

Housing Diversity Assessment



52-54 Pemberton Road, Botany

Mixed Use Residential Development

Submitted to Botany Bay City Council

On Behalf of Australand

March 2015 ■ 14318

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1.0 Introduction

This Housing Diversity Assessment has been prepared to identify the housing needs of the existing and future community in accordance with the statutory requirements of the state and local planning framework in order to allow an informed assessment of the proposed mixed use residential development at 52-54 Pemberton Road, Botany.

The planning framework generally requires the consent authority to assess the mix of apartments and proposed dwelling sizes with regard to the housing needs of the existing and future community. In order to establish these needs, this report includes a review of demographic data to understand the existing and projected future characteristics of the local community.

With regard to the statutory requirements and analysis of future housing needs of the Botany community, this report then considers the appropriateness of the proposed mix of housing that is proposed to be provided under this Development Application.

Methodology

This report draws on demographic and property data published by the NSW Department of Planning & Environment (the Department) and the Australian Bureau of Statistics (ABS). The Centre for Demography, Economics and Research (a centre of excellence within the Department) released up-to-date population projections for NSW in late-2014 that can be viewed at www.planning.nsw.gov.au/projections¹. These projections forecast total population, ageing and household structure change and growth to 2031 at the Local Government Area (LGA) level. These projections have been endorsed by NSW Cabinet and are expected to form the basis for the future planning and delivery of services and housing growth throughout NSW.

Report Structure

The following is a brief outline of the report structure:

- **Part 1** – Introduction
- **Part 2** – Strategic and Statutory Planning Context
- **Part 3** – Existing Demographic and Housing Stock Analysis
- **Part 4** – Future Population Demographic and Housing Need Analysis
- **Part 5** – Assessment of Proposed Dwelling Mix
- **Part 6** – Conclusion

¹ NSW Department of Planning & Environment 2014, *Your future NSW to 2031: Population, Household and Dwelling Projections*, September 2014, <http://www.planning.nsw.gov.au/projections>

2.0 Statutory Planning Context

2.1 State Planning Policy

2.1.1 State Environmental Planning Policy No 65 – Design Quality of Residential Flat Development

State Environmental Planning Policy No 65 – Design Quality of Residential Flat Development (SEPP 65) is the overarching State policy governing the design and principals of assessment for the development of residential apartments. The policy prevails over other local environmental planning instruments and development controls. The aims of the policy, which are set out below, make clear reference to the need to ensure that new housing better meets the needs of the widest range of people and households, both current and future. A number of the aims of SEPP 65 go directly to the point of apartment mix and typology.

2 (3) Improving the design quality of residential flat development aims:

- (a) *to ensure that it contributes to the sustainable development of New South Wales:*
 - (i) *by providing sustainable housing in social and environmental terms, and*
 - (ii) *by being a long-term asset to its neighbourhood, and*
 - (iii) *by achieving the urban planning policies for its regional and local contexts, and*
- (b) *to achieve better built form and aesthetics of buildings and of the streetscapes and the public spaces they define, and*
- (c) *to better satisfy the increasing demand, the changing social and demographic profile of the community, and the needs of the widest range of people from childhood to old age, including those with disabilities, and*
- (d) *to maximise amenity, safety and security for the benefit of its occupants and the wider community, and*
- (e) *to minimise the consumption of energy from non-renewable resources, to conserve the environment and to reduce greenhouse gas emissions.*

[our emphasis]

The aims of SEPP 65 clearly address the need to both increase the supply of housing stock and the diversity of housing stock in order to meet the specific needs of the widest range of the future population of an area. This includes demographic change within existing local populations, as well as catering to the broader future needs of the Sydney community. To this effect, the proposed dwelling mix in a residential development should have regard to both the existing and the future characteristics of the population, which are explored in **Section 3.0** and **4.0** below.

SEPP 65 sets out 10 principles that should guide the design and assessment of residential apartments. Of greatest relevance to this study, the proposal is required to address:

17 Principle 9: Social dimensions and housing affordability

- *Good design responds to the social context and needs of the local community in terms of lifestyles, affordability, and access to social facilities.*

- *New developments should optimise the provision of housing to suit the social mix and needs in the neighbourhood or, in the case of precincts undergoing transition, provide for the desired future community.*
- *New developments should address housing affordability by optimising the provision of economic housing choices and providing a mix of housing types to cater for different budgets and housing needs.*

In this regard, SEPP 65 is unambiguous in promoting diversity of housing stock to respond to a number of factors including affordability and lifestyle requirements.

The “provision of economic housing choices” and “a mix of housing types to cater for different budgets and housing needs” goes to the relationship between household needs and household size and configuration. The lack of diversity in existing housing markets, particularly in areas that have traditionally been dominated by larger dwelling house stock, can have a significant impact on the affordability of housing product available to prospective residents of an area. Where dwelling stock is larger than the requirements of a household (in either number of bedrooms or physical size), prospective residents face the burden of paying for housing that is in excess of their actual requirements. This disconnect between housing stock and housing choices therefore forces households to pay more for housing than they would otherwise need to. Improving housing affordability is one of Sydney’s major planning challenges, and close consideration needs to be paid to ensuring that new housing supply improves the ability of prospective residents to obtain housing that meets their spatial requirements with minimal excess.

Clause 17 also makes clear that for areas in transition (which in light of the population forecasts for Sydney described in **Section 4.0** essentially captures all communities within the city), the delivery of new housing stock should be forward-looking and seek to meet the needs of the future community.

In order to address the aims and requirements of SEPP 65, **Section 3.0** of this report identifies the existing community profile and housing stock, whilst **Section 4.0** provides for an assessment of the likely future needs.

Clause 30 of SEPP 65 requires a consent authority to have regard to the Residential Flat Design Code (RFDC) in the determination of a development application for a residential flat building. The RFDC provides guidance to developers, architects and planners regarding a range of considerations in the process of developing a residential flat building, including for apartment mix and apartment sizes, which are discussed below.

Apartment Mix

The objectives of the RFDC for apartment mix are stated as being:

“To provide a diversity of apartments types, which cater for different household requirements now and in the future.

To maintain equitable access to new housing by cultural and socio-economic groups.”

This is consistent with the aims of SEPP 65, which require the assessment of the needs of the existing and future populations. The ‘Better Design Practice’ guidelines state that a variety of apartment sizes should be provided in larger developments, and that the mix should be refined with regard to population trends in the future, present market trends and the relationship with local activity centres.

Apartment Sizes

From a social perspective, the relevant objective of Part 3 of the RFDC for apartment sizes is the objective to “accommodate a variety of household activities and occupant’s needs”. The principles for better design practice state that the appropriate apartment size should be determined with regard to geographic location and market demands and affordability.

The Rules of Thumb for Apartment Layout state that minimum sizes consistent with the recommendations of the Affordable Housing Service should be used if a Council chooses to standardise apartment sizes. These minimum sizes are:

- 1 bedroom apartment 50m²
- 2 bedroom apartment 70m²
- 3 bedroom apartment 95m²

The ‘Better Design Practices’ component of the Apartment Layout guidance also states that “a range of apartment sizes provides more choices for more people”.

Clause 30A of SEPP 65 states that a consent authority must not refuse consent to a development if the proposed area for an apartment is equal to, or greater than, the recommended area for the relevant apartment type in Part 3 of the RFDC. It is accepted practice that this requirement relates to the apartment areas specified in the ‘Rules of Thumb’, which has been confirmed in recent Land and Environment Court judgements that deal with this issue.

2.1.2 Draft SEPP 65 Amendment and Draft Apartment Design Guide

State Environmental Planning Policy No 65 – Design Quality of Residential Flat Development (Amendment No 3) was publicly exhibited by the NSW Department of Planning & Environment between September and October 2014, and as such is a matter for consideration under section 79C of the *Environmental Planning and Assessment Act 1979*.

Draft SEPP 65 largely carries forward the established objectives and design principles for apartment size and dwelling mix from SEPP 65, but provides greater statutory weight to the minimum size requirements for apartments through the inclusion of draft Clause 30. The Draft SEPP specifies that a consent authority may not refuse consent to a development on the basis of apartment size if it meets the minimum internal areas outlined in the draft design guide which are reproduced in table 6 below.

