

## COMMITTEE MEMBERSHIP

Jo Clay MLA (Chair)

Suzanne Orr MLA (Deputy Chair)

Mark Parton MLA

SECRETARIAT

Dr Brian Lloyd Secretary

Lydia Chung Administrative Assistant

CONTACT INFORMATION

Telephone 02 6205 0137

Post GPO Box 1020, CANBERRA ACT 2601

Email <u>LACommitteePTCS@parliament.act.gov.au</u>

Website <a href="https://www.parliament.act.gov.au/parliamentary-business/in-">https://www.parliament.act.gov.au/parliamentary-business/in-</a>

committees/committees/ptcs

### RESOLUTION OF APPOINTMENT

On 2 December 2020 the Legislative Assembly resolved to establish the Standing Committee on Planning, Transport, and City Services. <sup>1</sup>

Under the Resolution the Committee is responsible for examining the following areas:

- City Renewal Authority;
- Suburban Land Agency;
- Planning and Land Management;
- Transport;
- City Services including waste and recycling;
- Housing (excluding service provision); and
- Building and Construction.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> Legislative Assembly for the ACT, *Minutes of Proceedings*, 2 December 2020, pp.17, 20, available at: <a href="https://www.parliament.act.gov.au/">https://www.parliament.act.gov.au/</a> <a href="https://www.parliament.act.gov.au/">data/assets/pdf</a> file/0007/1669030/MoP002F.pdf

<sup>&</sup>lt;sup>2</sup> Legislative Assembly for the ACT, *Minutes of Proceedings*, 2 December 2020, pp.17, 20, available at: https://www.parliament.act.gov.au/ data/assets/pdf file/0007/1669030/MoP002F.pdf

## TERMS OF REFERENCE

The Committee's Terms of Reference are to 'prepare a report on the on the draft plan variation' as provided for under Section 73 of the *Planning and Development Act 2007*.<sup>3</sup>

<sup>&</sup>lt;sup>3</sup> Planning and Development Act 2007, s 73(2).

# TABLE OF CONTENTS

	Committee membershipiii
	Resolution of appointmentiv
	Terms of referencev
RE	COMMENDATIONS
1	Introduction 2
	Conduct of the inquiry2
	Draft Variations
	Residential zones
	Structure of the report4
2	THE DRAFT VARIATION
	Government view
	Concern about dealing with co-housing and boarding houses together 10
3	Co-HOUSING
	Definitions of co-housing
	Restrictions
	Reactions from proponents of co-housing
4	BOARDING HOUSES23
	The proposal
	Boarding houses and the ACT
	Definitions
	'Choice'
	Regulation
	Financial aspects
	Design aspects
5	COMMITTEE COMMENT37
ΑP	PENDIX A WITNESSES
ΑP	PENDIX B SUBMISSIONS41

## RECOMMENDATIONS

### RECOMMENDATION 1

5.4 The Committee recommends that the ACT Government should deal with any proposed planning changes for co-housing and boarding houses in separate Draft Variations.

#### RECOMMENDATION 2

5.5 The Committee recommends that the co-housing components of DV365 be withdrawn and Territory Plan amendments concerning co-housing be made following evaluation of the co-housing projects currently being progressed through the demonstration housing project, the Collaboration Hub, community consultation and existing informal co-housing models in Canberra.

### RECOMMENDATION 3

5.6 The Committee recommends that if the ACT Government review its regulatory and compliance regime for both private and community boarding houses in the ACT. This could be modelled on existing community boarding house regulation and should be designed to protect boarding house residents. It should include a system of licensing, inspection and registration and should be developed in consultation with the existing community housing sector.

### RECOMMENDATION 4

- 5.7 The Committee recommends that if the ACT Government retains co-housing in DV365, it consider:
- whether co-housing should be prohibited or permitted in RZ1 and if it is permitted, whether it should be limited to one per section and be subject to other limitations such as the Living Infrastructure policy;
- using the original definition of co-housing distributed in the original consultation;
- policy and options for unit title for co-housing; and
- embedding a review of co-housing in five years' time.

# 1 Introduction

## CONDUCT OF THE INQUIRY

- 1.1 On 1 March 2021 the Acting Minister for Planning and Land Management, Mr Chris Steel MLA, referred Draft Variation (DV) 365 *Housing Choices Co-Housing and Boarding Houses* to the Standing Committee under Section 73(2) of the *Planning and Development Act 2007*.
- 1.2 On 11 March 2021 the Committee agreed to inquire further into the Draft Variation. The Chair of the Committee wrote to the Minister for Planning and Land Management on 25 March, and made a statement to the Assembly on 30 March, <sup>4</sup> advising of its decision.
- 1.3 Under Section 73 of the Planning and Development Act 2007:

The Minister must, within 5 working days after the day the public availability notice for the draft plan variation is notified, refer the draft plan variation documents to an appropriate committee of the Legislative Assembly, together with a request that the committee decide whether it will prepare a report on the draft plan variation.<sup>5</sup>

- 1.4 The Committee's Terms of Reference are to 'prepare a report on the draft plan variation' as set out in Section 73 of the *Planning and Development Act 2007*.<sup>6</sup>
- 1.5 In the course of the inquiry, we received eight submissions and held one public hearing, on 15 July 2021.

# **DRAFT VARIATIONS**

1.6 Consultation Notices for Draft Variations to the Territory Plan, published in the ACT Legislation Register, include a standard description of the Draft Variation Process:

The Commonwealth's Australian Capital Territory (Planning and Land Management) Act 1988 allows for the Legislative Assembly to make laws to establish a Territory Planning Authority and for that Authority to prepare and administer a Territory Plan. The Planning and Development Act 2007 (the Act) establishes the planning and land authority as the Authority that prepares and administers the Territory Plan, including continually reviewing and proposing amendments as necessary. The functions of the

<sup>&</sup>lt;sup>4</sup> Minutes of Proceedings, 30 March 2021, p.88.

<sup>&</sup>lt;sup>5</sup> Planning and Development Act 2007, s 73(2).

<sup>&</sup>lt;sup>6</sup> Planning and Development Act 2007, s 73(2).

planning and land authority are administered by the Environment, Planning and Sustainable Development Directorate (EPSDD). The Director-General of EPSDD is the planning and land authority.

The Territory Plan is comprised of a written statement and a map. The written statement contains a number of parts, namely governance; strategic directions; zones (including objectives and development tables and zone or centre development codes); precinct codes; general codes; overlays; definitions; structure plans, concept plans and development codes for future urban areas.

The Territory Plan Map graphically represents the applicable land use zones (under the categories of residential, commercial, industrial, community facility, urban parks and recreation, transport and services and nonurban), precincts and overlays. The zone, precinct and overlay requirements are detailed in the Territory Plan.

