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# **LISMORE AFFORDABLE HOUSING STRATEGY**

**FOR THE  
LISMORE CITY COUNCIL**

## **Report on Issues**

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### **Disclaimer**

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## EXECUTIVE SUMMARY

This paper presents the key findings from the first phase of the Lismore Affordable Housing Strategy project, which has primarily been a research phase, and it identifies the key needs and issues which have emerged. The contents are based partly on quantitative sources (notably the 1996 Census), but also on local consultations, particularly through two Discussion Groups held in July.

### Influences on demand

- The population growth of the late 1980s has all but ended and the number of residents in the LGA grew by only 0.6% per year from 1991-6.
- There have been recent declines in the number of younger people (under 35) and a balancing growth in the number of over 35s in the LGA.
- Half the households in the LGA comprise only one or two people.
- Individual incomes are slightly higher, on average, than elsewhere in the Region, but a substantial number of residents survive on low incomes.
- Particularly disadvantaged groups which are strongly represented in the LGA, include the unemployed, single parents, aboriginal people, and independent young people under 21.
- Extensive public service job losses in recent years, and the insecurity which has continued in the wake of this, have undermined the confidence of home buyers and investors.

### Land Availability

- Land supply is not currently affecting the development industry, largely because activity levels are so low.
- Much of the land identified for future residential use is not readily developable, particularly in cases where additional infrastructure (eg sewage) will be required. Consequently, most new development is focussed in Goonellabah.
- Once Council has determined its Rural Settlement Strategy, residential development land will have been identified in urban (including infill/redevelopment), village and rural locations.

### Council Policies:

- In general, Council policies are seen as neither impeding or promoting the provision of affordable housing.
- Developers' main concern about current policies is the level of Section 94 contributions, which they see as having rendered land development unprofitable.
- The likely impact of policies like Council's Residential Development Controls on possible innovative housing projects in future, requires more investigation.

### The Housing Market:

- Weak demand has led to falling home prices since 1994, and the average house price is now \$118,000.
- There is no reported shortage of rental housing, except in certain villages. Rent levels have not increase in real terms since 1990.



- An examination of recent trends reveals a large increase in the proportion of renters in the local population while the proportion of home buyers with mortgages has shrunk.
- Access to rental housing is reported to be a bigger problem than affordability, with around a quarter of applicants to agents rejected as "unsuitable".
- Over 80% of the LGA's housing is detached.
- Almost all the medium density dwelling stock is rented. Home buyers apparently consider that living in a townhouse or unit carries a degree of social stigma.
- Overall, housing affordability is good on the open market, and the industry sees little scope to bring in additional renters or buyers who are currently unable to afford appropriate housing.
- The limited housing options in the area were referred to repeatedly during consultations. In particular, there is demand for more options in village and rural areas, and for the approval of more multiple occupancies.

### Housing needs.

- Significant number of residents have needs which cannot be met on the open market, usually because they have a low income or special needs (eg wheelchair users).
- Community housing and public housing provision are not likely to see significant expansion in the near future, despite rising levels of demand, because of funding reductions.
- Medium term and permanent accommodation for independent young people (mainly aged 21 or less) is in critically short supply, mainly because of the very low incomes of this group.
- Other key needs have been identified as:
  - supported housing for the mentally ill
  - permanent housing for single people on low incomes
  - medium term and permanent housing for sole parents
  - village housing options generally
  - affordable rental housing for older people.

### Conclusions

- If current economic and demographic trends continue, it is likely that existing housing needs and issues will worsen.
- Current affordability on the open market is good. However, a significant proportion of residents have incomes too low to benefit from this, or cannot gain access to appropriate housing for a variety of other reasons. The most immediate impact would therefore be achieved through additional provision through government funded programs which offer low rents linked to income.
- There is scope for joint venture approaches involving the private sector, Council, North Coast Community Housing and/or community based groups.
- **Poor housing choice** is a significant issue in both urban and rural contexts. Council may be able to influence this.
- The potential impact of Council policies on innovative or affordable housing projects needs **more investigation**.



## 1. INTRODUCTION

This paper presents the initial findings from the first phase of the Lismore Affordable Housing Strategy project.

The project is being carried out for Lismore City Council by Brian Elton and Associates, housing, planning, health and social policy consultants. It has a number of elements:

- 1. A housing needs analysis, which will identify the sections of the community whose housing needs are currently not being fully met.*
- 2. A review of Council's planning policies, to identify changes which may be needed to make it easier to produce affordable housing.*
- 3. A review of affordable housing models, to establish which might be viable in and around Lismore.*
- 4. A description of a sustainable affordable housing program, possibly including a demonstration project or joint venture.*

This paper is primarily concerned with the first two elements. It investigates the housing needs context in the Lismore Local Government Area (LGA), and makes a preliminary overview of the policy context.

In particular, the paper presents an analysis of

- Demographic influences on housing need and demand
- Economic influences on housing need and demand
- Supply and demand in the housing market
- Council's policies towards housing and residential development
- Housing needs

This project is being carried out consultatively, and the contents of the paper are therefore based on discussions with local stakeholders, in particular those which occurred during two focus group sessions in July 1997, one with members of the local housing and real estate industries (the "Market Group") and one with people representing various forms of housing need (the "Needs Group"). It is anticipated that wider consultations can occur in subsequent phases of the project, particularly in relation to possible housing related initiatives or policy changes.

Extensive use has also been made of ABS Census data, particularly the recently released initial findings of the 1996 Census.

### ***Affordable housing***

The term "affordable housing" may need to be clarified, because a home which is affordable for one person may not be affordable to another. In fact, this "relative" affordability is the key. It means that people with reasonable incomes can usually choose among a variety of different homes. Those on lower incomes have much less choice, and some people's incomes are **so low that they have no choice** at all. The aim of an affordable housing strategy is therefore:



- to identify ways to increase the amount of housing available (to rent and buy) to people on low incomes or with special needs;
- to identify ways of meeting a wider variety of needs by increasing the choice of housing available (in terms of size, design, location etc.).

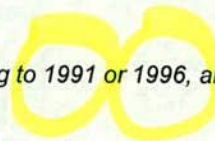
### **Medium density housing**

Research shows that, given a choice, many smaller households prefer small homes or units. This preference is dependent on homes of an acceptable quality being available in acceptable locations. Promoting housing choice therefore includes encouraging the provision of homes of a variety of types (not just detached houses) in a variety of locations.

It takes time for the market to come to terms with contemporary forms of housing. Developers have to work out which designs and locations people like, and consumers may be slow to adapt to types of housing which they have not previously experienced. Good quality townhouses and units may not be cheaper than existing housing options, but in the long run, they provide an important component of housing supply for a changing population.

This project will therefore be looking not only at affordability in the sense of the cost of housing, but also at housing choice.

*Readers should note that data in this report which is given as relating to 1991 or 1996, and which is not referenced further, is drawn from the ABS Census.*





## 2. KEY INFLUENCES ON HOUSING NEEDS AND DEMAND

### 2.1 DEMOGRAPHIC INFLUENCES

The main demographic influences affecting housing are population growth, changing household sizes, and changing population structure (age structure, household types etc.).

- **Population growth**

The North Coast region is the fastest growing in NSW, but the 1996 Census has revealed that estimates of population growth in the Lismore LGA have been excessive since 1991.

**Estimated resident population  
Lismore LGA**

1981	34,550
1991	42,219
1996	43,547

ABS data

The population growth rate in the 1980s was as high as 2.4% a year. Since 1991, population growth has slowed down dramatically, to an average of only 0.6% per year.

The most recent (1994) Department of Urban Affairs and Planning projections suggested continuing moderate growth from 1991 to 2006, to reach a total of 52,400 by 2006, but these figures will certainly have to be revised downwards in the light of the above data.