The ADG seeks to provide a more performance-oriented and codified system than the RFDC ‘Better Design Practice’ and ‘Rule of Thumb’ provisions. For each design consideration, the ADG sets out the Performance Criteria (objective/outcome to be achieved), the Acceptable Solutions (recognised solutions to achieve the Performance Criteria) and Alternative Solutions (other ways in which the Performance Criteria might be achieved). This system provides clearer guidance around the requirements for apartment size and mix. **Figures 1** and **2** below set out the standards in the ADG for internal size and apartment mix.

Clause 6A of the Draft SEPP 65 Amendment seeks to position the draft Apartment Design Guide (ADG), which would replace the RFDC, as the overriding controls for a range of apartment design matters including apartment layout. Clause 6A states that the provisions of a DCP would be of no effect to the extent that they seek to establish standards that are inconsistent with the standards set out in the RFDC. This would include any standards in relation to the internal size and mix of apartments including the draft criteria in **Figures 1** and **2**.

Performance criteria 4N-1 Spatial arrangement and layout of apartments is functional, well organised and provides a high standard of amenity	
Acceptable solutions	
1.	Apartment sizes are in accordance with Table 6
2.	A window should be visible from any point in a habitable room
3.	Kitchens are not located as part of the main circulation space in larger apartments (such as hallway or entry space)

Apartment type	Minimum size
Studio	35m ²
1 bedroom	50m ²
2 bedroom	70m ²
3 bedroom	95m ²

Figure 1 – Extract from Apartment Design Guidelines for apartment layout and sizes
Source: NSW Department of Planning & Environment

Performance criteria 4A-1 A range of apartment types and sizes is provided to cater for different household types now and into the future	
Acceptable solutions	
1.	The apartment mix is appropriate, taking into consideration: <ul style="list-style-type: none"> the distance to public transport, employment and education centres the current market demands and projected future demographic trends the demand for social and affordable housing different cultural and socioeconomic groups
2.	A variety of apartment types is provided
3.	Flexible apartment configurations, such as dual key apartments, are provided to support diverse household types and stages of life including single person households, families, multi-generational families and group households

Figure 2 – Extract from Apartment Design Guidelines for apartment mix
Source: NSW Department of Planning & Environment

2.2 Local Planning Policy

2.2.1 Botany Bay Local Environmental Plan 2013

The site is zoned a mix of B4 Mixed Use, R3 Medium Density Residential and R2 Low Density Residential. The beginning of the first objective of both of the residential zones is “to provide for the housing needs of the community “. To this effect, an assessment of the housing needs of the community is provided in this report.

2.2.2 Botany Bay Development Control Plan 2013

The Botany Bay Development Control Plan 2013 (the DCP) establishes development controls for a range of different development typologies and elements, including in Section 4C.5.1 for minimum residential apartment sizes and dwelling mix.

DCP controls should be read in the context of the overarching objectives for development in the City of Botany Bay set out in Part 1 of the DCP. The objectives of relevance to dwelling size and mix are reproduced below:

06 *To encourage innovative housing, commercial and industrial design;*

08 *To ensure future developments will provide for a community that considers the needs of all people who live, work and visit Botany Bay*

These objectives are generally consistent with the state planning framework identified above, in that they require the consideration of the needs of the local community in providing for the supply of additional housing, and promote flexible and innovative design solutions to ensure that new housing meets these needs.

The relevant specific objectives for dwelling mix and apartment sizes are reproduced below:

Part 4C.5.1 'Dwelling Mix, Room Size and Layout' Objectives

02 *To be flexible to suit the occupant's requirements;*

03 *To ensure residential development contains a mix of residential types (based on the number of bedrooms) to increase the potential to accommodate all the varied family sizes in future years;*

04 *To ensure adequate provision, design and location of internal facilities;*

These objectives establish a clear need to provide for a mix of product that are flexible and cater to a range of household types and needs. Whilst Objective 03 of this part refers only to families, we interpret this objective to include non-family households (lone-person, couple only etc.) as well. This is consistent with Objective 08 of Part 1 which seeks to provide for the needs of all people who live in Botany Bay as well as the state planning framework that refers to all household types.

The DCP includes minimum internal apartment sizes that are replicated below. We note that these apartment sizes are in excess of the requirements of the SEPP 65 'Rules of Thumb' and the Draft Apartment Design Guide. Local apartment size standards that are larger than the recommended internal areas under the DCP cannot be used as grounds to refuse consent for a development under clause 30A of SEPP 65, and this provision will be strengthened under the Draft SEPP 65 Amendment that has recently been exhibited by the Department of Planning & Environment.

Controls

Controls – Apartment Size and Mix

C1 *Dwellings within residential flat buildings must be designed to provide the following minimum internal areas:*

- *Studio:* 60m²
- *1 bedroom:* 75m²
- *2 bedrooms:* 100m²
- *3 bedrooms:* 130m²

- 4 bedrooms: 160m²

Note: Dwelling size means the area inside the enclosing walls of a dwelling but excludes wall thickness, vents, ducts, staircases and lift wells.

C2 *The combined total number of one-bedroom and studio dwellings shall not exceed 25% of the total number of dwellings within any single site area in residential zones.*

3.0 Existing Demographic and Housing Stock Analysis

As of the 2011 Census, there were a total of 39,356 persons living within the Botany Bay LGA within 15,653 dwellings, with an average of 2.6 persons per household. The following sections provide an overview of the existing population and dwelling stock characteristics as of the 2011 Census.

3.1 Population

Household and Family Structure

Figure 3 below provides a breakdown of the range of different household structures that reside within the Botany Bay LGA. Whilst couples with children make up a significant proportion of total households (35%), it is evident that the majority of dwellings are occupied by smaller household types such as lone person (24%), couple only (20%) and single-parent families (12%).

Larger household types that could be expected with a high level of certainty to require a dwelling with two or more bedrooms (couples with children, group and multi-family households) account for only 54% of total households.

The large proportion of lone person households (24%) is particularly notable when considering the housing mix, given that these household types are occupied by one person only and are more likely to prefer (and be able to afford) smaller sized dwellings.

Existing Household Mix

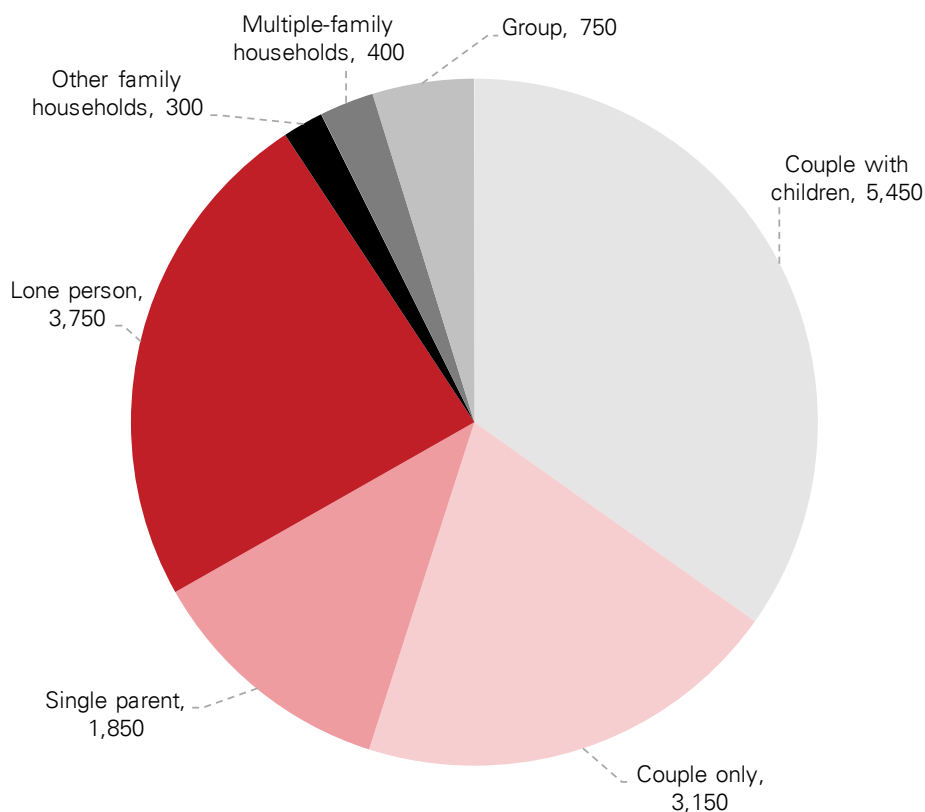


Figure 3 – Existing mix of household types within Botany LGA as of 2011
Data Source: NSW Department of Planning & Environment 2014

Age Structure

Figure 4 below illustrates the existing age profile of the Botany Bay LGA. The most common age brackets are within the 25-39 year old bracket, which with regard to the household mix is expected to represent a significant number of parents and young couples. 30% of the existing population was over the age of 50 at the time of the 2011 Census, which represents a significant proportion of persons who are less likely to be living in family-with-children households.