Draft variations to the Territory Plan are prepared in accordance with the Act. Following the release of the draft variation under section 63 of the Act, submissions from the public are invited. At the conclusion of the consultation period the EPSDD (planning and land authority) submits a report on consultation and a recommended final variation to the Minister responsible for planning for referral to the Legislative Assembly standing committee responsible for planning. The Minister must consider any recommendations of the committee before deciding whether to approve the draft variation. If the Minister approves the variation, the variation and associated documents will be tabled in the Legislative Assembly. Unless disallowed by the Legislative Assembly within five sitting days, the variation commences on a day nominated by the Minister.<sup>7</sup>

# RESIDENTIAL ZONES

- 1.7 This report refers to residential zones RZ1 to RZ5. These are categories of residential zones set out in the *Territory Plan 2008*, under which:
  - RZ1 Suburban Zone, for which the first zone objective is to provide for 'the establishment and maintenance of residential areas where the housing is low rise and predominantly single dwelling and low density in character';8

<sup>&</sup>lt;sup>7</sup> Quoted from *Draft Variation to the Territory Plan DV379*: *Nature Reserve – Kenny Environmental Offset Site, December 2020, Draft variation for public consultation prepared under s60 of the Planning and Development Act 2007*, pp.1-2, included in *Planning and Development (Draft Variation No 379) Consultation Notice 2020 - Notifiable instrument NI2020—779*, viewed 4 June 2021, available at: <a href="https://www.legislation.act.gov.au/View/ni/2020-779/current/PDF/2020-779.PDF">https://www.legislation.act.gov.au/View/ni/2020-779/current/PDF/2020-779.PDF</a>

<sup>8</sup> Territory Plan 2008, RZ1 Suburban Zone, viewed 16 August 2021, available at: https://www.legislation.act.gov.au/DownloadFile/ni/2008-27/copy/128605/PDF/2008-27.PDF

- RZ2 Suburban Core Zone, for which the first zone objective is to provide for 'the establishment and maintenance of residential areas where the housing is low rise and contains a mix of single dwelling and multi-unit development that is low to medium density in character particularly in areas close to facilities and services in commercial centres';<sup>9</sup>
- RZ3 Urban Residential Zone, for which the first zone objective is to provide for 'the establishment and maintenance of residential areas where the housing is low rise and predominantly medium density in character and particularly in areas that have good access to facilities and services and/ or frequent public transport services'; 10
- RZ4 Medium Density Residential Zone, for which the first zone objective is to provide for 'the establishment and maintenance of residential areas where the housing is medium rise and predominantly medium density in character and particularly in areas that have very good access to facilities and services and/ or frequent public transport services';<sup>11</sup> and
- RZ5 High Density Residential Zone, for which the first zone objective is to provide for 'the establishment and maintenance of residential areas where the housing is generally high density in character particularly in areas that have very good access to facilities and services and/ or frequent public transport services'.<sup>12</sup>
- 1.8 In summary, RZ1 provides for the lowest level of density in residential areas, and this increases through the RZ zones to RZ5, which provides for the highest levels of residential density permitted under the *Territory Plan*.

## STRUCTURE OF THE REPORT

- 1.9 This report consists of:
  - Chapter 1, which is the present introduction;
  - Chapter 2, which considers the Draft Variation itself, taking into account the statements of the Minister for Planning and Land Management and his officers, and comment on the Draft Variation by others;

<sup>&</sup>lt;sup>9</sup> Territory Plan 2008, RZ2 Suburban Core Zone, viewed 16 August 2021, available at: https://www.legislation.act.gov.au/DownloadFile/ni/2008-27/copy/118752/PDF/2008-27.PDF

<sup>&</sup>lt;sup>10</sup> Territory Plan 2008, RZ3 Urban Residential Zone, viewed 16 August 2021, available at: https://www.legislation.act.gov.au/DownloadFile/ni/2008-27/copy/118753/PDF/2008-27.PDF

<sup>&</sup>lt;sup>11</sup> Territory Plan 2008, RZ4 Urban Residential Zone, viewed 16 August 2021, available at: <a href="https://www.legislation.act.gov.au/DownloadFile/ni/2008-27/copy/118753/PDF/2008-27.PDF">https://www.legislation.act.gov.au/DownloadFile/ni/2008-27/copy/118753/PDF/2008-27.PDF</a>

<sup>12</sup> Territory Plan 2008, RZ5 High Density Residential Zone, viewed 16 August 2021, available at: https://www.legislation.act.gov.au/DownloadFile/ni/2008-27/copy/118755/PDF/2008-27.PDF

- Chapter 3, which considers comment and debate on co-housing and the Draft Variation in greater detail;
- Chapter 4, which considers comment and debate on boarding houses and the Draft Variation in greater detail; and
- Chapter 5, which presents our reflections and recommendations in response to the material presented in the body of the report.

# 2 THE DRAFT VARIATION

## GOVERNMENT VIEW

- 2.1 The Minister for Planning and Land Management, Mick Gentleman MLA, appeared before us with his officers in hearings of 15 July 2021. We noted comments from contributors which said that in not allowing co-housing in RZ1 and restricting boarding houses in RZ1 to four bedrooms, the Draft Variation could be seen to work against stated goals of flexibility and affordable housing, and asked the Minister to respond.<sup>13</sup>
- 2.2 He told us that the ACT Government was in favour of flexibility in the majority of the ACT's residential areas, to provide housing choices now and in the future, and that the Draft Variation was a way to achieve this. Referring to the comments cited in the question, he told us that the Government did not want to be inconsistent with the ACT planning system, or the National Capital Plan: the purpose of the Draft Variation was to give the Government the ability to consider more flexible arrangements, and to allow it to gauge what the Canberra community 'would like to see'. 14
- 2.3 Responding to further questions about the restrictions, the Senior Director, Territory Plan Variation Unit, EPSDD, told us that because co-housing was a new type of development for the ACT, the Government wanted 'just to test it out first' and 'see how it worked', by trailing it in RZ2, RZ3, RZ4 and RZ5 zones first, and then considering it for RZ1 areas in the future. 15
- 2.4 At another point in the hearing, in responding to a comment from the Committee that the Draft Variation appeared to struggle to define co-housing, the Minister also told us that the Government saw the Draft Variation as an opportunity to test Canberra's appetite for change and that it would make decisions after that became evident. He made similar comments when the Committee put it to him that the Draft Variation appeared not to take into account that there was more than one kind of boarding house.<sup>16</sup>
- 2.5 When asked how long it would be before the Government implemented, reviewed and potentially amended the arrangements set out in the Draft Variation, Minister Gentleman told us that it was necessary to allow for the statutory process currently underway, in which the

<sup>&</sup>lt;sup>13</sup> See for example Submission No 1, Mrs Else and Mr Chris Aitchison, pp. [1-2]; Submission No 2, Co-housing Canberra, pp. [3-4]; and Submission No 7, Ms Julie Esdaile Bray, para. 3.

<sup>&</sup>lt;sup>14</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, pp.1-2.

<sup>&</sup>lt;sup>15</sup> Ms Alix Kaucz, *Proof Transcript of Evidence*, 15 July 2021, p.2.

<sup>&</sup>lt;sup>16</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, pp.2-3.

Committee was conducting an inquiry, on which it would report. The Government would respond to the report, the DV would be introduced, then the Government would see how the Canberra community felt about the changes available under the Draft Variation 'and then go from there'.<sup>17</sup>

## RESTRICTIONS

- We asked further questions about the restrictions set out in the Draft Variation, including why, when contributors seemed so much more positive about co-housing, it was boarding houses that the Draft Variation permitted in RZ1. The Senior Director, Territory Plan Variation Unit, told us that currently, the Territory Plan permitted boarding houses in RZ1. The consultation version of the Draft Variation prohibited boarding houses in RZ1 and then, following submissions, in the recommended Draft Variation they were again permitted in RZ1 but were limited by size, due to community concern about larger boarding houses in RZ1. Co-housing, on the other hand, in the sense used in the Draft Variation, was not provided for in the Territory Plan.
- 2.7 We also noted the views of Caroline Le Couteur, who had suggested that the central theme of the Draft Variation appeared to be to ensure only single household residences were constructed in RZ1, and that it appeared to be compatible neither with the Government's target of 70% of new dwellings being urban infill or the housing choices recommendations. When we asked whether the Draft Variation represented an opportunity to support the broader planning objectives of the Government, Minister Gentleman told us that this was not within the remit of the housing choices policy, or the results of the Collaboration Hub which gave rise to it.<sup>18</sup>

### CHOICES

2.8 We also asked whether the advent of the Draft Variation was related in any way to the present rental crisis in the ACT, including whether the release of the Draft Variation was an acknowledgement that some people were having trouble entering the private rental market or public housing. The Minister told us that it was not, and that the Draft Variation was a direct response to Collaboration Hub recommendations and the Government's consideration of them.<sup>19</sup>

<sup>&</sup>lt;sup>17</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, p.4.