Population growth is a result of migration (into and out of the area), and natural increase (birth rate less death rate).

#### ***Migration***

Inward migration has represented much of the past population growth in the area. 1996 data is not yet available, but the 1991 Census showed that 23.7% of the population had moved into the LGA during the previous five years. Of these, most arrived from elsewhere in NSW. Only around 1% had migrated from overseas.

Outward migration - departures from the LGA - is difficult to quantify from available data, but the 1996 Census reveals substantial reductions in the number of residents within younger age groups since 1991, which can only be explained



by people leaving the area. Most of the departures are young families and independent young people under 25.

### ***Natural increase***

The birth rate in Lismore is similar to that elsewhere in NSW (1.4% per year). The most recent available data (ABS figures for 1994-5) shows that the number of births was almost double the number of deaths (592 compared with 293). The impact on population growth is probably reduced by the outward migration of young families from the area.

## **• Age Structure of the Population**

In 1996, 11.7% of the population was aged 65 or more, a rise from 11.4% in 1991 and 10.9% in 1981. This is below the State average of 12.7%, and well below the average for nearby North Coastal shires. Nonetheless, the trend towards an ageing population is evident.

**Age structure of the population  
1991 and 1996 Censuses**

Age Group	Percent of 1991 residents	Percent of 1996 residents
0-9	16.1	14.7
10-19	18.0	17.2
20-29	13.7	13.7
30-39	16.2	15.1
40-49	12.6	15.1
50-59	8.3	8.9
60-69	7.4	6.9
70+	7.8	8.3

Note: May not total 100% due to rounding

Perhaps of more concern are the significant falls not only in the proportion but also in the actual number of younger residents up to the age of 35. These reductions are spread across so many age groups and are so large that they can only be explained by people departing from the area. Each five year age group under the age of 35 shrank by several hundred people between 1991 and 1996, with the exception of the 20-24 group. (It is likely that this exception is entirely explained by the growth of University enrolments.)

There were, for instance, 295 less children under 10 in the LGA than in 1991 and 563 less young adults in the 25-35 age range. This young family group represents, of course, a key section of the working population and of housing demand.

## **• Household size**

Average households are becoming smaller everywhere in Australia, and Lismore is no exception. 1996 data is awaited, but in 1991, 2557 people (18.9%) lived alone. A further 4236 people (31.3%) lived in two person households. Average household size is expected to continue to decline steadily over the coming



decade, and an increasing majority of the population will comprise only one or two person households.

Two thirds of people living alone, and 82% of two person households, lived in detached homes in 1991.

Household sizes can also be considered by looking at the occupancy rates of homes in Lismore. The average detached house was occupied by 3.03 people in 1991. The average medium density home was occupied by 1.7 people.

Throughout Australia, occupancy rates are falling and will continue to fall.

There is therefore a poor match between household sizes and dwelling sizes - indeed most small households have at least two bedrooms more than they require for their own use.

### • Household types

In 1991, there were about 14,000 households in Lismore. 10,200 of these were families. The large number of one and two person households has already been noted.

#### *Sole parent families:*

15.9% of families were sole parent families (compared to an NSW average of 13.1%). Sole parent families are more likely than average to suffer housing affordability problems.

#### *Group households*

About 6% of households were group households, possibly reflecting the substantial student population.

#### *Students*

At the time of the 1991 Census, there were 3933 students enrolled at the Southern Cross campus. This includes full and part time students, including local students living with their families.

### **Key questions**

1. There is an increasingly poor match between the local household sizes, which are falling and the make-up of the local housing stock, which remains predominantly three bedrooms. Are smaller households looking for smaller homes?

The local housing industry says there is not much demand for small houses, or for units, except as investment properties. This seems to be because, for a home of similar quality, it is not possible to produce smaller homes much cheaper than larger family homes. This is discussed



in more detail later. However, the Department of Housing notes that there is acute demand for small dwellings, especially for older people.

2. What level of housing production will be required to keep up with future population growth?

Unless there is a turn-around in the economy, population growth will probably not be significant for some years. The sources of housing demand will be household formation and inward migration.

3. Is the market able to respond adequately to "non traditional" household types - young people sharing, older people etc. - who often do not wish to live in a detached suburban home?

Most home buyers are families looking for family housing. Groups of young people usually rent, and seek cheaper older homes. There may be latent demand for small homes from older people, single people, childless couples etc, but these groups usually look for housing in accessible locations. Such locations in the Lismore town area are not currently seen as desirable residential areas.

## 2.2 ECONOMIC INFLUENCES

Even when demographic factors indicate demand for housing, buyers and investors tend to hold back when economic circumstances are not favourable.

### • Incomes

#### *Household incomes*

Data from the 1996 Census shows that the number of individuals earning under \$16,000 a year represented about 59% of the population, almost the same, despite inflation, as the 1991 figure of 59.6%. (Precise comparisons with the 1991 Census are difficult because of a change in categories.)

#### **Weekly income (Persons) 1996 Census**

Income per week	Percent
Nil or negative	6.2
\$1 - \$ 79	5.9
\$80 - 159	20.1
\$160 - 299	26.5
\$300 - 499	21.2
\$500 - 699	10.5
\$700 - 999	6.2
\$1000 +	2.4



The median individual income in 1996 was \$236 a week - higher than the regional average but well below the NSW average of \$298. However, such population-level averages are probably of limited value in the Lismore context, because the situation of different groups varies so much:

- Young people typically have very low incomes. Only 2.9% of 15 - 19 year olds earned \$300 a week or more. (1996 Census)
- Single people and childless couples have considerably lower incomes than the NSW average, but family incomes are on average higher.
- Rural areas have generally lower incomes than urban areas. In 1991, 16.6% of urban families had incomes under \$16,000 compared to 28.9% in rural areas. (1991 Census)
- Only 2.4% of individuals earn over \$52,000 a year. (1996 Census)

For present purposes, it is clear that there are a very significant number of people with incomes so low that they are likely to experience housing affordability problems in the Lismore area.

### ***Disadvantaged groups***

Several population groups typically experience much lower incomes (and consequent housing affordability problems) than average. Several of these are well represented in Lismore.

*Sole parent families* - 12.1% of families had only one parent, compared to the NSW average of 8.7%. (1991 Census)

*Aboriginal people* - in 1996, 2.3% of people identified themselves as Aboriginal or Torres Strait Islander, somewhat higher than the State average. (1996 Census)

*Non English speaking background* - Lismore has a lower proportion of NESB people than the State average, and most of those born overseas came from English speaking countries. However, around 3.6% of the population speaks a language other than English at home. (1996 Census)

*People with disabilities or other special needs* - groups whose needs may require particular forms of housing provision are discussed in the section on Housing Needs.

### **• Unemployment**

Lismore has for some years experienced higher levels of unemployment than the State average. In 1980s, unemployment rates were among the highest in NSW, but this was down to 11.6% in January 1997 (CES data). This is still above the NSW average.

Consultations suggest caution in interpreting data because many of the jobs lost were white collar positions, while more recent jobs have tended to be casual and



part time. A large number of people are also said to have withdrawn from the labour market and no longer show up on statistics.

Young people under 19 experience particularly high rates of unemployment.

### • **Job insecurity**

Since 1990, there has been a wave of white collar job losses in Lismore town, particularly in the public service. This appears to have had two effects:

- many people, especially younger families, have left the area;
- insecurity among people still in jobs is high.

Both factors have severely affected the housing market, because of a loss of potential home buyers and unwillingness among those suffering job insecurity to take on a mortgage.