Existing Age Profile

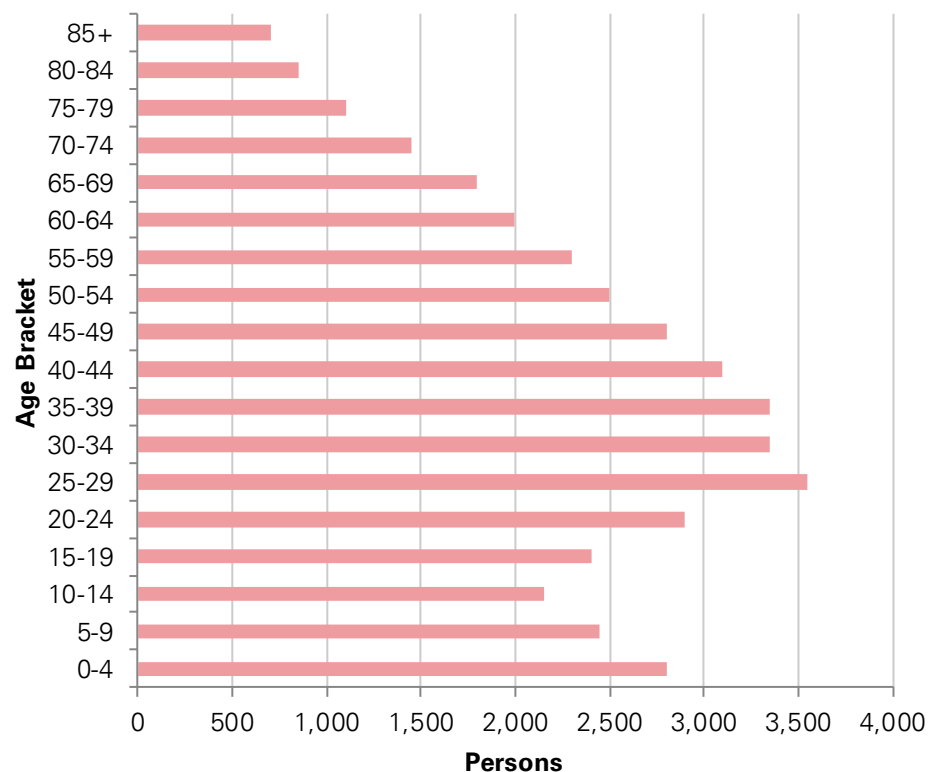


Figure 4 – Existing age profile for Botany LGA as of 2011
Data Source: NSW Department of Planning & Environment 2014

Population Transiency

22% of the population of Botany Bay in 2006 no longer lived in the LGA in 2011. This equates to on one in every five residents moving away from the area, for reasons that may include changes in family structure, employment, lifestyle and housing preferences. This is generally consistent with the outward migration patterns for other LGAs throughout Sydney. As such, when considering the housing needs of the existing and future population, it is important to understand that the existing community is not a static mass. Four years on from the 2011 Census, it is likely that the population has changed further.

3.2 Dwelling Stock

3.2.1 Dwelling Structure

Figure 5 below summarises the mix of dwelling typologies present in the Botany LGA as of the 2011 Census. Apartments make up approximately 45% of total dwellings, with houses making up 40% and semi-detached dwellings and townhouses accounting for the remainder. The mix of houses and apartments is comparable to other LGAs within 10km of the Sydney CBD, commensurate with the high level of accessibility and existing infrastructure provision experienced in these inner-ring LGAs.

Existing Dwelling Mix

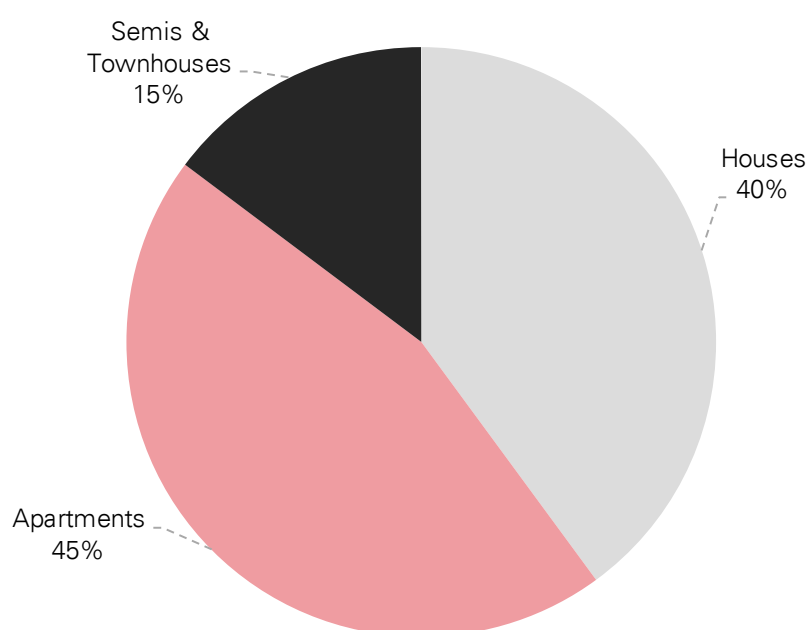


Figure 5 – Existing mix of dwellings within Botany LGA as of 2011
Data Source: Australian Bureau of Statistics 2011

3.2.2 Bedrooms

Figures 6 and **7** below illustrates the mix in house and apartment sizes, measured by bedroom. Houses within the Botany Bay LGA are overwhelmingly likely to have 3 or more bedrooms (81% of total stock), with only a small proportion of smaller dwellings. In contrast, 1 and 2 bedroom apartments account for 84% of existing housing stock within this dwelling typology.

Across all dwellings within the Botany Bay LGA, the mix of dwellings by bedroom size is as follows:

- Studios + 1-bed 9%
- 2-bed 41%
- 3-bed 36%
- 4-bed 10%
- +5-bed 4%

Bedroom Mix: Houses

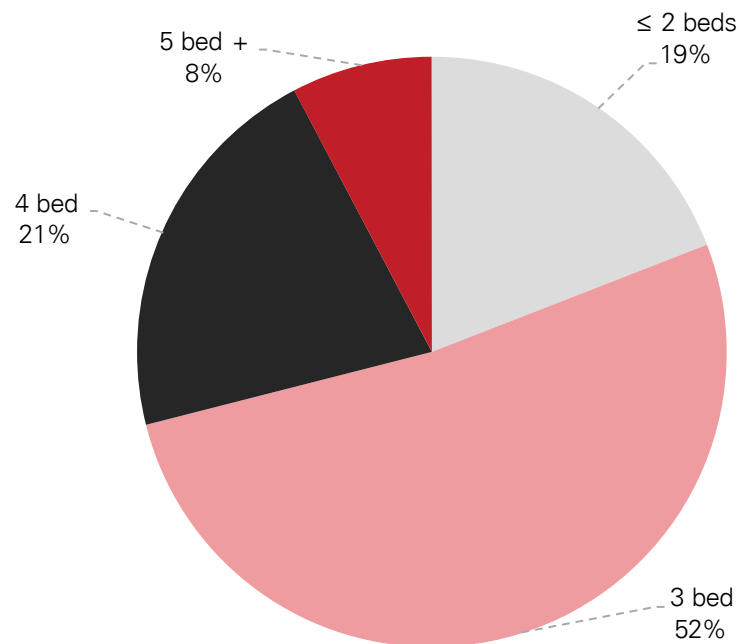


Figure 6 – Existing mix of house dwelling sizes (by bedroom) in Botany LGA as of 2011
Data Source: Australian Bureau of Statistics 2011