<sup>&</sup>lt;sup>18</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, pp.9-10.

<sup>&</sup>lt;sup>19</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, p.5.

- 2.9 We asked whether it was the case that many of the people who would take up the option of boarding house accommodation provided for under the Draft Variation would do so in the absence of choice, rather than because of it, the Minister told us that the whole idea of the Draft Variation was to provide choice. He said that the ACT needed to provide more choice than was available at present, and that this was a direct outcome from the Collaboration Hub, where participants had said they wanted to see more choice in Canberra.<sup>20</sup>
- 2.10 When we noted that in other cities boarding house accommodation was used by people who did not have a choice due to their economic circumstances, the Minister told us:

We are not other cities. We have had a very structured, planned city for many years and the Territory Plan is very structured as well. This is an opportunity to open that up a little and have a look at what choices we could provide.<sup>21</sup>

### Unintended consequences

2.11 We also asked whether there was a risk that new forms of accommodation permitted under the Draft Variation, such as smaller boarding houses, could be picked up by AirBnb or businesses operating under similar models, given that the Draft Variation was silent on this kind of business involvement. The Senior Director, Territory Plan Variation Unit, told us that Airbnb or similar business models were about how buildings or structures were used, but the Draft Variation was concerned with what could be developed on a block. Currently there were no controls for Airbnb and similar businesses. The Draft Variation would allow new types of dwelling for which there appeared to be demand: in particular, for co-housing, which occupied a space between share housing and multi-unit developments.<sup>22</sup>

### REGULATORY PROTECTION

- 2.12 We asked the Minister and his officers whether:
  - there was sufficient regulatory protection for people who live in boarding houses;<sup>23</sup>
  - 'worst case scenarios' could come out of the draft variation in the absence of baseline regulation for boarding houses in the ACT;<sup>24</sup>

<sup>&</sup>lt;sup>20</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, p.5.

<sup>&</sup>lt;sup>21</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, p.5.

<sup>&</sup>lt;sup>22</sup> Ms Alix Kaucz, *Proof Transcript of Evidence*, 15 July 2021, p.5.

<sup>&</sup>lt;sup>23</sup> Proof Transcript of Evidence, 15 July 2021, p.6.

<sup>&</sup>lt;sup>24</sup> Proof Transcript of Evidence, 15 July 2021, pp.6-7.

- there were gaps in tenant advocacy;<sup>25</sup> and whether
- boarding houses delivered on 'the right of people to live independently and participate in the community'.<sup>26</sup>
- 2.13 In response they told us that, respectively:
  - it was difficult to comment on whether there was adequate regulatory protection, but the Directorate worked with other directorates to assess the adequacy of regulatory systems;<sup>27</sup>
  - appropriate regulation for boarding houses and questions about tenant advocacy were 'probably a matter for the committee to have a think about';<sup>28</sup> and that
  - 'we need to do as much as we can to look after the most vulnerable in our society [and if] we can do that through assisting in regulation, then we should do that [but] we also need to provide housing opportunities for those people that are not in that case as well.' 29

# CONCERN ABOUT DEALING WITH CO-HOUSING AND BOARDING HOUSES TOGETHER

- 2.14 Other contributors to the inquiry were concerned that Draft Variation 365 dealt with cohousing and boarding houses together, and that in view of marked differences between them this was not productive.
- 2.15 The ACT Council of Social Services (ACTCOSS) told us that the effect of the Draft Variation would be to:
  - maintain boarding houses as merit assessable development in residential zoning areas;
  - prescribe the number of rooms in a boarding house; and
  - regulate and potentially restrict co-housing within residentially zoned areas.<sup>30</sup>

<sup>&</sup>lt;sup>25</sup> Proof Transcript of Evidence, 15 July 2021, p.7.

<sup>&</sup>lt;sup>26</sup> Proof Transcript of Evidence, 15 July 2021, pp.7-8.

<sup>&</sup>lt;sup>27</sup> Dr Erin Brady, *Proof Transcript of Evidence*, 15 July 2021, p.6.

<sup>&</sup>lt;sup>28</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, p.7.

<sup>&</sup>lt;sup>29</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, p.8.

<sup>&</sup>lt;sup>30</sup> Submission No 3, ACTCOSS, p.2.

- 2.16 Co-housing Canberra told us that co-housing and boarding houses were 'very different' types of housing and that dealing with them together in the Draft Variation could lead to confusion and a perception that they were similar.<sup>31</sup>
- 2.17 ACT Shelter went further, saying that the two were polar opposites. Co-housing models sought to create intentional communities on 'an opt-in basis', where residents bought-in and held equity in the housing venture 'over time'. Boarding houses, by contrast, offered occupants no choice about their co-habitants.<sup>32</sup>
- 2.18 ACTCOSS told us that policy issues in relation to co-housing were very different to those for boarding houses. Co-housing involved 'a number of distinct units on a block or microapartments with separate dwellings' and were more similar to independent dwellings. Boarding houses included shared facilities and services, such as kitchens and bathrooms, comprising a 'congregate model' of shared supports and cohabitation. As a result, ACTCOSS suggested 'de-coupling' policy and regulatory work for boarding houses from similar for cohousing.<sup>33</sup>

 $<sup>^{31}</sup>$  Submission No 2, Co-housing Canberra, p. [1].

<sup>&</sup>lt;sup>32</sup> Submission No 8, ACT Shelter, pp. [1-2].

<sup>&</sup>lt;sup>33</sup> Submission No 3, ACTCOSS, p.5.

# 3 Co-Housing

## DEFINITIONS OF CO-HOUSING

- 3.1 We asked contributors about the definition of 'co-housing'. Ian Ross told us that he was one of the participants in Stellulata Cohousing, a demonstration housing project proposed for Angus Street in Ainslie, and which was the subject of a forthcoming Draft Variation 376.<sup>34</sup>
- 3.2 He told us that Stellulata followed principles of co-housing, which included:
  - use of a participatory process, in which residents took part in design to ensure it met their needs;
  - the design of 'the neighbourhood, the physical layout and the orientation of the buildings' encouraged 'a sense of community and social interaction';
  - common facilities 'designed for daily use' which were an integral part of the community but were supplemental to those of private residences, 'so you have your own private space';
  - resident management, in which residents directly managed the co-housing community and performed much of the work required to maintain the property; and
  - a 'non-hierarchical structure' for decision-making, in which each person took on roles 'consistent with their skills, abilities and interests' and decisions were made collaboratively.<sup>35</sup>
- 3.3 Chris Aitchison's personal experience of living in co-housing for three years at Murwillumbah in NSW provided a practical definition of co-housing. When asked about the split between facilities in individual dwellings and shared facilities, he told us that he and his immediate family had a small area in which to live and modest private facilities.<sup>36</sup>
- 3.4 Shared facilities included a communal kitchen with a shelter; a couple of dams; and roads and bridges. Residents met at monthly to make decisions about their upkeep.<sup>37</sup>

<sup>&</sup>lt;sup>34</sup> Mr Ian Ross, *Proof Transcript of Evidence*, 15 July 2021, p.32.

<sup>&</sup>lt;sup>35</sup> Mr Ian Ross, *Proof Transcript of Evidence*, 15 July 2021, p.39.

<sup>&</sup>lt;sup>36</sup> Mr Chris Aitchison, *Proof Transcript of Evidence*, 15 July 2021, p.36.

<sup>&</sup>lt;sup>37</sup> Mr Chris Aitchison, *Proof Transcript of Evidence*, 15 July 2021, p.36.