Recent data on the occupations of residents of the LGA is not available, but in 1991 (Census data), large numbers of people worked in fields which have suffered job losses in recent years - notably community services (24.2%), general services (6.9%), agriculture (7.3%) public administration and defence (8.8%) and manufacturing (9.5%).

### • **Rising coastal house prices.**

Adjacent coastal areas, especially Byron Bay, have experienced a property market boom over the last few years (although this now appears to be waning). It has been postulated that this could affect Lismore through people having to leave the coastal strip for cheaper housing inland, thus putting pressure on cheaper housing inland. Local sources say there is no evidence of this.

### • **Housing finance**

Unlike local factors, which are largely negative in their impact, mortgage finance for house purchases is currently cheaper than for 30 years and more readily available than ever before. This is of little benefit to those on incomes too low or insecure to consider buying a home.

## **Key Questions**

1. Are there more people unable to afford appropriate housing now than in the past?

Probably yes, although it appears that affordability has been an issue since at least the late 1980s. The proportion of the population with low or very low incomes remains high - indeed, in real terms the poorest half of the population appears to be getting poorer - and very cheap housing options (eg caravans, improvised homes) are becoming less available and more expensive.



## 2. Are disadvantaged groups on the increase?

Almost certainly, yes, although data is inadequate to give a complete picture. Unemployment is lower than it was ten years ago, but large numbers of households rely on DSS allowances and pensions and many working people are in part time and low paid employment.

Young people under 21 experience particularly low incomes, and the number of young people living independently is increasing everywhere in Australia, including Lismore. Older people also experience low incomes: many own their own homes, but for those who are renting, affordability can be a major problem. The number of older people in the population is, of course, growing. The other large disadvantaged group is sole parents.

While the number of Aboriginal people appears to be increasing rapidly, this is known to be primarily because more and more people are identifying as Aboriginal for the first time. However, indigenous people continue to exhibit low incomes and high levels of housing need.

## 3. What types of buyer and investor are being held back by job insecurity?

The middle income groups, which have previously provided the core of local housing demand, have been particularly hard hit by job losses and insecurity. Many appear to have left the area.

## 4. How healthy are the prospects for the local economy?

The consultants are unable to answer this question. Discussion groups indicated that many people are worried about the future, and many expect Council to take the lead in attracting employment - and sustaining existing employers like the University.

# 3. LAND AVAILABILITY

## • Developable land.

### *Urban*

The availability of residential land appears to be adequate for current needs, given the depressed state of the market. However, most of the readily developable land is in Goonellabah. The Urban Development Strategy suggests that infill development in the CBD and inner suburbs is to be encouraged, but this depends on site availability and in places on flood prevention works. Consultations with people from the housing industry suggested that there would be some take up of sites in these areas (including redevelopment sites) if they were readily available and easily developable, but that their development would not currently be viable at current contribution levels for infrastructure and section 94.



Identified areas for urban expansion on the Northern Ridges and the new community of Monaltrie depend on infrastructure projects.

The Urban Development Strategy suggests that over 10,000 people could be housed in infill developments within the CBD and inner suburbs, with 6300 more South and East of the University. This must be seen as a tenuous estimate given the limited availability of developable lots in these areas. The expansion of Goonellabah would accommodate up to 8000 more.

### ***Rural areas***

Council has an existing Village Development Strategy, dealing with existing 2(v) zones. The Strategy provides for expansion within 2(v) zonings of five larger villages, and for the creation of a new village (Caniaba). A number of hamlets are listed for further examination. It anticipates demand for village housing for around 1300 people by 2006. Village development (and development costs) is severely restrained by absence of sewage facilities in most villages, and restricted capacity in others.

A new Rural Settlement Strategy is under preparation. This would address the 18% of population growth which is expected to occur in rural zones. It is expected that the Strategy will seek to reinforce existing settlements using a (physical, social and service) catchment approach. In practice it would increase provision for rural development by adding land releases for rural residential and related forms of subdivision to existing provision for village development. (Multiple Occupancy development would be suitable for some locations but this depends on decisions about State and Council policies).

### **• Restraints on development - flood plain, slopes etc**

Large areas are too steep to be readily developable. The construction of a levee is recognised as a priority to encourage further development in the CBD and inner suburbs. Strategies for development in rural villages recognise that there will usually be areas of undevelopable land within any zones defined for future residential use. More generally, development controls will seek to avoid development on good agricultural land and in flood prone areas.

### **• Constraints due to sewer capacity**

Many of the locations identified for urban development require new sewage facilities. Other infrastructure requirements may affect the developability of land.

### **• Public transport**

Outside Lismore, public transport is generally poor or absent. Even in Lismore, the cost and frequency of public transport is a problem for many people.

In principle, the preferred locations for housing for people on low incomes, who cannot afford to run a car, is likely to be close to shops, services and employment. This makes the Lismore CBD particularly suitable. It is recognised, however, that for a variety of reasons, many people with low incomes or special housing needs want to live in villages or rural areas.



## • Restraints on rural development

High levels of unmet demand are reported for affordable housing (notably rental housing and Multiple Occupancies) in village and rural areas. Constraints on new development include development controls, infrastructure availability - particularly sewage facilities - and the withdrawal of SEPP15, which has ended new M.O. development.

### Key Questions

1. Are constraints on the developability of residential zoned land affecting the supply of housing sites?

Not at present, largely because demand is weak. In the longer term, however, there are a variety of impediments to the development of most of the land identified for future residential use.

2. Is developable land availability restricting provision in certain locations (eg CBD, villages, rural areas)?

Not in the short term, but there are currently disincentives to development (like flooding susceptibility and the absence of sewage works) in many areas, including much of the CBD, which is reinforcing the focus on Goonellabah.

## 4. COUNCIL POLICIES

Council planning and building policies are often the biggest single influence on the type and cost of housing available in a locality. Councils are responsible for the zoning of developable residential land, key aspects of infrastructure provision, levies for open space and community facilities, controls on the form and density of development, and design and building controls, and so on.

As well as regulating development, Councils have powers to promote particular types of housing provision, for instance through joint ventures or planning incentives.

The consultants have reviewed the LEP and other key strategic and policy documents, to assess their impact on housing affordability and choice. This review is based on key principles and components of the policies and not on a line-by-line analysis.

## • Lismore Local Environmental Plan 1992

The purpose of the LEP is to regulate land use by allocating land uses to geographical zones.



## Zones

There are three main residential zones: 2A - Urban Residential; 2V-Village Residential; 1C - Rural Residential. All of them permit dwelling houses without the need for development consent. 2A and 2V permit "residential buildings" (ie other forms of dwelling, like townhouses and flats) subject to consent. 1C does not permit residential buildings.

A number of other zones also permit residential uses:

- 1A, B and R: General Rural; Agricultural; Riverlands.
- 1D: Rural Investigation
- 2F: Flood Liable Residential
- 3A: Business
- 3B: Neighbourhood businesses

Zones 1 and 2F permit dwelling houses with consent, while residential buildings are not permitted. 3A and 3B allow residential buildings with consent but prohibit dwelling houses, unless they are attached to or used in association with business uses.

## Lot Sizes

The LEP defines minimum lot sizes for various residential uses. In 2A and 2V zones, a minimum lot size of 400m<sup>2</sup> applies to all dwellings unless the subdivision plans shows the location of the dwelling on the lot, and this is found to be appropriate. Dual occupancies are permitted on lots of 600m<sup>2</sup> upwards, subject to a maximum of 25% of lots in a new subdivision.

In rural areas, minimum lots of 2000 m<sup>2</sup> apply in Rural Residential (1C) zones, 20ha in agricultural zones and 40ha in other zones.

## Comment

- *General*

The development industry is relatively happy with the LEP, which does not present significant obstacles to its activities. Overall, therefore, only minor update is suggested.