Bedroom Mix: Apartments

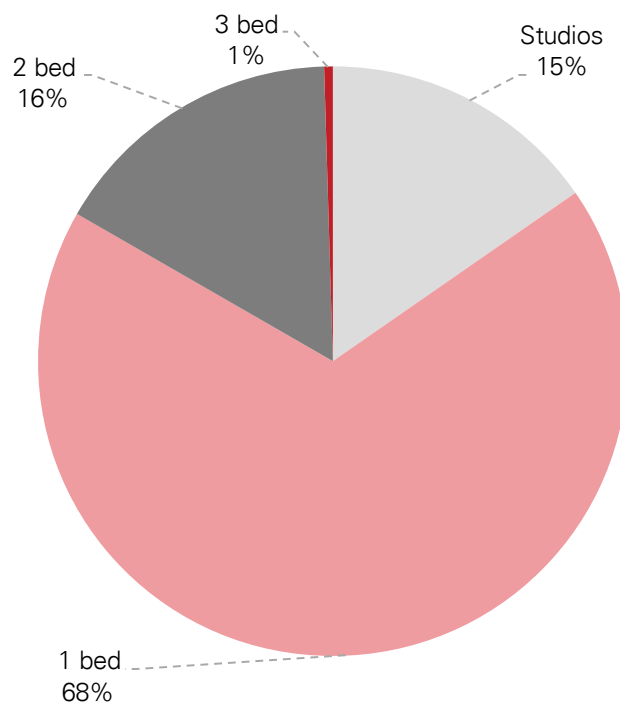


Figure 7 – Existing mix of house dwelling sizes (by bedroom) in Botany LGA as of 2011
Data Source: Australian Bureau of Statistics 2011

3.2.3 Occupancy

An analysis of the ABS data for occupancy rates of houses and dwellings reveals a substantial mis-match between the size of existing dwelling stock and occupancy levels. Key facts identified in this analysis reveal that:

- 43% of all separate houses were occupied by only 1 or 2 people.
- 20% of houses with four or more bedrooms were occupied by only 1 or 2 people.
- 16% of all houses were occupied by lone-person households. Of the total lone-person households residing in separate houses, over half lived in a house with 3 or more bedrooms.

In addition, the analysis provided useful information regarding the tendency of different household types to prefer certain types of dwellings in the Botany Bay LGA:

- 61% of families with children reside in houses
- 54% of couple families without children reside in apartments
- 69% of lone person households reside in apartments

3.3 Summary

- Whilst families with children are the most common household type (35% of households), smaller household types such as lone person (24%) and couple-only (20%) represent a significant proportion of total households within the Botany Bay LGA.
- There is a significant gap between existing dwelling stock and dwelling need, particularly in the provision of smaller dwellings. Whilst at least 44% of households comprise only one or two people (lone person and couple-only families), only 9% of dwellings in the Botany Bay LGA are a studio or 1-bedroom dwelling.
- A significant number of larger dwellings are being occupied by a small number of people, indicating that these households do not have suitable smaller housing options available to them. Whilst 81% of houses had three or more bedrooms, 43% of houses were occupied by only 1 or 2 people.

4.0 Future Population Demographic and Housing Need Analysis

The following section provides a summary of the projected changes to the future population of the Botany Bay LGA based on the recent population forecasts issued by the NSW Department of Planning & Environment released in September 2014².

4.1.1 Population and Household Growth

Overall Population and Dwelling Growth

The population of the Botany Bay LGA is predicted to grow by 35% between 2011 and 2031, with a total increase of 14,550 people. In addition to total population growth, average dwelling occupancy rates within the LGA are predicted to fall by 2.7% as a result of an ageing population and smaller family structures.

As illustrated in **Figure 8**, population growth and change is predicted to require an additional 6,300 dwellings across the LGA by 2031, which equates to an increase on existing dwelling stock by 38%.

It is noted that these forecasts are based on predicted growth and population change, and policy decisions to concentrate additional growth in the local area would result in a higher growth projection.

Projected Dwelling Growth

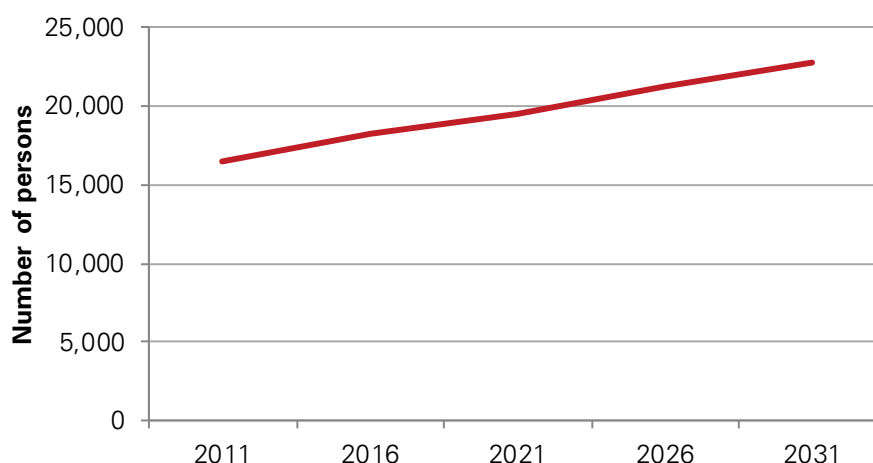


Figure 8 – Projected population growth within Botany LGA
Data Source: NSW Department of Planning & Environment, September 2014

Age Structure

Figures 9 and 10 below indicate the expected changes in the age profile of the local community. Changes in age profile are predominately driven by the ageing of the existing population, along with longer life expectancies. The most significant growth is predicted to be in 75+ age brackets, with the number of persons in this

² NSW Department of Planning & Environment 2014, *Your future NSW to 2031: Population, Household and Dwelling Projections*, September 2014,
<http://www.planning.nsw.gov.au/projections>

bracket expected to grow in excess of 60%. This has implications for the household structures, lifestyle preferences and financial situations of these residents.

Projected Population Age Change

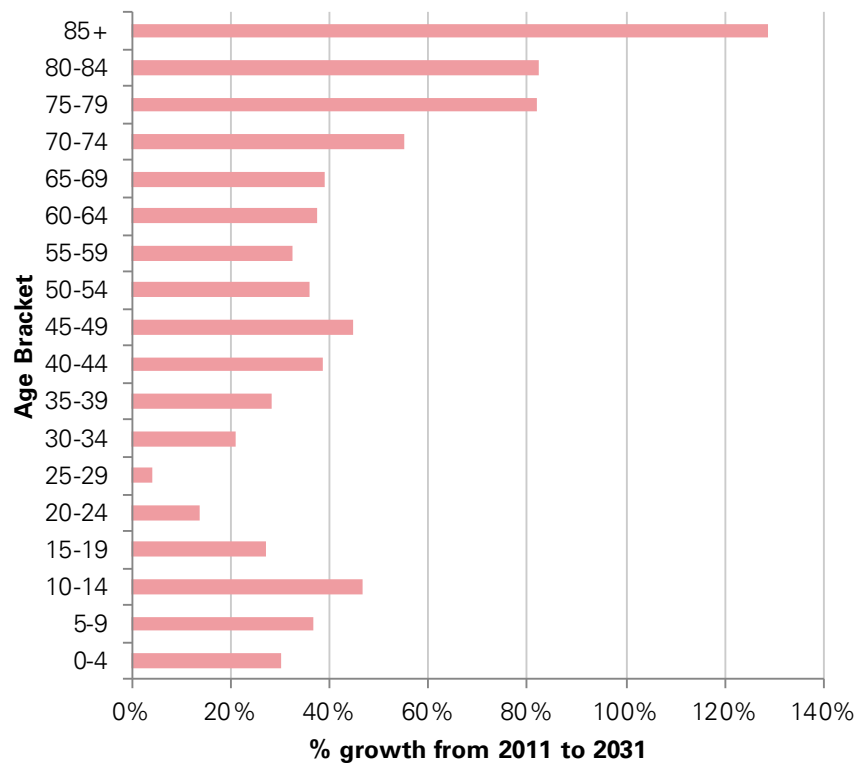


Figure 9 – Projected change in population age composition
Data Source: NSW Department of Planning & Environment, September 2014