3.5 Regarding the financial side of these arrangement, he told us:

all we owned was a one-dollar ordinary share in a company that owned the piece of land; but owning that share then ascribed us a series of rights that was set out in a deed of agreement. They included the right to quiet enjoyment of a three-acre piece of land.<sup>38</sup>

## SENTIMENT

- 3.6 Sentiment about co-housing was for the most part positive among contributors to the inquiry. Else and Chris Aitchison told us they had direct experience of co-housing through some years of living with family under such an arrangement on the Far North Coast of NSW. In their view co-housing could improve housing affordability, allowing people to own a home who would otherwise have no prospect doing so, and could also be a beneficial response to social isolation and loneliness. While it wasn't for everyone, for some co-housing was a practical path to home ownership and a 'rewarding' way to live, and they thought that the ACT's planning laws should support it.<sup>39</sup>
- 3.7 They thought that the Territory Plan should make a wider range of housing choices available in the ACT by way of new provisions for co-housing and amendments to existing provisions for boarding house. However, they told us, Draft Variation 365 offered 'little or nothing' that would expand housing choice. 40 Julie Esdaile Bray also told us that she believed that the recommended variation was flawed. 41
- 3.8 A number of submissions expressed a positive view toward co-housing, although this was influenced, to a degree, by the fact that a number of submitters were affiliated with Co-housing Canberra.<sup>42</sup>
- 3.9 Not all submissions were positive in their views, however. Friends of Hawker Village told us that the co-housing provisions of the Draft Variation, if implemented, would lead to the degradation of current planning controls and protections in residential zones in the ACT, and a reduction in quality of life and amenity.<sup>43</sup>

<sup>&</sup>lt;sup>38</sup> Mr Chris Aitchison, *Proof Transcript of Evidence*, 15 July 2021, p.36.

<sup>&</sup>lt;sup>39</sup> Submission No 1, Mrs Else and Mr Chris Aitchison, p. [1].

<sup>&</sup>lt;sup>40</sup> Submission No 1, Mrs Else and Mr Chris Aitchison, p. [1].

 $<sup>^{41}</sup>$  Submission No 7, Ms Julie Esdaile Bray, para. 1.

<sup>&</sup>lt;sup>42</sup> See Submission No 5, Ms Caroline Le Couteur; Submission No 6, Mr Ian Ross; and Submission No 7, Ms Julie Esdaile Bray.

<sup>&</sup>lt;sup>43</sup> Submission No 4, Friends of Hawker Village.

# **RESTRICTIONS**

3.10 Contributors told us about two forms of restriction that had been brought into play in the Draft Variation, that is: those based on the number of dwellings permitted on a parcel of land, and those based on permitted uses in zones under the Territory Plan.

### RESTRICTION BY NUMBER

- 3.11 Else and Chris Aitchison told us that the original Draft Variation 365 as released for consultation did not propose limits on the number of dwellings for co-housing on a parcel of land. However, the recommended Draft Variation provided that dwelling numbers would be limited by Multi Unit Code Element 3, with the result that only three dwellings would be permitted on a 1050-1400 m2 block. They told us that because this was no different to current provisions for multi-unit housing, the revised Draft Variation would do nothing to improve housing choices or affordability.<sup>44</sup>
- 3.12 They told us that it was their 'firm view' that co-housing developments should not be limited by number of dwellings. Rather, limits should be imposed indirectly by way of design constraints, and a requirement that a proposed development be suitable for the character and amenity of the suburb for which it was proposed. If a co-housing development could provide for greater than three dwellings without detracting from the character or amenity of a suburb, then it should be permitted. If, on the other hand, the proposed development detracted from character and amenity it should not be approved. 45
- 3.13 Cohousing Canberra took a similar view. They told us that they were disappointed with changes from the consultation draft to the recommended draft variation. Initially limits on dwellings were to be set solely on the basis of 'plot ratio/site coverage provisions'. This, they told us, was a good approach in view of the different sizes of dwelling likely to be proposed for co-housing developments catering to 'a diverse community'. Shared facilities and minimum private living area requirements would permit a 'diversity of dwelling size and type' to facilitate build to rent and ageing in-place. However, the recommended Draft Variation, by using Element 3 of the Multi Unit code to determine the number of dwellings permitted, removed the capacity for co-housing developments to provide affordable options in a mix of dwelling sizes, and thus removed 'the only innovative provision' for co-housing in the Draft Variation.<sup>46</sup>

<sup>&</sup>lt;sup>44</sup> Submission No 1, Mrs Else and Mr Chris Aitchison, p. [2].

<sup>&</sup>lt;sup>45</sup> Submission No 1, Mrs Else and Mr Chris Aitchison, p. [2].

<sup>&</sup>lt;sup>46</sup> Submission No 2, Co-housing Canberra, pp. [3-4].

3.14 Julie Esdaile Bray also said that this part of the original Draft Variation had been removed from the recommended version, without any clear rationale; that this would limit the capacity of cohousing developments to provide affordable options; and that the original provision without limits on numbers of dwellings should be reinstated, 'with better design guidelines'.<sup>47</sup>

## RESTRICTION BY ZONE

3.15 As noted above, there were differences of opinion about limits on co-housing based on zoning under the Territory Plan. Most in favour of co-housing saw the Recommended Draft Variation as too restrictive, while Friends of Hawker Village considered them too liberal and likely to lead to a downturn in standards and compliance.

### VIEWS OF SUPPORTERS OF CO-HOUSING

- 3.16 In the first category, Else and Chris Aitchison told us that the Recommended Draft Variation would restrict co-housing developments to RZ2-RZ5. 48 This, they told us, was 'arbitrary and nonsensical' as it would make 80 percent of the existing urban area out-of-bounds for co-housing developments. While not in favour of it, a case could be imagined for capping the number of co-housing developments in an RZ1 (Suburban Zone) section, but there was no sound rationale for removing co-housing from RZ1 completely. 49
- 3.17 Julie Esdaile Bray told us that it appeared that the rationale for prohibiting co-housing in RZ1 was that this question would be considered in the current review of the Territory Plan.

  However, she said, this element of the Draft Variation would limit the affordability and availability of land for co-housing. A better approach, she told us, was that currently applied to boarding houses, which were limited to one per section in RZ1. In her view, affordable housing was urgently needed, and waiting for the conclusion of the Territory Plan review was 'a regressive step'. She also told us that co-housing was suited to smaller blocks, and should be permitted on smaller blocks in all zones, 'using plot ratio and site provisions to limit scale'. <sup>50</sup>
- 3.18 In hearings, Julie Esdaile Bray told us that she advocated for opportunities to develop co-housing in RZ1, rather than in RZ2 and RZ3, primarily because there was 'very little' land available in areas zoned RZ2 and RZ3. Under those conditions it would be 'very difficult' to test co-housing concepts simply due to scarcity of land. These were also more expensive areas to buy into due to competition from commercial developers, making it more difficult to create

<sup>&</sup>lt;sup>47</sup> Submission No 7, Ms Julie Esdaile Bray, para. 3.

<sup>&</sup>lt;sup>48</sup> Please see the description of zones RZ1 to RZ5 in Chapter 1 of this report, and see the *Territory Plan 2008* at: <a href="https://www.legislation.act.gov.au/ni/2008-27/Current">https://www.legislation.act.gov.au/ni/2008-27/Current</a>

<sup>&</sup>lt;sup>49</sup> Submission No 1, Mrs Else and Mr Chris Aitchison, p. [1].

<sup>&</sup>lt;sup>50</sup> Submission No 7, Ms Julie Esdaile Bray, para. 3, and see also Submission No 2, Co-housing Canberra, p. [4].