- *Urban residential*

A single zoning is used for both lower and higher density housing. This appears to be acceptable to residents at the moment, but in time it may be preferable to be adopt two residential zones, to differentiate locations with a low density character from more accessible locations where a higher density is appropriate.

- *Business Zones*

Some of the areas zoned Business contain some housing. It is likely that businesses will be the "highest and best use" in these zones, and the loss of residential accommodation in them will therefore continue.



- *Structure*

The progressive amendments to the LEP mean that it is now complex, and it is not easy to find all the relevant provisions on some topics, eg lot sizes. The document would be more user-friendly if it was updated and restructured, whether or not the zones are to be changed.

- **DCP 14: Residential Development**

The DCP primarily addresses medium density developments, which must obtain development approval. It adopts a "performance" approach, taking eight design elements and identifying controls which must be met unless the applicant can demonstrate to Council's satisfaction that objectives have been met.

**Comment**

- *General*

Although applicants are given the choice of meeting "controls" or showing how "objectives" have been met, the document is written in a discursive style which in many cases means that it is not clear whether a statement is meant to be read as a control, an objective or simply as a piece of advice. To provide clarity to applicants, more specific statements/listings would be useful.

- *Application to dwelling-types*

Although apparently applicable to all situations where development approval is required, it is difficult to see how apartments or flats could be assessed under the terms of the DCP. For instance, in the case of medium density housing it is suggested that no more than 3 dwellings should be provided under one roof. Whilst recognising that apartments are unlikely to be desirable in many situations, the DCP should be flexible enough to address them.

- *Suburban Focus*

Although this is not specifically stated, the DCP is aimed at suburban development situations. Development or redevelopment opportunities occurring in the CBD, the Inner Suburbs or in mixed use retailing areas cannot practically be accommodated within its requirements. For instance, minimum lot size and scoping requirements and site coverage guidelines are not appropriate for such situations and building envelope controls envisage freestanding buildings surrounded by landscaping. (This issue could be addressed by limiting the applicability of the DCP to certain zones or locations).

- *Onsite Parking*

Once again, while the provisions are probably appropriate for suburban situations, requirements may be excessive for some mixed use/retail areas (eg the CBD) where ample parking is already available and where it may be desirable not to encourage car ownership.



## • **Lismore Urban Development Strategy**

This strategy seeks to identify appropriate residential land supply to cover development needs 1996 - 2020 in the Lismore urban area. Its approach involves assessing the suitability of land, the availability of infrastructure and actual or potential connectivity to public transport.

On the basis of DUAP population projections and ABS occupancy projections, a requirement for 2420 additional lots by the year 2006, and 6510 by the year 2020 is identified.

The strategy identifies the following order of priorities.

1. CBD Infill and redevelopment. Capacity up to 4300 additional people.
2. Inner suburbs - Infill and redevelopment capacity up to 6100 people
3. University S&E. Capacity 6300 people
4. Goonellabah S. Capacity 2600 people
5. Goonellabah E. Capacity 6000 people
6. N Ridges expansion. Capacity 4200 people
7. Monaltrie: Capacity 6500 people

The strategy recognises that current activity focuses on the Goonellabah area, and that incentives will be required to promote development in the CBD and Inner Suburbs.

### **Comments:**

- *Population projections*

The Strategy is based on strong population growth of 1.7% a year. It is likely that these projections will be reduced dramatically in the light of recent population trends.

- *Implementation*

The Strategy sets priorities for development which differ significantly from existing trends, particularly in seeking a focus on infill and redevelopment in the CBD and inner suburbs. It does not identify implementation options, and it appears that little has subsequently been done on implementation.

## • **Lismore Village Development Strategy**

The strategy identifies means by which demand for additional village housing may be met over the period 1996 - 2020. It is derived from a process which considered development constraints and access to infrastructure, and a ranking against 16 key issues, for instance service ability by public transport and access to employment. The need to retain village character and the requirement to provide on-site sewage treatment in most villages are recognised to be especially significant.

Demand analysis based on anticipated LGA wide population growth of 23,420 over the period, and 15% of demand being for village housing, suggested a lot demand of 1170 over the period.



The preferred composite option features

- consolidated development in Nimbin and Clunes
- establishment of a multifunctional bus service between Nimbin and Lismore
- a future satellite village at Caniaba
- upgraded and extended bus services between Lismore, Monaltrie and Caniaba.

At most, the Strategy envisages 200 extra lots in any one village up to the year 2020

### **Comment**

- *Population projections*

As mentioned above, population projections for the LGA can now be seen to be excessive.

- *Affordable housing*

It is unlikely that the Strategy will allow housing which is affordable to people in lower income groups to be provided. This is inevitable given the expressed needs to maintain village character (by setting minimum lot sizes of 2000 m<sup>2</sup>) and to provide on-site sewage treatment (except in Nimbin).

- **Lismore Rural Development Strategy**

At present, this Strategy is in draft. It proposes a four stage process for rural development planning:


- The Rural Development Strategy (at LGA level)
- Locality Development Strategies (in the form of DCPs)
- Precinct Development strategies prepared by developers, to accompany rezoning applications
- Property Development plans to show subdivision design

The Strategy defines five main types of rural development:

- Rural Residential Estate
- Hobby Farms
- Rural Retreats (individual residences)
- Multiple Occupancies and Cluster farms
- Dispersed rural household

The Strategy adopts a catchment (physical, social etc) based approach and recognises constraints on development resulting from topography, land quality etc. On the basis of an assumed demand for 60 dwellings per year, it suggests approval rates of 35 lots Rural Residential, 15 Multiple Occupancy dwellings, 5 Dual Occupancies and 5 Hobby Farms etc.





Suitable locations for this development are indicated. Notably, six localities (in the North and West of the LGA) are identified for potential Multiple Occupancy development.

### **Comment**

- *Population projections*

As above, the Strategy is based on population estimates which are out of date.

- *Affordable housing*

The only form of new rural housing likely to be available to people on low incomes is Multiple Occupancies.

- **DCP 20: Multiple occupancy**

Multiple occupancies were first created in the Lismore area, which still has the largest number of approved M.O.s of any LGA in Australia. SEPP 15, which provided for M.O. developments, was withdrawn by the State Government shortly after it came to power. However, Councils now have the power to make their own provisions for M.O.s, but to date Lismore is understood to have decided not to do so. Consequently, this DCP is currently unused.

Multiple occupancies are a controversial issue in the LGA, and the issue has inevitably become political. There remains strong and vocal demand from some quarters for M.O.s to be permitted once more. Consultations to date indicate that M.O.s are frequently seen as an important and valid option for a section of the population which wishes to live in a rural location but not in a traditional form of dwelling. Furthermore M.O. housing is generally very affordable. Members of the housing and development industries consulted for the project seem not to object to the principle of M.O.s, so long as they are located away from "conventional" settlement.

- **Engineering standards (eg roads)**

Council's standards appear fairly traditional at the moment, particularly in regard to roads. However, a new subdivision DCP is proposed, and this is likely to adopt AMCORD based standards.

- **Developer contributions**

Section 94 Contributions were the single biggest issue of dissatisfaction raised in consultations with the development industry. The main complaints were the tripling of contributions over the last five years, and the indexing of contributions to the Building Costs Index rather than CPI.