Age Profile

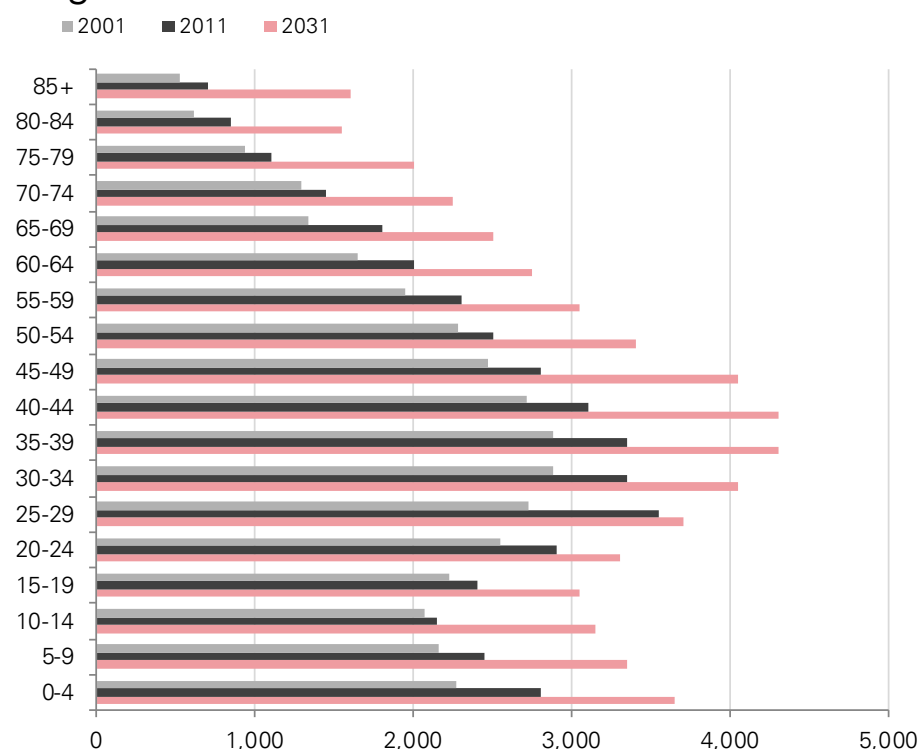


Figure 10 – Historic and projected age profile of Botany Bay LGA for 2001, 2011 and 2031
Data Source: NSW Department of Planning & Environment, September 2014

Household Structure

Figure 11 below projects the NSW Department of Planning & Environment's forecast population growth for the Botany LGA for each household type.

It is forecast that there will be just as many additional lone-person households in the local area in 2031 as there will be additional families with children. 32% of additional households in the Botany Bay LGA will be lone-person occupied by only one person, and a further 18% will be occupied by couple families with no children. As such, 50% of additional households in the Botany Bay LGA would be expected to require only 1 bedroom to meet their basic living requirements. This represents an increased shift toward smaller household types compared to the existing local characteristics identified in the 2011 Census.

We note that there will be an additional 1,900 families with children requiring accommodation within the LGA by 2031. Household sizes for families have been in decline within the Botany Bay LGA over recent decades, and there is an increasing acceptance in the market of apartment-living for families. As such, it is expected that a number of these additional families will be accommodated within 2 and 3 bedroom apartments. Notwithstanding this, there is a broader preference amongst families with children for house, terrace and townhouse dwelling typologies that provide larger internal living areas and private open space.

Additional Households to 2031

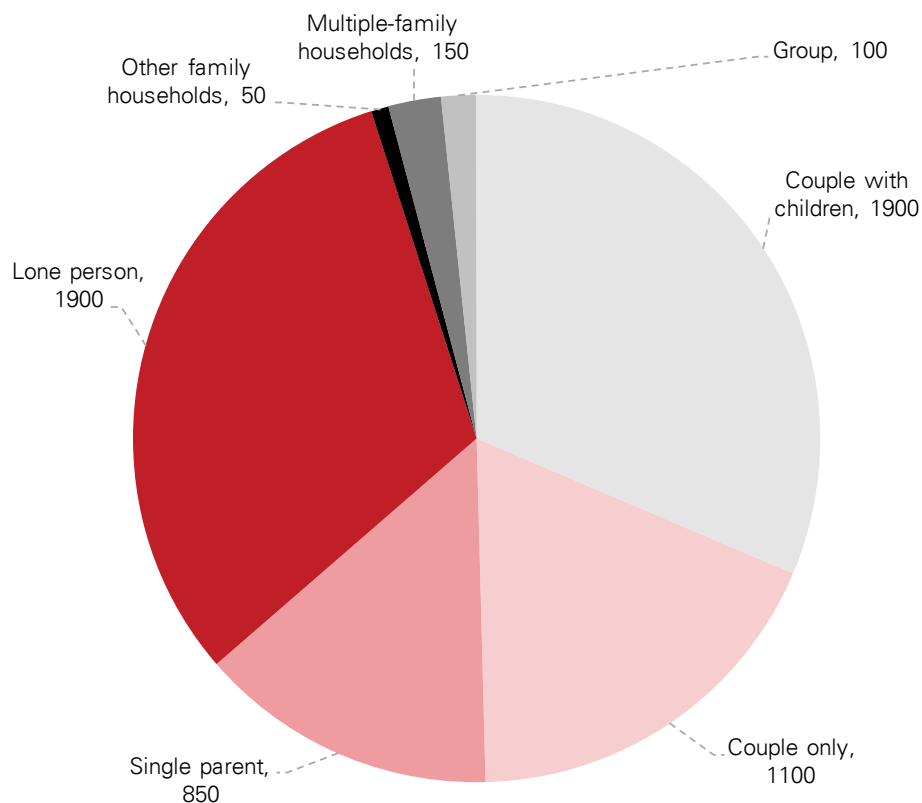


Figure 11 – Projected number of additional households in Botany Bay LGA to 2031
Data Source: NSW Department of Planning & Environment, September 2014

4.2 Summary

- Significant population growth within the Botany Bay LGA, accompanied by decreasing household sizes, is expected to require an addition 14,500 dwellings to be provided by 2031.
- 50% of all new households will be either a lone-person or couple-only family that could be expected to require only 1 bedroom to fulfil their basic living requirements.
- There is an increasing acceptance by families of the prospect of apartment-living with children. As such, it is likely that a large proportion of the new family households residing in the LGA will be willing to live in 2-4 bedroom apartments and townhouses.

5.0 Assessment of Proposed Residential Development

The following sections provide a description and assessment of the proposed mix of apartment typologies and sizes within the 52-54 Pemberton Street project against the housing needs of the existing and future communities.

A summary of the proposed dwelling mix and internal apartment sizes is provided in **Table 1** below.

The Architectural Drawings prepared by Group GSA (appended to Statement of Environmental Effects) illustrate the diversity and characteristics of each of the proposed dwelling products, and provide an indicative layout of furniture and fixtures that illustrate the liveability of the apartments from a practical perspective.