- affordable housing. She thought allowing co-housing developments in RZ1 areas and limiting them to one per section was a good way to respond to these challenges.<sup>51</sup>
- 3.19 Ian Ross told us that he thought the reason why the Draft Variation had not allowed cohousing in RZ1 was that the ACT Government had realised that it was 'a can of worms to talk about RZ1', and that in the context of the wider review of the ACT planning system currently underway, the Government was 'hoping to just put a simple one in first and get it through'. 52
- 3.20 Julie Esdaile Bray agreed, telling us that this problem largely related to the question of unit titling in RZ1, and that the Government had been reluctant 'to bring to the fore at this point'. She thought that there were further definitional matters to be resolved for co-housing, in particular about unit titling, such as whether it was possible to unit title a private living area, and whether it had to have a kitchen. Under present arrangements, if there were more than two kitchens it could not be a single dwelling and was is not permitted in RZ1. These were examples of a number of changes that were needed to permit unit titled co-housing in order to make it 'fit into the box', and what was needed was to 'make that box bigger'.<sup>53</sup>
- 3.21 Co-housing Canberra also spoke in favour of permitting co-housing in RZ1 areas, at 'no more than one per section', as for boarding houses. It considered this was a reasonable approach given limits on the number of available blocks larger than 1050 m2 across all zones. Allowing increased density in this way in areas zoned RZ1 would also be consistent with the objective of having up to 70% of new housing within the existing urban footprint, as provided for in the 2018 Planning Strategy. Plot ratio and site provisions were a better way to manage housing density, because limiting co-housing to blocks larger than 1050 m2 would significantly restrict its capacity to provide affordable housing options, and would not allow for 'innovative dwelling design' that could 'meet the requirements of neighbourhood character and amenity while providing better housing choice to more people'.<sup>54</sup>
- 3.22 Co-housing Canberra also told us that it strongly supported the development of policy to ensure that permits for co-housing developments were only approved for resident-controlled developments, so as to retain the 'intent' of co-housing.<sup>55</sup>

<sup>&</sup>lt;sup>51</sup> Ms Julie Esdaile Bray, *Proof Transcript of Evidence*, 15 July 2021, p.32.

<sup>&</sup>lt;sup>52</sup> Mr Ian Ross, *Proof Transcript of Evidence*, 15 July 2021, p.34.

<sup>&</sup>lt;sup>53</sup> Ms Julie Esdaile Bray, *Proof Transcript of Evidence*, 15 July 2021, p.34.

<sup>&</sup>lt;sup>54</sup> Submission No 2, Co-housing Canberra, p. [4].

<sup>55</sup> Submission No 2, Co-housing Canberra, p. [4], and see also Submission No 7, Ms Julie Esdaile Bray, para. 3.

### **EXPRESSIONS OF CAUTION**

- 3.23 As noted, proponents of co-housing saw the Recommended Draft Variation as applying restrictions that were so narrow as to prevent co-housing from taking up creative solutions, or making a significant difference to housing affordability or diversity.
- 3.24 Friends of Hawker Village took a very different view: they told us that the provisions of the recommended Draft Variation would lead to 'further erosion of planning rules' in areas zoned RZ1 for a number of reasons.
- 3.25 First, they told us, the Draft Variation implied that each proposal would require both a variation to the Territory Plan and a Development Application which, they told us, would be 'cumbersome' and lead to the 'softening of the RZ1 provisions overall'.<sup>56</sup>
- 3.26 Second, while at present RZ1 blocks were restricted to one house and a smaller secondary residence ('of the "granny flat" variety') under one ownership, co-housing provisions in the Draft Variation would undermine this principle by permitting unit-titling, as in RZ2. Permitted maximum size of a secondary residence had already been increased from 75 sqm to 90 sqm, and the Draft Variation was taking this further, leading to a 'death by a thousand cuts' of current controls over RZ1.<sup>57</sup>
- 3.27 Third, they told us that the Draft Variation would also amend the residential zones Multi Unit Housing Development Code to exclude co-housing from dwelling replacement provisions, which was necessary to allow construction of more than a single main dwelling on an RZ1 block. Friends of Hawker Village told us that if these changes were made, flow-on effects would make it 'highly likely' that the wealthier and heritage-listed parts of Canberra would eventually be the only remainders of 'the current RZ1 vision'. <sup>58</sup>
- 3.28 Fourth, Friends of Hawker Village told us that earlier co-housing projects that had been developed in Cook and Kambah had been successful because, distinctively, they were built on land set aside for that purpose when the suburbs were developed and comprised independent townhouses in 'a community setting', which was different from current proposals for infill in established suburbs. These earlier developments had been 'experimental' at the time, but had not become 'a popular option', despite 'being appreciated by their residents', and it remained in doubt whether co-housing under current proposals would have a greater chance of success.<sup>59</sup>

<sup>&</sup>lt;sup>56</sup> Submission No 4, Friends of Hawker Village, p.2.

<sup>&</sup>lt;sup>57</sup> Submission No 4, Friends of Hawker Village, p.2.

<sup>&</sup>lt;sup>58</sup> Submission No 4, Friends of Hawker Village, p.2.

<sup>&</sup>lt;sup>59</sup> Submission No 4, Friends of Hawker Village, p.2.

3.29 Fifth, they told us of their concerns about evidence presented in connection with another Draft Variation — DV375 Demonstration Housing - Manor House — where owners said that the National Capital Design Review Committee had encouraged them to 'push the planning rules' and build into the setback area of a block to increase a communal foyer area. They told us that this showed that there would be 'further erosion' of planning rules in RZ1. They were particularly concerned by the changes proposed for RZ1 areas included in Draft Variation 365 and the prospect that they would lead to incremental change that would in time destroy the RZ1 'ethos'. 60

### 'FUTURE CONSIDERATIONS'

- 3.30 Friends of Hawker Village raised further concerns about the future of individual co-housing developments. Referring to Draft Variation 376, Demonstration Housing Co-Housing, which involved a proposal for a co-housing development in Ainslie, they noted that the proponent had planned a small co-housing community to 'support each other as they age in their community by sharing resources'. 61
- 3.31 While these were 'admirable sentiments' which were most likely be achieved by a group of friends such as the proponents were, there were questions about what would happen in the future once people from those people left the complex. Living in close proximity could work well for long-term friends but not always for new residents who were not acquainted. Friends of Hawker Village noted the absence of controls, at this point, to ensure the 'continued harmonious conduct' of such co-housing projects, given that the development would be unittitled. Important questions remained unanswered, including: whether residents would be able to 'vet' new purchasers; whether new residents would have 'the same cooperative spirit' as the original residents; whether such a development could be sustained in a 'less-cooperative' environment; and further questions about potential for re-use and re-purposing. <sup>62</sup>
- 3.32 Caroline Le Couteur, on the other hand, said that there was an opportunity cost to *not* allowing unit titling for co-housing. She told us that in reality, small co-housing developments were being built in Canberra in RZ1, with or without unit title. These, she said, were often multigeneration households comprising a combination of large houses, secondary dwellings and other structures. It was not possible at present to unit title separate dwellings arising from this practice and this, she told us, could lead to situations where a parent might build a 'granny flat'

<sup>&</sup>lt;sup>60</sup> Submission No 4, Friends of Hawker Village, p.2.

<sup>&</sup>lt;sup>61</sup> Submission No 4, Friends of Hawker Village, p.1.

<sup>&</sup>lt;sup>62</sup> Submission No 4, Friends of Hawker Village, pp.1-2.