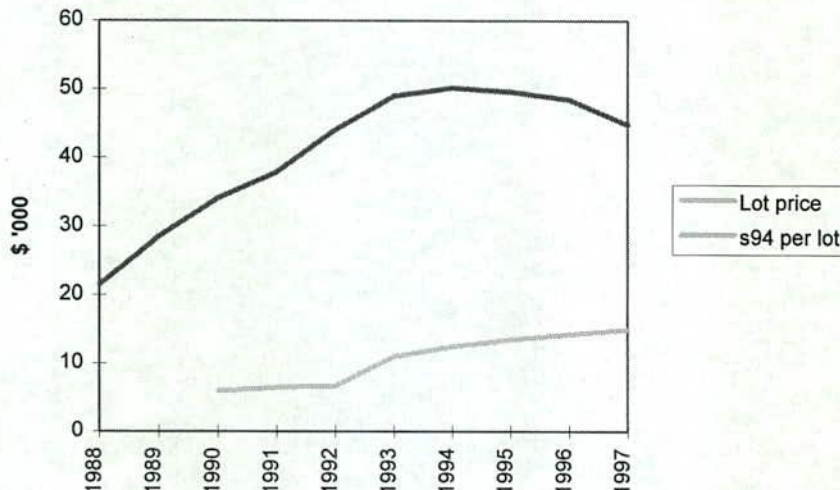
It was reported that section 94 contribution s are now around \$15,000 per lot. Remaining infrastructure costs are about \$22,000 to \$23,000 a lot, making a total of \$37-38,000 a lot.



Land prices have been falling since 1994, to an average of under \$45,000 a lot this year. In most circumstances, land development is not viable at these prices.

The view that contributions should be on a sliding scale, rather than fixed, was put forward during consultations. Section 94 and infrastructure contributions mean that the cost of an 800 metre lot is very little different from that of a 400 or

**LAND PRICE PER LOT (URBAN)**



even 200 metre lot. Consequently, average lot sizes have been increasing in recent years, and in 1996, over 60% of lots sold were over 800 square metres. In addition, payment of full contributions for infill and redevelopment land where there is existing infrastructure, is seen as an effective barrier to residential development in older suburbs of the town, because they raise land costs to a level which is not viable.

### **Key questions**

**1. Do any of Council's policies act as a disincentive to housing production?**

In the current quiet state of the market, it is difficult to assess the impact of some of the more recent policies. However, the main potential impacts, include the effect of DCP 14 on the ability to provide housing on infill or CBD sites, the level and inflexibility of s94 contributions, and the policy not to permit further Multiple Occupancies in rural areas.

**2. Is DCP 14 encouraging innovation in the development and housing industries? Or has it created uncertainty?**

Stakeholders appear fairly happy with DCP 14, although few of them have actually submitted applications under it.

**3. Is there a need for a 2(b) zone to focus medium density housing production into particular locations?**



There is no demand for such a zone. However, its potential for promoting medium density provision in accessible locations may be worth further investigation.

4. Do existing policies support infill housing production, for instance in the CBD?

They do not appear to encourage infill production, which is generally not viable. As a result, there has been very little additional housing produced in inner suburbs or the CBD. Realistically, if redevelopment or infill housing is to occur, it will require active promotion by Council, probably by providing some sort of financial incentive.

5. Do Section 94 contributions add unreasonably to the cost of producing housing?

It could be argued that a few thousand dollars in section 94 contributions is not going to make a great deal of difference to the cost of housing. The separation within the industry of development from housing construction means, however, that land development is not currently profitable in most locations, and section 94 comprises a large percentage of the cost of a lot. On the other hand, it is now accepted that the existing community should not have to carry the cost burden of providing for new development. Within these principles, there may be some scope to fine tune contribution rates to facilitate certain sorts of development which are seen as strategically important.

6. Are building and engineering standards too rigid?

This is not considered to be an important issue as a more flexible subdivision DCP is expected in the fairly near future.

## **5. HOUSING PROVISION ON THE OPEN MARKET**

### **5.1 HOUSING DEMAND**

Housing demand (the housing people seek to acquire) should be differentiated from housing need (housing which meets day to day needs for living space, safety and shelter, accessibility etc).

Demand is expressed through the housing market, where people tend to "over-consume" housing if they can afford to, usually by acquiring more space than they need. On the other hand, some people, especially if they have very low incomes, may not be able to express any effective housing demand, because they cannot afford appropriate housing.

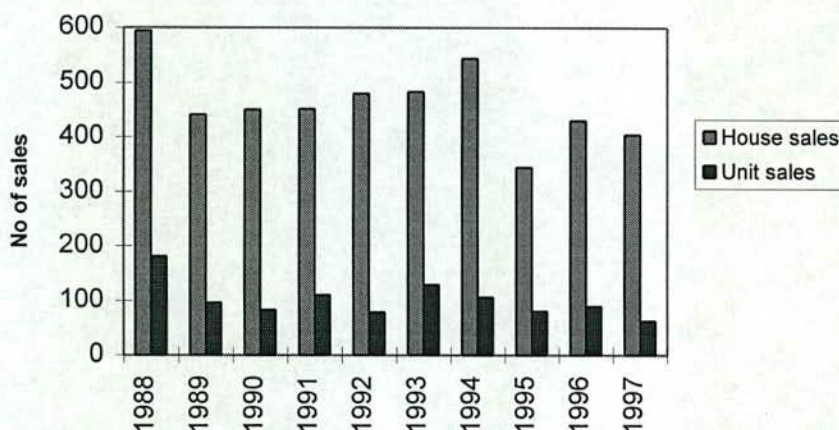
- **Home ownership**

The demand for homes has been weak since 1993. Consequently, numbers of sales have been falling, despite falling prices. This is illustrated in the chart.



The reason for lack of demand is generally accepted to be job losses and job insecurity. Middle income earners have been particularly hard hit by the closure of a large number of government offices in recent years, including regional Tax, Education, DEET, Police, and Australia Post centres. As a result, home purchase rates have fallen significantly.

**House and Unit sales - Lismore/Goonellabah area**



Note: 1997 data annualised

Source: LJ Hooker RE Lismore / REI

The vast majority of existing home owners live in detached houses: in 1991 only 3% of homes being purchased and 4% of homes owned outright were medium density. Consequently, the housing industry sees demand for home ownership to be almost entirely for traditional detached suburban homes.

Effective demand from home owners for contemporary forms of medium density housing (eg townhouses) does not seem to have emerged to any degree. While single level duplexes appear to be accepted, townhouses and units are generally seen as rental housing. This is probably partly because medium density homes are seen as down market and carrying social stigma. Cost is also a factor: detached homes are currently so cheap that good quality units and townhouses are more expensive to produce.

## • Rental housing

### *Lismore Goonellabah area*

The rental market in the urban area experiences a large seasonal peak in late summer when University students return. Overall, demand does not exceed supply, with a vacancy rate around 4%.

Local real estate agent say that the key issue in the rental market is unsuitable applicants for tenancies, not a shortage of stock. It is reported that around 25% of applicants are rejected because they are not considered suitable, and that, in general, most of them would not be accepted for any tenancy, however low the rent. The consultants were told that, generally, applicants are considered unsuitable if they have no job, no car, or no references. This would rule out many



members of disadvantaged groups. Agents deny discrimination, saying that most of those claiming discrimination have been rejected on financial grounds, although there are many anecdotal reports of agents routinely refusing Aboriginal applicants, to the extent that telephone enquirers may be asked questions which seek to establish whether they are Aboriginal. Suggestions of discrimination against groups of young people would appear to be refuted by the very large number of lettings to groups of students. (There appears to be no evidence that students are squeezing other households out of the rental market, although the level of demand in late summer probably causes temporary pressure.)

In conclusion, access to rental housing is more of a problem than supply in the urban area.

### ***Rural areas***

Severe shortages of private rental housing are reported in rural villages, especially Clunes and Nimbin. Public housing provision does not exist in the villages, because access to facilities is a pre-requisite of provision, but it is noted that, for various reasons related to work, family or lifestyle, many people on low incomes wish to live in the rural parts of the LGA.

