanisms

## 9.1 Affordable Housing Contribution Scheme

### 9.1.1 Rationale

The economic viability of developing an Affordable Housing Contribution Scheme (AHCS) under section 7.32 of the Act to create affordable rental housing in perpetuity has been investigated by JSA in a preliminary way in two indicative precincts. This was for rezoning of rural land to residential land, and for provision of additional height in Batemans Bay R3 zone.

This preliminary assessment indicates that both of these scenarios warrant further investigation.

- In relation to the greenfield rezoning on a hypothetical site, an affordable housing Contribution Rate of 58% was found to be viable. This indicates that a relatively high contribution rate is likely to be viable on any future rezonings in the LGA and would need to be implemented at the time of any proposed rezoning.
- In relation to the indicative R3 zoned precinct in Batemans Bay, an **Affordable Housing Contribution of 12.1% of the additional dwellings** is supported. This could be provided as units or as a cash contribution and could result in reasonable yield if the variation in height resulted in a reasonable number of additional storeys.

It is also noted that this assessment needs to be reviewed regularly, with a higher contribution rate possible if apartment prices continue to increase in real terms.

Any contribution that was obtained in cash could be used as part of a funding strategy for an affordable housing development on Council owned land, as discussed later.

### 9.1.2 Potential Strategies and Mechanisms

An Affordable Housing Contribution Scheme (AHCS) under section 7.32 of the Act is likely to be viable in indicative precincts based on a preliminary assessment, indicating that an AHCS should be further investigated in detail:

- Before any future rezoning of rural land for residential uses;
- Prior to rezoning or amendments to controls that would result in significant increase in height within Batemans Bay, Moruya or Narooma.

## 9.2 Mandating dwelling types

### 9.2.1 Rationale

Lower cost and potentially affordable housing is most likely to be provided in the Eurobodalla context through smaller (studio and one bedroom) apartments, two bedroom apartments and

through multi dwelling housing development, particularly where this is smaller such as studio, one and two bedroom dwellings.

Development for apartments is most likely to be viable in the Batemans Bay and Narooma R3 zones. It is noted that a recently developed residential flat building in Batemans Bay included 30% one bedroom apartments.

Generally, development for multi dwelling housing is viable on green fields sites around the three centres, with high rates of return modelled in Moruya due to the availability of larger lower priced lots.

These types of development are likely to add to the stock of private rental housing and lower cost housing more generally. In 2021, 43% of privately occupied medium density housing dwellings in Eurobodalla were rented, as were 63% of apartments.

Council can mandate for a mix of dwelling sizes in residential flat buildings and multi dwelling housing in areas where this is unlikely to make development for these uses non-viable, noting that this has been done by other NSW Councils.<sup>50</sup>

A mandatory requirement for a proportion of sites in greenfield development can be achieved through either a masterplan DCP or similar across a release area or precinct that identifies areas to be developed for multi dwelling housing; or through rezoning, for example, rezoning parts of greenfield areas to R3 and making dwelling houses a prohibited use in that zone. The latter can be done in R3 zones more generally to ensure a yield of new medium to higher density dwellings.

## 9.2.2 Potential Strategies and Mechanisms

In relation to centres:

- Carry out economic modelling to determine whether dwelling mix requirements would adversely affect development viability for residential flat buildings and multi dwelling housing;
- Where economically viable, incorporate dwelling mix requirements for residential flat buildings and multi dwelling housing in Council's LEP or DCP, for example -
- 20% studio and 30% one bedroom apartments in developments above 10 dwellings.

In relation to greenfield areas:

- Consider the application of a masterplan DCP or similar to greenfield development that identifies lots to be developed as multi dwelling housing; and
- Consider the rezoning of parts of greenfield areas to R3, and make dwelling houses a prohibited use in the R3 zone.

Across the LGA:

- Consider making dwelling houses a prohibited use in the R3 zone.

---

<sup>50</sup> For example, Wollongong and Inner West Councils mandate a specific mix of dwelling sizes in RFBs in their LEPs and/or DCP.

# 10 Direct Creation of Affordable Housing

## 10.1 Overview

As noted, around **75-80% of current and future affordable (including social) housing need in the LGA is unlikely to be met through the market**, and would require strong planning intervention and/or direct funding or substantial subsidies. The greatest need for affordable housing in the LGA is among **very low and low income renters**, including key workers, retired people with limited capital and people on pensions and benefits, who often require deep subsidies for their housing to be affordable.

Apart from Affordable Housing Contribution Schemes, discussed above, the main way that very low and low income renting households can be affordably accommodated is through the direct creation of affordable (including social) rental housing through **government funding**; the **use of Council and other publicly owned land** for affordable housing development/management partnerships with a registered Community Housing Provider (CHP); the more efficient use of existing social housing through **selective redevelopment** of older houses on large lots to increase diversity and address underoccupancy and long waiting times for dwellings, *provided* such redevelopment increases the amount of social housing stock; and **direct funding** of affordable (including social) housing by government.

Each of these is looked at below.

## 10.2 Use of Council Land for Partnerships

### 10.2.1 Rationale

A number of potential affordable housing demonstration projects have been identified and modelled in a preliminary way by JSA across Eurobodalla LGA. These are summarised in the Table below, along with an assessment of their likely viability, location and yield. Typically, development is funded by the sale of apartments on the private market, and modelling has assumed that land is obtained for the cost of replacing current uses.