- on land owned by their children, without having any legal or financial rights over the dwelling. This created a potential for 'elder abuse' if informal rights were not honoured. 63
- 3.33 Considering another ownership model, the company structure referred to by Ian Ross, Caroline Le Couteur told us in hearings that while it had advantages, it also had a 'huge' disadvantage in that, under that model, 'you are very unlikely to be able to get bank finance to buy that because you are not going to have a mortgage over a block of land with a house on it'.<sup>64</sup>
- 3.34 Ian Ross told us that although he was in favour of permitting co-housing projects in all residential zones, permitting co-housing within the planning system also ran the risk of creating loopholes for the construction of projects that were 'technically similar but functionally different': that is, that provisions intended to enable co-housing developments could be used to advantage by commercial developers without fulfilling their intended purpose. He suggested that 'resident-led co-housing projects', could be the way to manage this risk. Julie Esdaile Bray put a similar view in her submission to the inquiry.<sup>65</sup>

## REACTIONS FROM PROPONENTS OF CO-HOUSING

- 3.35 The Draft Variation in its present form caused concern among contributors in favour of cohousing.
- 3.36 Co-housing Canberra wrote that it was difficult to understand why, if many of the submissions to the consultation process were in favour of co-housing, the effect of the recommended Draft Variation was to apply greater controls.<sup>66</sup>
- 3.37 Caroline Le Couteur told us that that the central theme of the Draft Variation appeared to be that only single household residences should be built in RZ1. Since RZ1 accounted for 80% of residential space in the ACT and government policy intended that 70% of new development should take place in areas already built, this led to large apartment blocks being built in town centres, while RZ1 zones were being 'slowly rebuilt with McMansions that use the entire 50% plot ratio plus generous "Al fresco" areas to house ever smaller families'. 67

<sup>&</sup>lt;sup>63</sup> Submission No 5, Ms Caroline Le Couteur, p. [2], and see Ms Caroline Le Couteur, *Proof Transcript of Evidence*, 15 July 2021, p.34.

<sup>&</sup>lt;sup>64</sup> Ms Caroline Le Couteur, *Proof Transcript of Evidence*, 15 July 2021, p.40, referring to Mr Ian Ross, *Proof Transcript of Evidence*, 15 July 2021, p.39.

<sup>&</sup>lt;sup>65</sup> Mr Ian Ross, *Proof Transcript of Evidence*, 15 July 2021, p.37, and see also Submission No 7, Ms Julie Esdaile Bray, para. 3.

<sup>&</sup>lt;sup>66</sup> Submission No 2, Co-housing Canberra, p. [3].

<sup>&</sup>lt;sup>67</sup> Submission No 5, Ms Caroline Le Couteur, p. [3].

- 3.38 In her view, increasing dwellings and shrinking families contributed to the present crisis in housing affordability. The Housing Choices report had argued that the contemporary housing market did not provide flexibility, either in terms of physical space or 'possible procurement methods'. However, the Draft Variation only reduced flexibility and did not advance government or community objectives, and it was 'entirely unclear' why the Draft Variation in fact reduced options for co-housing and boarding houses. In her view, the Draft Variation was not consistent with either the recommendations from Housing Choices or public submissions to the consultation process, <sup>68</sup> and seemed to contradict the stated aim of the Draft Variation, which was to implement relevant Housing Choices Collaboration Hub recommendations. <sup>69</sup> She recommended that a new Draft Variation be proposed in place of the present one implementing a recommendation from the Housing Choices process to increase 'flexibility and diversity', and that the planning authority work on changes to the Territory Plan that would lead to more sustainable developments in Canberra. <sup>70</sup>
- 3.39 Ian Ross told us that he hoped that co-housing would eventually be permitted in RZ1. He was one of many who were hoping to downsize from empty family homes without 'ending up in apartments or moving far away from local friends'. In his view, co-housing brought community into daily life through sharing household resources and tasks, and this was a direct way to increase a sense of 'social connection', one of the indicators from the ACT Wellbeing Framework.<sup>71</sup>
- 3.40 In hearings, Julie Esdaile Bray told us that Draft Variation 365 failed to achieve its stated intention, which was to increase the diversity of housing, that is: the mix of dwelling sizes and diversity of dwellings. She said it had decreased the capacity to have boarding houses in RZ1, and it had an adequate definition for co-housing 'without providing any other provisions to make co-housing different'. This was something that could already be approved under multi-unit dwelling provisions for example by sectioning-off a bedroom and a kitchen and calling that a communal area so there were 'no additional provisions' made through Draft Variation 365. In her view, the Draft Variation was, as suggested by another witness, 'tinkering around the edges', 'barely even doing that', and was not 'actually achieving anything'. 72
- 3.41 She told us that what had been valuable in the original draft version, not the recommended version, was the principle of not limiting the number of dwellings for co-housing; instances of

<sup>&</sup>lt;sup>68</sup> Submission No 5, Ms Caroline Le Couteur, p. [3].

<sup>&</sup>lt;sup>69</sup> Submission No 5, Ms Caroline Le Couteur, p. [1].

<sup>&</sup>lt;sup>70</sup> Submission No 5, Ms Caroline Le Couteur, p. [3].

<sup>&</sup>lt;sup>71</sup> Mr Ian Ross, paras. 1-4, referencing ACT Wellbeing Framework, 'Social connection', viewed 22 June 2021, available at: <a href="https://www.act.gov.au/wellbeing/explore-wellbeing-data/social-connection">https://www.act.gov.au/wellbeing/explore-wellbeing-data/social-connection</a>

<sup>&</sup>lt;sup>72</sup> Ms Julie Esdaile Bray, *Proof Transcript of Evidence,* 15 July 2021, pp.40-41, citing Mr Andrew Rowe, *Proof Transcript of Evidence,* 15 July 2021, p.29.

co-housing would be considered separate dwellings; and that the plot-ratio and site-coverage provisions would control their scale. This last, however, had been 'removed, basically without comment', from the recommended version, and as such there was no provision that made co-housing 'any different to multi-unit housing'.<sup>73</sup>

3.42 If these provisions were reinstated, she told us, co-housing could be developed on smaller blocks than proposed in the Draft Variation. She told us of one instance in the ACT, which she did not identify because it was not legal under current regulation, but was 'a sensational example':

It is the most beautiful building on the street. It has been permitted to be higher than all the other dwellings because it has met many design criteria, so it is actually four storeys, not three, in a three-storey zone. It has, essentially, eight separate dwellings in it that have been lived in. Many of the residents have been there since it was first opened about 13-or-so years ago. It is owned by the people that live on the top floor. They have created a beautiful communal garden. It is a prime example of what can be done on a 200 square metre block.<sup>74</sup>

3.43 Under present planning rules, she told us, although it was a successful instance, it was 'not cohousing that [could] be unit titled'.<sup>75</sup>

<sup>&</sup>lt;sup>73</sup> Ms Julie Esdaile Bray, *Proof Transcript of Evidence*, 15 July 2021, p.41.

<sup>&</sup>lt;sup>74</sup> Ms Julie Esdaile Bray, *Proof Transcript of Evidence*, 15 July 2021, p.41.

<sup>&</sup>lt;sup>75</sup> Ms Julie Esdaile Bray, *Proof Transcript of Evidence*, 15 July 2021, p.41.

# 4 BOARDING HOUSES

## THE PROPOSAL

4.1 The recommended version of Draft Variation 365 of December 2020 provided this 'Summary of the proposal':

DV365 proposes changes to the Territory Plan to implement Recommendation 7 of the Collaboration Hub.

Theme 4 – Lifestyle and diversity – The current housing options driven by market do not provide flexibility for varying lifestyles in both physical space and possible procurement methods.

Recommendation 7 – For both infill\* and new developments, government should require and/or incentivise developers to deliver an increase in: -

- 1. Mix of dwelling sizes and diversity of dwelling types.
- 2. The set proportion (%) of new dwellings that meet universal design standards: whilst taking into account different Precincts and changes over time.<sup>76</sup>
- 4.2 Notes for Item 1 included examples of dwelling sizes and types for consideration and possible inclusion in the planning system, which were: 'single level age-in places, shop top living, build to rent, share housing, loft-style, courtyard, terrace house, mews and manor'.<sup>77</sup>
- 4.3 The summary of proposal did not reference boarding houses, nor attribute the Draft Variation's proposals for boarding houses to the Collaboration Hub.