Table 1 – Summary of proposed apartment sizes and mix

Dwelling Type	Gross Floor Area (m ²)	Number proposed	% of total
1 bed	54-71	147	33.5 %
1 bed + study	62-67	8	2 %
1 bed subtotal			35.5
2 bed (standard)	74-79	86	19.5 %
2 bed (medium)	81-98	79	18 %
2 bed (large)	93-107	26	6 %
Terrace - 2 bed	126	4	1 %
2 bed subtotal			44.5
3 bed	102-132	32	7.5 %
3 bed loft	107-121	2	0.5 %
Terrace - 3 bed	136-144	19	4.5 %
3 bed subtotal			12.0 %
Terrace - 4 bed	152-193	35	8 %
4 bed subtotal			8 %
Total		438 dwellings	

Proposed Housing Product Mix

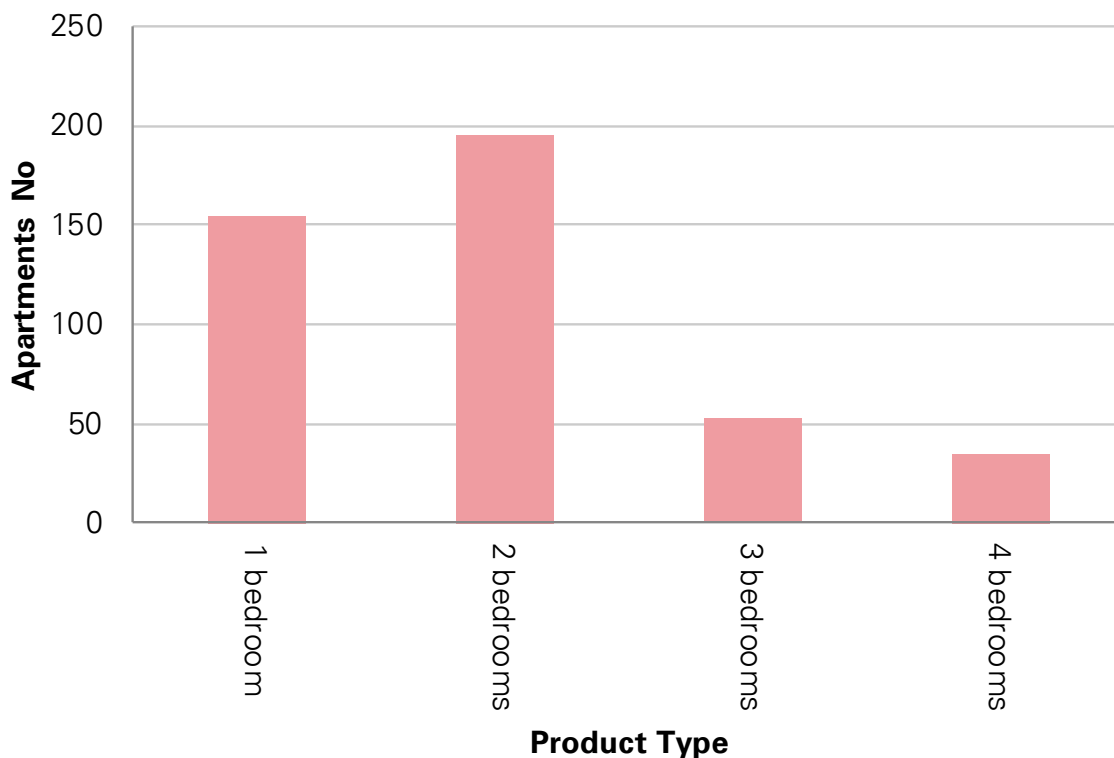


Figure 12 – Proposed mix of dwellings by number of bedrooms

5.1 Dwelling Mix

Section 2 of this report noted that the state planning policy framework, primarily implemented through SEPP 65 and the RFD, seeks to ensure that new development meets the existing and future housing needs of the community. State planning controls do not provide a direct indication of the mix of apartments that should be provided to meet these needs, but rather encourages local and project-specific assessments to be undertaken. Botany Bay Council's LEP and DCP both aim to ensure that future housing supply meets the needs of the local community. However, the DCP controls recommend that no more than 25% of new apartments should be 1-bedroom apartments or studios. The proposed development proposes a total of 155 x 1-bedroom apartments, equating to 35.5% of total dwellings proposed, and technically exceeds this DCP provision.

Section 3 of this report identifies that there is an existing undersupply of small (1 bedroom dwellings) dwellings based on the existing housing stock within the Botany Bay LGA and the number of smaller household types. There are currently only enough 1-bedroom dwellings to accommodate 25% of the lone person and couple-only households already within the LGA. This lack of choice contributes to poor social outcomes including the exclusion of new families and first-home-buyers from the house market due to smaller households being unable to downsize, resulting in impacts on the availability of larger dwellings to the households that need them and housing unaffordability issues. Providing improved household choice for the existing community therefore benefits both existing and future residents of the Botany Bay LGA. We note that the majority of the existing separate dwelling houses within the Botany LGA are located within R2 Low Density Residential zones that do not permit the redevelopment of separate houses for more diverse housing types such as residential apartments. As such,

the Pemberton Road site presents an opportunity to increase housing diversity within the Botany LGA whilst not impacting upon the existing supply of larger dwelling typologies already present within the area.

Section 4 noted that 50% of the additional households that will be required to be accommodated in the Botany Bay LGA will be either lone person or couple-only households, who could reasonably be expected to require only 1 bedroom dwellings to meet their living requirements.

Based on the analysis of the existing and future household characteristics and dwelling stock, it is evident that there is a clear need to increase the supply of smaller dwelling typologies to meet the need of smaller households. Limiting the number of 1-bedroom and studio apartments to only 25% of new dwelling stock will not address the existing imbalance, and this imbalance will worsen as an increasing number of households are occupied by only 1 or 2 people.

The proposed development seeks to provide 35.5% of total dwellings as either 1-bed or 1-bed +study apartments. Whilst this is in excess of Council's DCP control, it is evident that this mix nonetheless meets the objectives of both this provision and the overarching state and local planning frameworks.

One of the fundamental benefits of this typology is its inherent flexibility, which caters for property starters as well as those who are downsizing singles or couples. The diversity of product within the two bedroom dwellings provides for tremendous flexibility and range for smaller families, couples downsizing, and aging in place. The ability to provide a cross range of product types, sizes and configurations means that there are options of changing your living product to suit your time of life without having to move away from the established community ties.

Based on the assessment of the existing occupancy rates in **Section 3** of this report, it is clear that there are a number of small households (1 or 2 people) who are remaining in large houses. Whilst a segment of this group will be doing so as a conscious decision, a lack of suitable smaller dwelling types was also identified that would provide opportunities for these households to downsize whilst remaining in the local area. Providing this choice is particularly important in maintaining the social fabric of the community, particularly for older residents who no longer have the ability or desire to maintain larger properties, but wish to remain close to family, friends and other social connections that are established in the local area. Providing smaller dwellings such as 1 and 2-bedroom apartments that give these smaller households the ability to down-size also has the effect of freeing up larger existing dwellings for use by larger households, such as families with children. This allows for younger couples already living in the area to also retain their connections with the local community as they establish families and grow their household size.

Further to the above, we note that the proposed development will also make a positive contribution to the mix of dwellings and households within the development and wider locality by ensuring that a diverse mix of dwelling typologies is provided on the site, as illustrated in **Figure 13**. At least two different configurations are provided for 1, 2 and 3 bedroom dwellings, with four options proposed to be provided for 2 bedroom dwellings. This will cater to the specific needs of individual households in a much more specifically targeted mix of options than simply providing dwellings with more or less bedrooms. **Figure 14** illustrates how the proposed mix of dwelling typologies and sizes is likely to cater to a range of different household types.