Four sites were assessed across the LGA for their ability to deliver an affordable housing project, including likely economic viability and dwelling yield. It is noted that modelling on these **indicative sites** would also likely apply to other similarly located Council-owned sites, and has been conducted to show in a preliminary way **what could be done if Council wanted to become involved in the direct creation of affordable rental housing in perpetuity in partnership with a registered Community Housing Provider (CHP)**. As such, these specific sites are not necessarily proposed, but would provide a good return and affordable housing yield, as well as general housing diversity, if they were considered appropriate in consideration of other criteria.

The modelling provides insight into sensitivity, with development types including caravan parks, residential flat buildings and multi dwelling housing. Sites included vacant urban sites, vacant urban fringe sites and at grade car park sites. Distribution of rental dwellings among smaller and

larger dwellings and for very low, low and moderate income households has been assumed in accordance with assessed need in Eurobodalla. Lower levels of social housing would improve economic returns.

Of the four sites and four types of development considered, the best yield of affordable housing was from development of a potential caravan park site.

Preliminary evaluation shows that development of any of these sites can be self-funding, with funding obtained from a combination of private sales and rental income, without the need for additional funding, provided Council land is provided free of cost. **Any of these sites would warrant further investigation.**

It is also noted that, as well as the affordable housing yield shown below, there is also a component in each (apart from caravan parks) that would be available for purchase, with some likely to be owner occupied and others (likely a majority) purchased by investors, which will add to housing diversity and private rental, so provide wider benefits. It is also possible that some of those sold could be offered under a shared equity arrangement, affordable to low income purchasers such as key workers.

Detailed modelling on sites is provided in **Appendix D**, whilst the full list of potential sites provided in **Appendix B**. The following table provides a summary of results of preliminary modelling from Appendix D.

## 10.2.2 Potential Strategies and Mechanisms

Noting preliminary modelling on indicative sites is favourable with regard to yield of and return on affordable rental housing, the following be considered:

- Continue to investigate suitable sites for affordable housing partnership developments;
- Allocate, in principle, at least three Council-owned sites/portions of sites for multi-tenure developments close to town centres for partnership affordable housing developments in the short, medium and long-term;
- Allocate in principle two sites/portions of sites for long-term residential caravan parks with cabins and/tiny homes in the medium to longer-term;
- Undertake detailed modelling on selected sites, including in relation to preliminary drawings;
- Enter into a development and management partnership with a registered community housing provider (CHP) through a preferred partnering arrangement or expression of interest (EOI) process that seeks to maximise the amount of affordable (including social) rental housing in perpetuity;
- Develop appropriate administrative arrangements for partnership agreements, monitoring and reporting, etc;

Also progress development of Council land in Moruya e.g. in collaboration with partners to increase housing, including affordable housing.



Table 10.1: Summary Potential Affordable Housing Partnership Demonstration Projects

Site	Proposal	Comments	Preliminary Project Cost	Break even sales or estimate return	Expected no. of affordable dwellings	Accessibility	SEPP (Housing) 2021 bonuses used
Princes Highway Batemans Bay	Caravan Park	Site currently undeveloped and wooded	\$14.4 million	Estimated return 11%	180	Car Dependent. 1.3 km to Batemans Bay B4 zone	None
Pacific Street Batemans Bay	Mixed tenure Residential Flat Building development	Site currently contains a Scout Hall and is wooded	\$37.6 million	60% sales	105	Car Dependent. 1.4 km to Batemans Bay B4 zone	Seniors Housing height bonus
Murray Street Moruya (a)	Mixed tenure Multi dwelling housing development	Site currently contains vacant land	\$10.8 million (Two storey)	50% sales	12	Car Dependent. 1.4 km to Moruya B2 zone	None
Murray Street Moruya (b)	Mixed tenure Multi dwelling housing development	Site currently contains vacant land	\$3.6 million (One storey)	15% sales	13	Car Dependent. 1.4 km to Moruya B2 zone	None
94 Campbell Street Narooma	Mixed tenure Residential flat building incorporating boarding house component	Site currently contains an at grade car park, modelling assumes replacement of parking in parking station on site	\$11.5 million	68% sales	28	300 metres to Narooma B2 zone	Seniors Housing height bonus

Source: JSA 2022

**Table Notes:**

- (1) Modelling contains a number of assumptions that need be confirmed on further investigation. Yields on development will need to be confirmed by preliminary architectural design. Application of additional height available under SEPP (Housing) 2021 for Seniors development will require preliminary assessment as to whether the site meets the various accessibility criteria in the SEPP.
- (2) Rents and sales are based on median and third quartiles in the locality, and may vary with amenity of the particular site. While reduced parking has been assumed in accordance with SEPP (Housing) 2021, this may lead to reduced sales prices, and reduced yield and increased parking may provide better returns. Market conditions for sale of housing, rent and construction are changing rapidly at the time of writing, and will need to be further evaluated.
- (3) Modelling has assumed apartments split 70:30 between one and two bedrooms, however the proportion of two bedroom apartments could be increased.