# BOARDING HOUSES AND THE ACT

- 4.4 When Minister Gentleman appeared before us, we noted that the ACT did not have history of a large number of people using boarding houses, and asked why that was.
- 4.5 Minister Gentleman told us that this was a result of the history of planning in the Territory.
  When he was born in Canberra it was a small place with a population of only 20,000 people, and did not extend much beyond what is now the inner south and inner north. This was

<sup>&</sup>lt;sup>76</sup> Draft Variation 365 – recommended version, December 2020, p.3.

<sup>&</sup>lt;sup>77</sup> Draft Variation 365 – recommended version, December 2020, p.3.

contrary to Griffin's plan for Canberra, and later the NCDC (National Capital Development Commission) implemented Canberra's satellite cities. However, since then there had been 'quite a change' in that some people wanted to live closer to the inner city in higher densities and this, he told us, was the reason the Draft Variation had been proposed.<sup>78</sup>

- 4.6 Travis Gilbert of ACT Shelter also told us in hearings about differences between the ACT and other jurisdictions in this respect. He told us that a number of boarding house proprietors in Melbourne, Sydney, Adelaide and Brisbane had inherited very large buildings and by this means 'probably became accidental landlords'. It appeared that Canberra did not have that variety of private ownership and so did not experience the wealth transfers which produced this kind of accommodation in other jurisdictions.<sup>79</sup>
- 4.7 He told us also that there was 'a lot of diversity' in the boarding and rooming house sector. On one hand there were the private boarding houses considered above. On the other hand, there were providers such as Havelock or Ainslie Village, which could be considered operators of boarding houses, but were very different in that they were obliged to meet the 'quite stringent requirements' of the National Regulatory System for Community Housing. He told us that these two models of boarding house accommodation—private and community sector—were very different in their operation and effect.<sup>80</sup>
- 4.8 The submission by ACTCOSS, the ACT Council of Social Services, also spoke about private sector boarding houses, while suggesting that the proposed Draft Variation may 'implicitly suggest support for, or acceptance of, the establishment of new private boarding houses' in Canberra. ACTCOSS acknowledged the fact that the ACT had not much history of large private boarding houses, but noted the experience in other jurisdictions, where privately run boarding houses had 'a long history as unsafe, exploitative and troubled institutional environments' for people on income support, had psycho-social disabilities, were substance-dependent, were coming out of the justice system or had 'experienced trauma'. It told us that in some instances boarding house proprietors had 'claimed to offer therapy, income management and other "services" to tenants' and that these supports had become linked to tenancy arrangements. There had been notable prosecutions of boarding house operators for 'withholding people's incomes, denying people therapy and subjecting vulnerable people to financial, sexual, and physical abuse, violence and coercion', and reports of 'overcrowding, building quality issues and fires'. <sup>81</sup>

<sup>&</sup>lt;sup>78</sup> Mick Gentleman MLA, *Proof Transcript of Evidence*, 15 July 2021, p.4.

<sup>&</sup>lt;sup>79</sup> Mr Travis Gilbert, *Proof Transcript of Evidence*, 15 July 2021, p.26.

<sup>&</sup>lt;sup>80</sup> Mr Travis Gilbert, *Proof Transcript of Evidence*, 15 July 2021, p.26.

<sup>81</sup> Submission No 3, ACTCOSS, p.3.

# **DEFINITIONS**

- 4.9 In the awareness that there was more than one kind of boarding house, we asked witnesses for their definition of the term.
- 4.10 Dr Emma Campbell, CEO of ACTCOSS, told us that where co-housing was 'intentional', boarding houses were quite different in that residents as a rule did not have any choice as to their accommodation due to their socio-economic status.<sup>82</sup>
- 4.11 To Craig Wallace, Policy Manager at ACTCOSS, in boarding houses residents shared personal facilities, such as bathrooms and kitchens, accompanied by 'a level of support services that are usually coming in'. He told us that the ACTCOSS submission to the inquiry was mostly concerned with private boarding houses where people outside a family unit were living together with shared facilities and often shared supports. In some jurisdictions this had has included other services such as the provision of food and, sometimes, income management. Some had claimed to provide rehabilitation for people exiting the justice system or dealing with drug dependency.<sup>83</sup>
- 4.12 Andrew Rowe, CEO of Havelock Housing Association, approached the question from a different angle. He told us that he had trouble understanding the definitions of 'boarding house' in the Draft Variation, how Havelock House fitted into those definitions, and what it meant for Havelock House and its objective to provide safe and secure accommodation, 'particularly for those on very low incomes and those with highly complex support needs'.<sup>84</sup>
- 4.13 He told us that solutions for people who were residents at Havelock House were 'very limited' in the ACT:

We have continual demand that we cannot meet—on average, about 20 people looking for a room. We constantly get referrals from other organisations. It was conveyed to me recently that someone who came to us looking for a home in Havelock House was told by OneLink, the government agency, to just keep badgering Havelock House until we helped them out. That indicates how dire the situation is for people who are on very low incomes and who have other issues—social marginalisation, years of disadvantage. There are very limited options for them.<sup>85</sup>

4.14 He told us that it was 'very hard for us to find options to bring more properties online that suit that cohort', and that Havelock House provided 'a lot of social supports, social inclusion

<sup>82</sup> Dr Emma Campbell, *Proof Transcript of Evidence,* 15 July 2021, pp.25-26.

<sup>83</sup> Mr Craig Wallace, *Proof Transcript of Evidence*, 15 July 2021, p.24.

<sup>&</sup>lt;sup>84</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, p.22.

<sup>&</sup>lt;sup>85</sup> Mr Andrew Rowe, *Proof Transcript of Evidence,* 15 July 2021, p.22.

programs and community development programs', and that these were very much needed by that cohort. He wondered what were the implications of the Draft Variation for Havelock House and its services, in particular whether it would limit its ability to offer services, or whether this service provision would be handed over to the market and made 'unaffordable for us, as a highly regulated community housing provider, to do more of what we need to do'.86

- 4.15 We asked him whether he was concerned at the idea of the market providing the services currently provided by Havelock House. He told us that he didn't think the market could or would provide such services. He didn't entirely agree with negative descriptions, in submissions, of boarding house operations in other jurisdictions, but he thought it important that they were regulated and run by a community housing provider or similar, which could provide 'the appropriate support services and management of the facility'. If the provision of these services was open to the market, so that it lay more within the private sector, there would be a 'very real risk' that the issues highlighted in those submissions could occur.<sup>87</sup>
- 4.16 He also told us that if it was open to the private market, there was a risk that community housing providers, such as Havelock House, would be 'squeezed out of being able to do those sorts of developments or develop those accommodation settings'. Already it was 'almost impossible' for Havelock House to bring new properties on-stream because it was 'generally expected to pay full price for land and pay for the development', and the return was 'generally 50 per cent less than what a private sector landlord would get for the same property'. This made it 'extraordinarily difficult, if not impossible', at the moment, for Havelock House to provide new additional accommodation, and he was concerned that the advent of a private market would make it even more difficult.<sup>88</sup>
- 4.17 Co-housing Canberra, in its submission, referred to further possible definitions of 'boarding house'. It said that:

under the Building code there are two kinds of boarding house: Class 1b boarding houses with up to 12 bedrooms and under 300 m2 in size, and Class 3 boarding houses larger than this, with additional building requirements.<sup>89</sup>

<sup>&</sup>lt;sup>86</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, p.22.

<sup>&</sup>lt;sup>87</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, pp.22-23.