Proposed Dwelling Mix

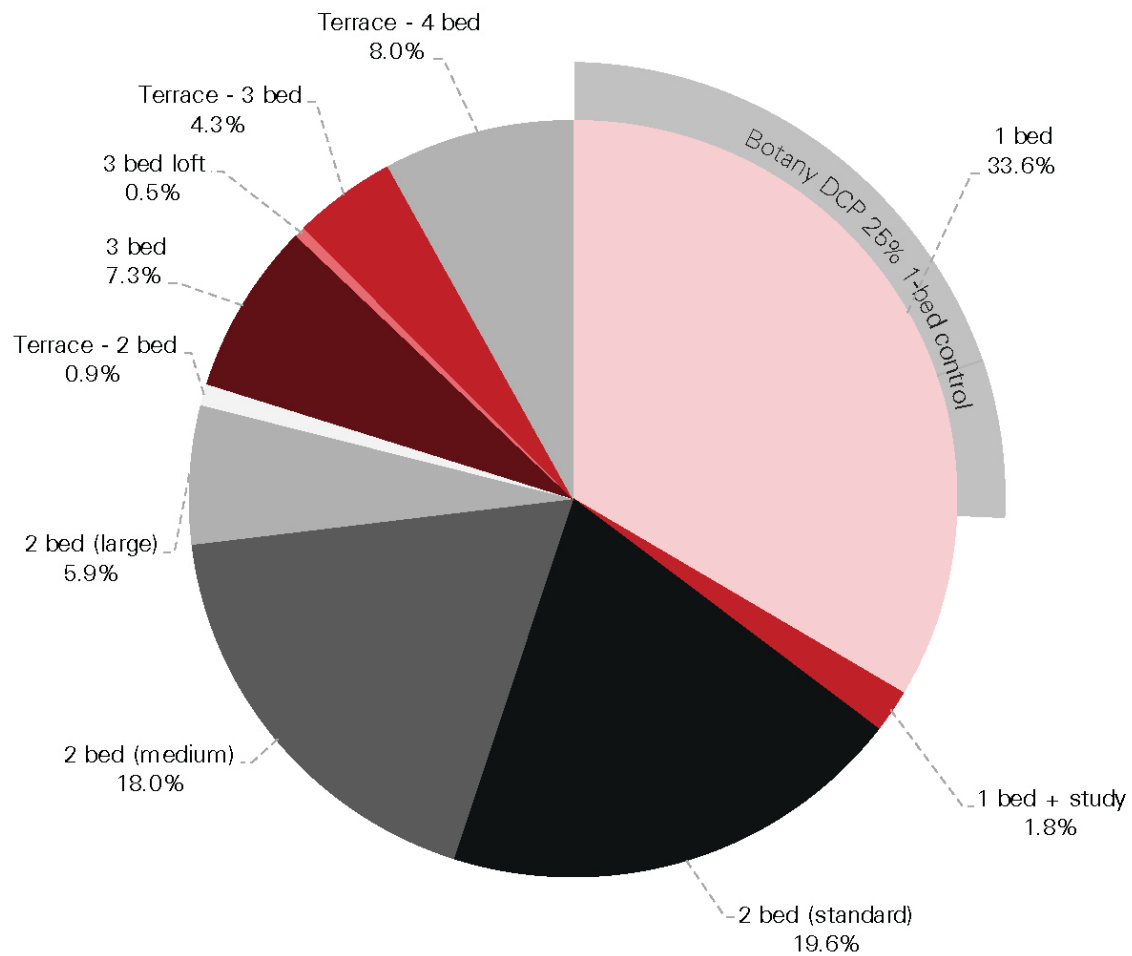


Figure 13 – Proposed dwelling mix and comparison to Botany Bay DCP control

Households and Proposed Dwellings

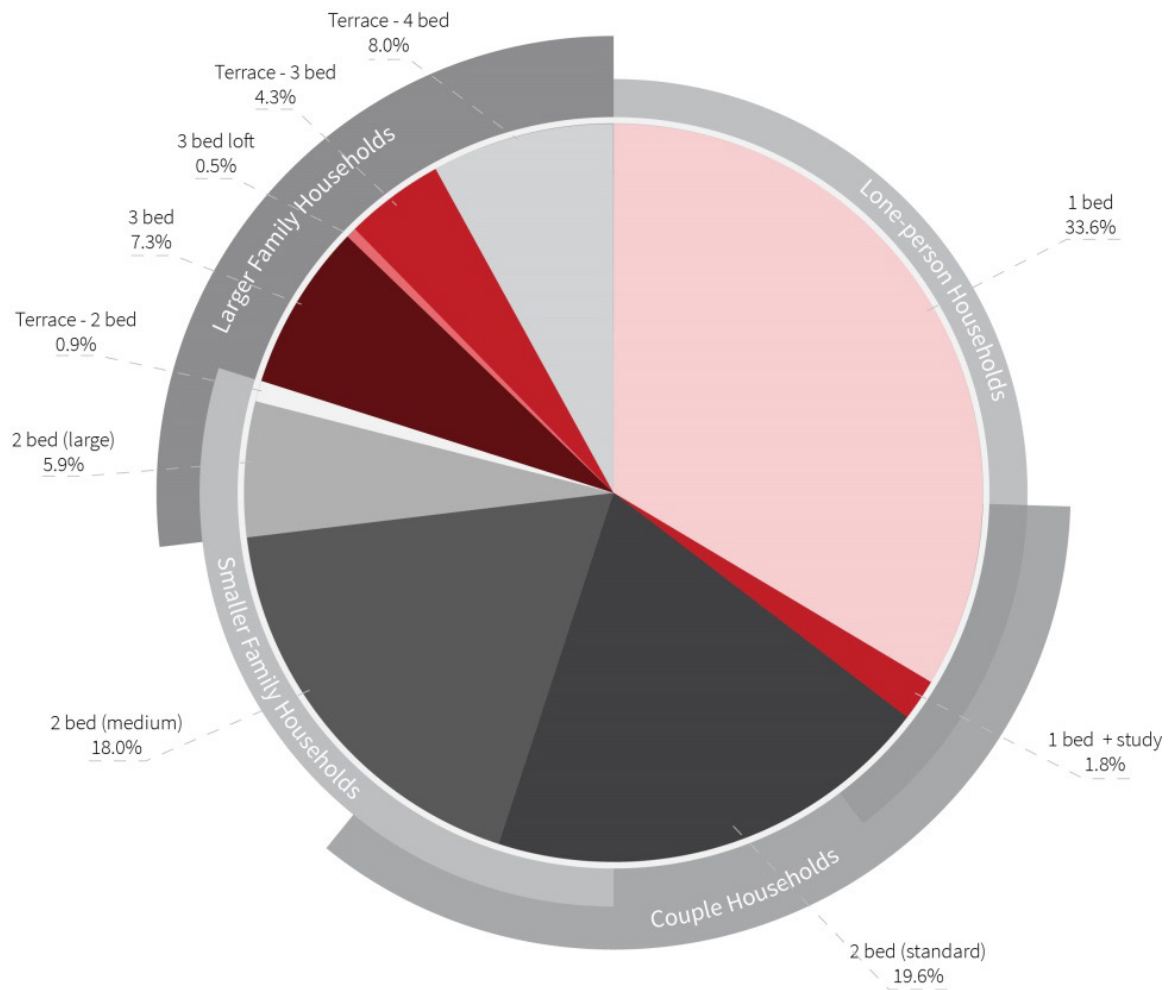


Figure 14 – Indicative relationship of proposed dwelling mix and likely occupation patterns

5.2 Apartment Sizes

As detailed in **Table 1**, the proposed development provides for a range of apartment sizes for 1, 2 and 3 bedroom apartments. The Apartment Layout Plans indicate how spaces will be allocated within the apartments, including the balance between bedrooms, amenity and living areas. All living areas are directly connected to external balconies allowing for flexible living across these areas, and many bedrooms and studies also have access to these areas. All apartments include built-in wardrobes and secondary kitchen benches to maximise the efficiency of unencumbered floor area allocation. More generally, the design of the proposed dwellings will ensure that future residents enjoy a high level of overall amenity. The proposed development will meet or exceed other design standards or recommendations under SEPP 65 and the RFDC, with 74% of apartments receiving at least 3 hours of solar access between 9am and 3pm during the winter solstice and 72% of apartments designed to provide natural ventilation. In addition to these core amenities, the dwellings are adjacent to a newly created north facing Public Park of approximately 3,200m², with an area almost equal to that again of through site link in the North south Link which connects the site with Botany shops and transport to the south and neighbouring residential to the north. In addition to this substantial open green space, there are substantial private courtyards for each of the sub-precincts within the site such as B and D, which provide a more intimate and tranquil scale of community and green open space. Each of the dwellings is also provided with generous balcony and terrace areas for outdoor living to complement the scale and range of other shared green spaces

The terrace products have been excluded from this comparison given that whilst they are considered to be apartments from a technical planning perspective, they have quite different design characteristics and are expected to be treated by the market as a more house-like product. In considering the project in its entirety, however, it is noted that terraces account for approximately 13% of all dwellings proposed and all significantly exceed the minimum internal area requirements. These terraces have been included within the project to provide a greater diversity in the typologies of housing provided, and cater to a range of larger household types such as families with children.