### **• Other forms of housing**

Multiple occupancies are a contentious topic in the area, because new ones have ceased to be approved since the repeal of SEPP 15. On the basis of consultations to date, the consultants have found a strong demand for this type of housing, and this is unlikely to be met by other forms of provision. The demand appears to be primarily from younger people and people working in arts and crafts fields. Multiple occupancies have a particular attraction in that they are generally very affordable, because housing is normally constructed by residents.

Significant numbers of households (2.2%) live in caravans, but these numbers are falling. Available evidence suggests that, for many residents, caravans are a home of last resort, and there is no evidence of unmet demand.

There may be latent demand for smaller homes (eg townhouses or small lot dwellings) for older people, as few options currently exist. The aged care industry has, however, addressed some of the demand from older people by providing specialist housing.

The demand for public housing and special needs housing is discussed in the Housing Needs section.

### **Key questions**

1. Are there areas of demand from buyers (or investors) which are not being successfully met?

The housing industry believes not - and, in the current state of the market, the industry would have a strong incentive to respond to any such demand. The only exceptions are some rural villages, where development constraints restrict the provision of additional homes.



2. Is there unmet demand for rental housing? If so, what is it?

Apart from "demand" from people who are not acceptable to agents as tenants (see below) the main unmet demand is for rental housing at all prices in most villages, and at the cheaper end of the market in several villages, notably Nimbin.

There is considered to be demand for additional rental housing close to the University and the CBD.

3. Are there many people who have no chance of renting a home because they are not seen to be acceptable as tenants? What happens to them?

Around a quarter of applicants are seen as unsuitable by agents. Some no doubt find rental properties (particularly in the informal lettings, often of poor quality housing, made by individual owners). Some live in caravans and hostels (although places in both are increasingly hard to come by). A few are housed by Government agencies as emergency cases. Others remain in overcrowded or unsuitable housing. A few end up homeless, and many have to leave the area.

The worst affected people are those with very low incomes. Independent young people aged under 21 are particularly badly affected.

4. Is most demand for family housing - or just assumed to be so?

Most new homes are sold to families. Non-family households are also said to prefer traditional family housing because it is cheaper than good quality medium density housing, and is located in "better" areas.

5. Is the increase in small households creating higher demand for smaller homes?

No.

6. What forms of medium density housing are generally accepted in the local market?

There is poor acceptance of most forms for owner occupation, although all are popular as rental investments.

Single level "semi detached" homes are popular in new housing developments.

## 5.2 HOUSING SUPPLY

The number of dwellings in the LGA rose 13.1%, three times more than the number of residents, between the 1991 and 1996 Censuses, reflecting the trend towards smaller households. In 1996 there were 16,552 private dwellings.



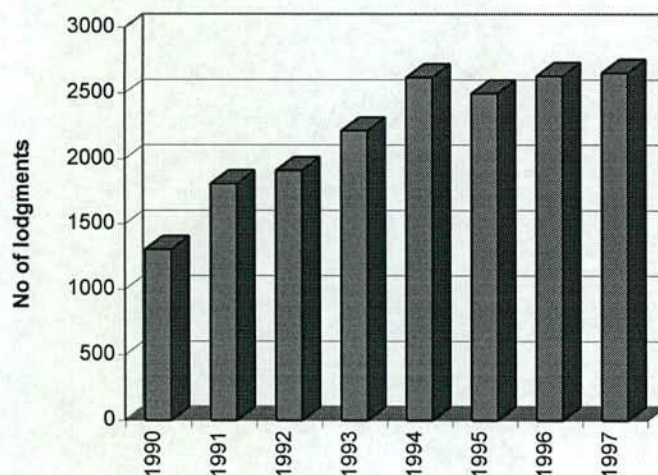
## • Housing Tenure

Home ownership is by far the dominant tenure (64% of private dwellings). From 1991 to 1996, the number of home owners who were mortgage free rose by 31.3%, while the number of (usually more recent) buyers with mortgages rose only by 4.8%, reflecting a fallback in the rate of home purchase by new households. The number of renting households rose very strongly, by 33.5%.

	1991 Census	1996 Census
Owned Outright	6207 dwellings	6475 dwellings
Being purchased	3298	3456
Privately rented	2785	} 4602
Government rented	663	}

Perhaps the most striking statistic from the 1996 Census is the increase in renting in the LGA. The number of rented dwellings rose by 33.5% since 1991. This is reaffirmed by data on bond lodgments with the Rental Bond Board, as shown in the chart.

**New leases - bonds lodged with Rental Bond Board**



The 1996 Census data currently available does not separate private and government rentals, but it is known that there are about 800 government rented dwellings in the LGA, which suggests that the proportion of households renting privately has risen since 1991 from one in five closer to one in four. The proportion of dwellings rented from the Department of Housing, at 4.3%, is well below the state average but higher than for most LGAs in the North Coast region.

## • Types of dwelling

### *Detached housing*

The great majority of homes are detached, although the proportion is falling



80.7% in 1996 compared with 82.8% in 1991 and 86.6% back in 1981. This figure is much higher than both the regional and State averages of around 75%.

#### *Attached homes and units*

In 1996, 1013 or 6.1% of dwellings were attached (including duplexes and townhouses). There was a rise of 54% in the number of attached homes since 1991, probably reflecting the popularity of single level "semi-detached" forms of housing. A further 1364 or 8.2% were units. The number of units had risen 27% since 1991. The proportion of attached homes and units is about half the average for New South Wales. The vast majority are in Lismore town and Goonellabah.

There were also 112 homes attached to shops or offices, a category which would include "shop top" housing. This represented a reduction from 148 in 1991.

All these forms of housing may be loosely described as medium density. Most of the medium density housing in the LGA is rented. Consultations indicated that home owners do not want to live in medium density housing, particularly units. This is partly because some of it is not well located, partly because some is older and poorly designed and built, and partly because of "social" perceptions about the types of people who live in medium density homes. It does, however, appear that home owners are often happy to live in new "semi-detached" styles of home.

Clearly, there is some way to go before smaller attached forms of housing become generally acceptable in the area. At present it seems that the many of the rapidly increasing numbers of smaller and older households, which elsewhere are taking to units and townhouses as their preferred housing, still consider such homes to carry a social stigma in Lismore. In addition, it is clear that the cost of producing good quality townhouses and units is quite high in relation to detached housing, removing possible price incentives.

Consultations suggested that the local building and development industries, while not ruling out possible changes in future preferences, do not see the current depressed market as one in which to experiment with innovative housing.

#### *Other types of dwelling*

Of the other dwelling types in the area, the most significant are caravans, representing 2.2% of dwellings in 1996 (368 vans, down from 432 in 1991). Most of these are in caravan parks. While some people are known to prefer caravan living, it is known from research elsewhere that van dwellers often lack other options, and may have to put up with insecurity and poor living conditions. It appears that caravans are not a cheap rental option in the area, with rents around \$90 a week reported as typical.