The compatibility of the proposed apartments with the SEPP 65 'Rules of Thumb' for apartment size and the Botany DCP is illustrated in **Table 2** and **Figure 14** below. The proposal includes apartments that meet and exceed sizes under the RFDC 'Rules of Thumb' for each product, however, the proposed apartments do not achieve the minimum sizes specified in the Botany DCP. The Botany DCP specifies minimum apartment sizes that are between 37% and 50% greater than the RFDC 'Rules of Thumb'. As outlined in **Section 2**, we note that the draft Apartment Design Guide adopts the RFDC 'Rules of Thumb' internal sizes, and that the draft SEPP 65 Amendment (which is a matter for consideration under S79C of the EP&A Act) would not permit consideration of the DCP controls.

Compliance with numerical controls must be considered in the context of the broader aims and objectives of the applicable controls, which are outlined in **Section 2** of this report. At the highest level, SEPP65, the RFDC, the Botany LEP and DCP all aim to provide housing choices that meet the needs of the existing and future community. A fundamental requirement for the attainment of these objectives is ensuring that the apartments delivered are affordable to the existing and future community. The RFDC states that providing a range of apartment sizes promotes housing affordability, and in establishing the 'Rules of Thumb' states that the use of these minimum apartment sizes can contribute to improved affordability. Whilst size represents only one of the factors contributing to affordability, by providing a range of smaller and larger apartments and different dwelling typologies allows households with different needs and budgets to only pay for the housing product that best meets their needs.

The analysis of the future projected population and household growth in **Section 4** of this report notes that lone person households are expected to be the equal-largest group of additional households requiring housing within the Botany Bay LGA by 2031. By nature these are single-income households, and often have lower financial ability to purchase larger or over-sized housing typologies. As such, it is imperative that new housing product that is both affordable and liveable is provided in new development.

Over 50% of additional households in the Botany Bay LGA are expected to have only one person or a couple living in them. Provided that internal areas are well-designed, there is clear evidence of market acceptance of apartment sizes that are in line with the SEPP 65 'Rule of Thumb' sizes throughout Sydney. The floor plans prepared by Group GSA for each apartment type demonstrate that there is sufficient internal area for these smaller apartment types to have excellent liveability and provide their occupants with a high level of overall amenity. Further, all apartments are provided with private open space and a range of communal and public open space areas will be delivered within the site.

In light of the above, it is considered that the range of apartment sizes is consistent with the aims and objectives of SEPP 65, the RFDC, the Botany Bay LEP and DCP in providing housing that meets the needs of the existing and future community.

Table 2 – Comparison of planning controls for minimum apartment sizes and proposed sizes

Number of bedrooms	Botany DCP	SEPP 65 Rule of Thumb	Proposal
1 bedroom	75 m ²	50 m ²	51-71 m ²
2 bedroom	100 m ²	70 m ²	74-107 m ²
3 bedroom	130 m ²	95 m ²	102- 144 m ²

Proposed Apartment Sizes and Mix

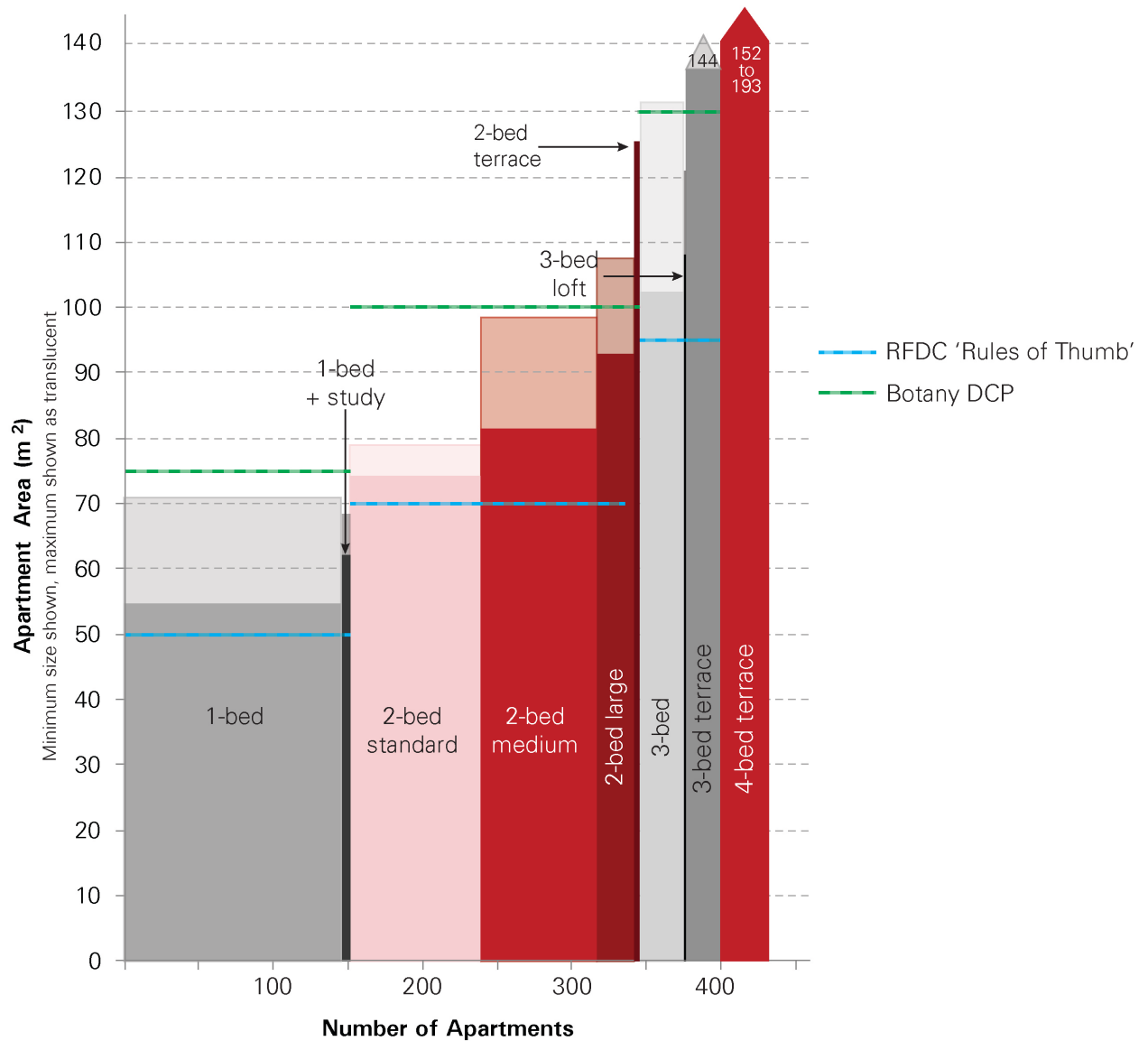


Figure 15 – Analysis of proposed unit mix and apartment sizes

6.0 Conclusion

This report has undertaken an assessment of the household and demographic characteristics of the existing and future population of the Botany Bay LGA and the characteristics of existing housing stock. This assessment is a requisite step in considering the needs for future housing, and is required to address the SEPP 65 design principles, the Residential Flat Design Code and the objectives of the Botany Bay LEP and DCP.

The proposed development by Australand at 52-54 Pemberton Street, Botany, provides a diversified mix of apartments and houses that will cater to a range of different household requirements and budgets. This diversity will contribute to a positive social mix within the local community, and assist in better meeting the housing needs of the existing and future community. There is evidence of an existing need to provide a more diverse range of smaller dwellings to meet the housing needs of the local community, and of strong projected growth in demand for housing from new smaller household types within the Botany Bay LGA.

Providing housing choice is an essential element of supporting lifestyle, social and economic decisions of the community. By providing a wide choice of housing within the site, this proposed development will assist households in accessing the homes that best meet their needs and budgets. Providing a diverse range of dwellings will also better meet the lifecycle housing needs of existing local residents, providing access to a range of housing typologies to meet different lifestyle needs as residents progress through their lives.

In light of the above, we have no hesitation in supporting the proposed apartment sizes and dwelling mix on the basis that they are entirely consistent with the aims and objectives of state and local planning policies for housing supply.