### **• Prices and affordability**

#### *Home purchase*

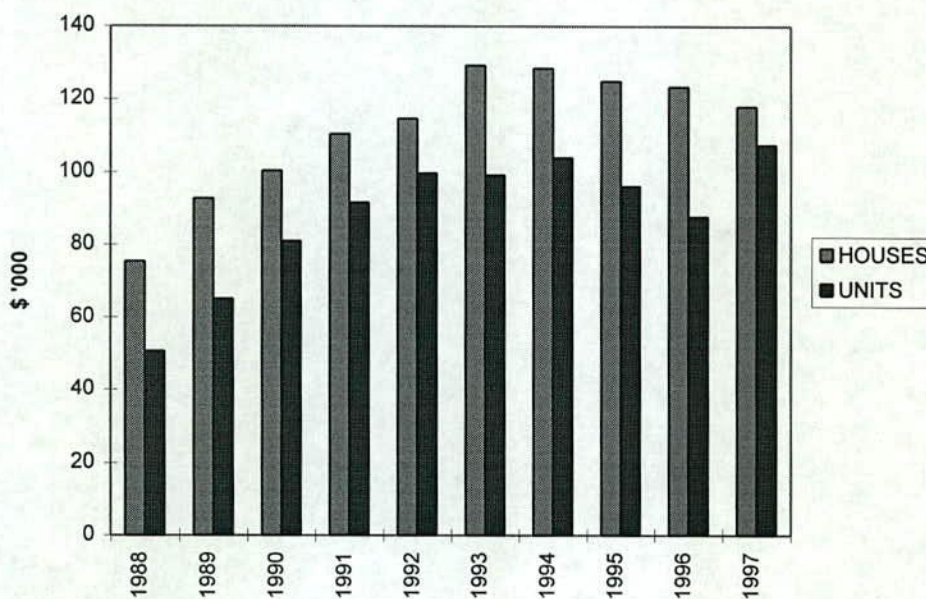
Falling demand has led to falling house prices, particularly in the Lismore/Goonellabah area. Recent reductions in mortgage interest rates appear



to have made little or no impact. As the chart shows, both houses and units have fallen in (average) price since a peak in 1993, although there has been a rise in average unit prices so far in 1997 because of a small number of upmarket sales.

Overall, home purchase is more affordable than for a long time. New homes are available for little more than \$100,000, and with a 10% deposit, a house can be purchased from about \$500 a month. The cheapest available housing is older

**HOUSE AND UNIT PRICES - LISMORE URBAN**



Note: Data for 1997 has been annualised.

Source: LJ Hooker RE Lismore / REI

often poorer quality stock from around \$70,000 - or less for some older units.

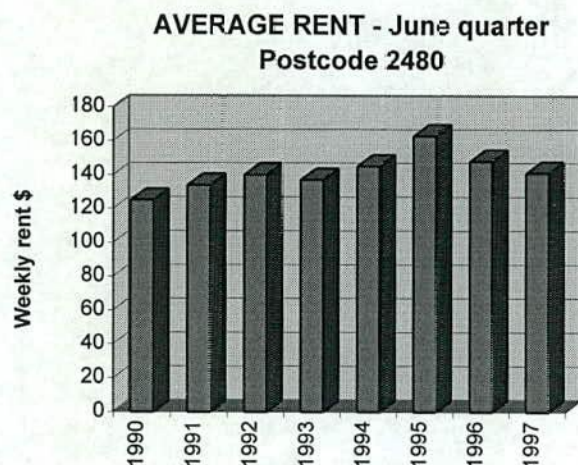
Inadequate supply or unaffordable prices are therefore not a problem in the town area. Housing is generally much less affordable in the villages and rural area, partly because of the shortage of development opportunities, and partly because of the continued attraction to 'lifestyle' buyers from outside the area.

### ***Rental housing***

According to the Rental Bond Board, the current average private rent in Lismore LGA is \$140, an increase of only \$10 since 1990. Rental returns of around 6% gross are similar to those in other areas. However, poor capital appreciation and static demand has meant that there has been limited new investment in rental housing provision for some years, and the annual number of new lettings (about 1800) has increased only slowly.

The main obstacle to expanded provision of "non-traditional" homes like units and shop top housing is cost. The construction cost per square metre of these forms of housing is greater than for traditional cottages, particularly if they are higher than single storey, and land cost savings do not compensate for this. Consequently the price of a new unit or townhouse may be little less than (and sometimes more than) the price of a house.





Note: Data for 1992 and 1995 are incomplete

Source: Rental Bond Board lodgements, supplied by NSW Dept of Fair Trading

### ***Other forms of housing***

Many people are excluded from mortgages and even private rental because of unemployment or low income. The supply of public housing is inadequate to meet all their needs, and many people therefore live in marginal housing, including illegal homes underneath 'Queenslanders', sharing involuntarily, homes in bad repair or lacking facilities, or in caravans.

Existing data cannot quantify these forms of marginal housing satisfactorily, but they are often observed, particularly in rural areas. (The 1996 Census identified 38 improvised homes, tents, and sleepers out - probably an underestimate because such accommodation is very difficult for enumerators to locate - and 315 caravan homes.) They may provide a cheap housing option, but in some cases are disproportionately expensive because residents are known not to have access to better or more secure housing.

### **• Housing stress**

Housing stress is said to occur when people have to spend so much on their housing costs that it becomes hard to afford other necessities. The National Housing Strategy suggested that the 40% of households in the lowest income groups were vulnerable to housing stress, and could be said to be in stress when they had to spend over 30% of their income on housing.

Almost all households experiencing housing stress are private renters.

Department of Housing data indicates that about 900 private renting households in the Lismore LGA may be experiencing housing stress.

### **Key questions**

1. Is the development/building industry responding successfully to contemporary demand?



The industry sees demand changing only slowly, at least in terms of housing form. Medium density housing still appears to carry a degree of social stigma. In addition, the majority of buyers are families seeking family housing. The current depressed state of the market means that changes in trends would be hard to detect, however.

2. Is the cost of new medium density housing competitive with traditional detached housing?

No. The cost of a small lot is not substantially less than the cost of a large lot, so significant cost savings cannot be created by increasing density. As well, the construction cost per square meter of medium density housing is higher than for traditional detached housing.

3. Would “shop top” housing in the CBD be viable?

This is disputed. There is agreement that construction costs would be high and that the only significant demand would be for rental housing. The perception is that only low income renters would wish to live in the CBD, making the investment unattractive.

4. Are people living in bad housing and van parks because they can't afford anything better? (Or is it a lifestyle choice?)

This is not clear. What is clear is that rented vans are not a cheap option, and that caravan living is on the wane.

5. Is there potential for joint ventures between local companies and Lismore Council or the Department of Housing?

Local companies may be willing to discuss this - there is at least one previous example of an affordable housing joint venture. The main obstacle seems to be the cost of redevelopment land. Reduction or waiver of s94 contributions and deferral of payment for land until the housing on it is sold could be the keys.

## 6. HOUSING NEEDS

The needs of some residents are likely to be met only by housing provided through government funds. In particular, many people on low incomes or with special needs will rely on housing provided through government agencies.

### • Public housing

The Department of Housing has 629 homes in the Lismore LGA. Most of these (433) are two and three bedroom homes for general lettings. There are also 98 pensioner units.



The Department's stock is almost entirely in the Lismore urban area. Additional provision in future will also be in this area, because it offers services and transport.

There are 751 households on the Department's Waiting List. Waiting times are long, especially for pensioner units (7 years 8 months), one bed units (4 years 10 months) and 4 bedroom houses (5 years 3 months), which are the types of housing in shortest supply. Waiting times are increasing because the turnover of tenants is low.

The Department recognises that many people in need of housing are not registered on their lists, either because they cannot wait for years to be housed, or because the department has no homes in the rural villages which they need to live in.

Lismore scores highly on a number of "needs indicators" used by the Department, and the LGA's overall needs rank is sixth out of the 38 LGAs in the Northern Region. In addition, the Department provides Rental Assistance to private tenants through its offices (that is, assistance with bonds, moving costs, etc.), and levels of demand are reported to be higher than anywhere in NSW outside the Metropolitan area.

At present, the Department is restricted in its ability to carry out new development because of funding cuts and uncertainty over the future of the Commonwealth State Housing Agreement. In the coming years, additional stock is likely to come primarily from joint ventures and through trading in existing stock.

The Department's current focus for additional provision is pensioner housing.

### • **Community housing**

The North Coast Community Housing Company (NCCHC) is a community based housing association based in Lismore is responsible for the North Coast area. It provides long term housing on the basis of need, and is funded through the Office of Community Housing. The Company manages about 250 homes. Housing needs elsewhere in the Region (notably Grafton and Tweed) are very high, and Lismore cannot therefore expect more than a proportion of future investment, but NCCHC has recently completed a joint venture in Nimbin (to provide youth and aged housing) and will consider joint ventures in any part of its area of operation.

### • **Crisis housing**

Available information indicates the following existing facilities

- Yinganeh (Aboriginal Women's refuge)
- Women and children's refuge
- Youth Refuge
- Proclaimed place for alcohol abusers (St Canices)
- Hostel run by charitable agency primarily for substance abusers and homeless people with mental health problems (Fitzroy House)



## • Supported housing for young people

Youth housing (particularly for young people under 21) is a major problem in the area. Some young people have recently left home or care and need supported housing. Many young people often cannot access private rental accommodation, partly because of low income. The Department of housing will not house young people under 18 unless they can demonstrate the means to live independently.

The situation has become much worse with the closure by the Department of Community Services of institutional "Substitute Care" places - the North Coast Children's home has lost 24 places and Sunnylands has closed. In their place, a very small number of places in a fostering program have been provided. In addition, it is reported that caravan parks are increasingly unlikely to accept young residents.

As a result it is reported that there are significant numbers of homeless young people in the area. This includes not only young singles, but also young parents with children.

Supported housing provision therefore comprises:

- Lismore Independent Living Youth Service (also at Nimbin) has 12 properties for 24-32 clients, mostly aged 14-18.
- North Coast Children's Home has closed its residential facility but manages 6 foster places.
- Women Up North can assist young women and their children.
- The only other options are places like backpackers hostels and cheap hotels.

A project called Homenet is attempting to provide additional accommodation opportunities in the area for young people at risk.

## • Mental Health

There is considerable overlap between mental health problems and other forms of disadvantage. For instance, many homeless young people also have mental illness.

Many of those experiencing accommodation difficulties fall between service gaps, for instance between aged care services and psychiatric services.

The problems faced by the mentally ill are similar to those faced by young people in that they experience great difficulty gaining access to private rental housing, and there is an acute shortage of supported accommodation. Many of the homeless are therefore reported to suffer mental illness.

The Northern Rivers Fellowship runs four group homes for people with a mental illness, and supports a further 20 in the community. They are unable to assist many of those referred to them.



## • **People with disabilities**

Research in 1993 (ABS and Social Policy Directorate) indicated that 16.9% of the NSW population had a disability and that 4.1% had a severe or profound handicap. The prevalence of both disability and handicap increased steeply among older (over 65) age groups. Overall, 64% of people with disabilities had a government pension as their primary source of income, indicating their limited purchasing power.

The most recent local research (Disabled Peoples International, 1988) found that over 5,000 people in the LGA lived with disabilities. Of these, 355 were unable to walk and a further 674 had difficulty in walking. 658 had an intellectual disability.

The Ageing and Disability Department funds group homes for people with various types of disability. Information on the number of places provided has been requested.

### ***Physical disability***

It is notoriously difficult to quantify needs for homes adapted to meet the requirements of people with physical disabilities, most of whom live either independently or with carers. Primarily, these needs relate to mobility difficulties, including people in wheelchairs.

In many cases existing homes can be modified, although private landlords may not permit structural modification, particularly if wheelchair access is required.

The Department of Housing has modified homes for a number of tenants, but is unable to meet the needs of all applicants.

### ***Intellectual disabilities***

The Ageing and Disability Department funds group home provision for people with intellectual disabilities, and information has been requested on the number of places provided in the Lismore area.

## • **Aboriginal housing.**

On average, the incomes of Aboriginal people are much lower than those of the general population, and they are much more likely to suffer housing stress. Research elsewhere has indicated that they also suffer discrimination in obtaining private rental housing.

1022 people in the LGA identified themselves as Aboriginal in the 1996 Census.

The Department of Housing provides 43 dwellings under the Housing For Aborigines program. In addition, an unknown number of Aboriginal people are housed in the general stock. 62 households are on the Waiting list for HFA tenancies.

Accommodation provided for Aboriginal people through other government funded agencies totals 28 dwellings. This housing is mainly provided through the



Ngulingah Lands Council and the Bundjalung Tribal Society. An Aboriginal Women's refuge has already been referred to.

## Key Questions

1. What are the main current housing needs in the area?

- Supported housing for young people MO
- Permanent housing for low income young people MO
- Supported housing for the mentally ill
- Housing for low income singles MO
- Medium term housing for sole parents MO
- More village housing options generally MO
- Housing for older people. MO

2. Which outstanding needs could be met through market mechanisms, and which require government funding?

The vast majority of those in priority need are on low incomes, and there seems to be little scope for market mechanisms to assist.

MO does not require any govt funding.

3. Is there scope for the Department of Housing to take part in a joint venture with the private sector?

Yes. The Department has already looked at a potential project close to the Base Hospital. The main obstacle is viability: inner urban redevelopment sites are considered too expensive to be viable for the private sector. There may be scope to work with Lismore City Council to improve the affordability of such sites.

Pie in the sky

4. What could Lismore Council do to help meet the needs of local people?

Apart from supporting potential joint ventures, the main need is to address the lack of information and research into local housing needs. It is not suggested that Council should carry out its own research, but it could promote information sharing and support bids for funding, for instance by auspicing a forum for local organisations involved in community housing and special needs housing.

Could permit MO with a stroke of the pen at no cost to council!



## CONCLUSIONS

1. The context for housing may be changing for the worse in the Lismore area. Population growth has all but ceased, there have been major white collar job losses, and the local housing market is in a depressed state. The key to many current housing problems is therefore economic growth and job creation.
2. Open market affordability (for buyers and renters) is quite good, relative both to other parts of NSW and to the situation a few years ago.
3. Significant sections of the local population will never be able to buy a home, because they do not have an income which is sufficiently large or sufficiently reliable to take on a mortgage. Most of these have access to rental housing. The real needs are found among those with very low incomes or special needs (eg for supported housing) who experience serious affordability problems in the private rental sector, and who increasingly cannot gain access to government funded provision. Those deemed by landlords or agents as unsuitable for private tenancies have the greatest problems.
4. The biggest impact on local needs would be made by increased provision through government funded agencies which offer low rents related to income, eg the Department of Housing or North Coast Community Housing. There may be scope for Council to work jointly with such agencies to promote additional provision.
5. There is limited awareness of housing needs or co-ordination among relevant agencies in the area. As a result it appears that the needs of the area are not always brought to the attention of funding agencies.
6. There may be some scope for joint responses or joint ventures involving the private sector with Council, the Department of Housing, North Coast Community Housing, and/or local charitable and community groups, to promote affordable housing provision, particularly in the CBD.
7. The range of housing options in the area is poor. In the Lismore/Goonellabah area, the dwelling stock is mainly detached family homes within a fairly narrow price range. Prices are higher in some of the villages and the rural areas, which suffer from a shortage of rental housing and poor affordability.
8. In the urban area, there is scope to investigate one or more demonstration projects, to provide well designed and located medium density housing. In rural areas, there may be justification in considering the reintroduction of Multiple Occupancy approvals.
9. The impact of Council policies needs further investigation. Although their current impact, on an industry which is only producing small amounts of traditional housing, is not seen as great, there may be impediments to innovation. There is also a need to investigate the impediments to additional provision in accessible locations, notably the CBD and inner suburbs.