<sup>88</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, pp.22-23.

<sup>&</sup>lt;sup>89</sup> Submission No 2, Co-housing Canberra, p. [2].

- 4.18 Boarding houses could also be 'self-contained micro apartments (with bathroom and kitchenette) along with communal areas', and, it suggested, these should be treated differently 'by definition and regulation'. 90
- 4.19 In light of this Co-housing Canberra recommended that 'definitions and parameters be developed to cater for different types of boarding house developments'. 91
- 4.20 As a result of these contributions to the inquiry, we enumerated three definitions or variants of boarding houses:
  - private boarding houses, with or without additional support services;
  - boarding houses or similar accommodation provided by community housing providers;
     and
  - aggregations of 'self-contained micro apartments'.
- 4.21 In addition, as noted by Co-housing Canberra, the Building Code of Australia (BCA) divides boarding house accommodation into 'Class 1b boarding houses with up to 12 bedrooms and under 300 m2 in size, and Class 3 boarding houses larger than this, with additional building requirements', regardless of whether they are operated by private or community housing entities. 92

## 'CHOICE'

- 4.22 Community sector contributors to the inquiry were critical of boarding houses being included under the rubric of 'choice' in the Draft Variation.
- 4.23 Travis Gilbert, in hearings, told us that 'choice' was a 'privileged concept':

You may find yourself in a boarding or rooming house because at one point you missed a rental payment, you were blacklisted and placed on a tenancy database and no private landlord will take you. You then go into a boarding or rooming house, where you are promised a rent receipt. You ask for it. You pay the next fortnight's rent. You do not get it. They then want to do something else with that room, increase the rent or bring someone else in, and you have no agency about whether or not you share a room

<sup>90</sup> Submission No 2, Co-housing Canberra, p. [2].

<sup>91</sup> Submission No 2, Co-housing Canberra, p. [3].

<sup>&</sup>lt;sup>92</sup> Submission No 2, Co-housing Canberra, p. [2]. The Building Code of Australia is available from <a href="https://ncc.abcb.gov.au/">https://ncc.abcb.gov.au/</a> subject to registering with the site, but please see Queensland Building and Construction Commission, 'Building Codes of Australia (BCA) Classes of buildings' for a summary of the Code, viewed 14 August 2021, available at: <a href="https://www.qbcc.qld.gov.au/building-codes-australia-bca-classes-buildings">https://www.qbcc.qld.gov.au/building-codes-australia-bca-classes-buildings</a>

with them. You do not have any record of having ever paid rent, so you have no standing if it goes to a tribunal. We know that boarding and rooming house operators in other states have access to people's bank accounts via direct debit, and there has been a clause in other agreements where they have reserved the right to take random amounts of money out of accounts.<sup>93</sup>

- 4.24 He told us that boarding houses could be acceptable accommodation if 'it was a genuine option, people had choice, it was regulated, licensed, subject to fire inspections and potentially official visitors, and we knew where it was and who was in it'. He said, however, that he was 'reluctant to agree that people exercise choice to live in boarding and rooming houses', particularly in high-cost cities such as Canberra.<sup>94</sup>
- 4.25 Similarly, Andrew Rowe told us that the people supported by Havelock House did not have much choice about housing, and that that was why they needed that support. He told us:

Those people do not have any other choice, and putting them into public housing—high-density, single-unit blocks with no support—is not a recipe for success. We need to be careful about what we are talking about here.<sup>95</sup>

- 4.26 He was concerned at the risk that the Draft Variation would result in 'even further' restrictions on choice for people in that situation because it could open up a private boarding house sector in Canberra while disadvantaging the community housing providers set up to support them. <sup>96</sup>
- 4.27 Travis Gilbert also spoke about the differences between private and community housing providers of boarding houses. He told us that an important benefit of community housing providers delivering boarding houses, was that they had a 'rent-setting model' that would be calculated either as a proportion of income or as less than 75 per cent of market rent. Private providers had no such affordability mechanism because their purpose was to generate income. The rent-setting model used by community housing providers furnished 'a further layer of protection', against the kinds of exploitation seen in boarding houses in other jurisdictions, where 'people go in at one level of rent', but over time it was progressively increased, leaving them without any power to resist or negotiate.<sup>97</sup>
- 4.28 As had other witnesses, Dr Emma Campbell expressed concern about the use of the word 'choice' in the context of debate on boarding houses, or indeed co-housing:

<sup>&</sup>lt;sup>93</sup> Mr Travis Gilbert, *Proof Transcript of Evidence*, 15 July 2021, p.27.

<sup>&</sup>lt;sup>94</sup> Mr Travis Gilbert, *Proof Transcript*, 15 July 2021, p.27.

<sup>95</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, p.27.

<sup>&</sup>lt;sup>96</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, p.27.

<sup>&</sup>lt;sup>97</sup> Mr Travis Gilbert, *Proof Transcript of Evidence*, 15 July 2021, p.29.

We think that the issue of housing choice in the ACT is a secondary issue to the massive lack of housing in the ACT. We are worried that this draft variation will indicate that boarding houses are somehow a way of solving the issues faced by people on low incomes who are struggling to find appropriate accommodation; yet there are huge risks around boarding houses, particularly if they are unregulated.<sup>98</sup>

- 4.29 She told us that in the ACT there was a shortfall of 3,000 social housing dwellings, that there were 1,600 people experiencing homelessness, and that the best option was to 'empower our community housing providers to deliver the 600, as a minimum, affordable rentals that [were] promised in the parliamentary and governing agreement'.<sup>99</sup>
- 4.30 Regarding boarding houses in particular, she told us that the Territory needed 'more houses and we need more social houses'. There were families to accommodate and boarding houses would not support them. She doubted whether people at the hearing would want to live in boarding houses, and told us that the Territory had an obligation 'to provide, for low income individuals and families, appropriate housing', rather than 'the cheapest form of housing that we can manage'. 100
- 4.31 When we asked what she meant by 'appropriate housing', she told us that it was housing:
  - which did not entail people living in overcrowded conditions;
  - which met the aspirations of the individuals who are living in that housing;
  - which was not unsafe, as some public housing currently was;
  - was located near essential services and transportation; and which
  - did not create risks for the 'highly vulnerable' and 'people with highly complex situations' who were often those who needed public and social housing.<sup>101</sup>
- 4.32 She told us that ACTCOSS was asking for the ACT government to deliver the housing strategy; that is, '15 per cent of land release to be not just released for, but to actually be realised as, affordable public and community housing', and for it to support community housing providers by making accessible land available for them to build on. 102
- 4.33 Andrew Rowe told of his frustration with discussions with the ACT Government about housing, in which he was asked such things as whether build-to-rent would go some way to meeting the

<sup>98</sup> Dr Emma Campbell, *Proof Transcript of Evidence*, 15 July 2021, p.23.

<sup>&</sup>lt;sup>99</sup> Dr Emma Campbell, *Proof Transcript of Evidence,* 15 July 2021, p.23.

<sup>&</sup>lt;sup>100</sup> Dr Emma Campbell, *Proof Transcript of Evidence*, 15 July 2021, p.24.

<sup>&</sup>lt;sup>101</sup> Dr Emma Campbell, *Proof Transcript of Evidence*, 15 July 2021, p.24.

<sup>&</sup>lt;sup>102</sup> Dr Emma Campbell, *Proof Transcript of Evidence*, 15 July 2021, p.28.

contemporary shortfall in housing. He told us that such proposals would make 'a marginal impact': the central fact was that there was a shortfall of 3,000 dwellings, and that if the picture was expanded to take in the number of households living in housing stress, and where more than 50 per cent of income goes to maintaining accommodation, the true shortfall in dwellings in the Territory was likely to be in excess of '10,000 to 15,000': 103

The situation is so dire that tinkering around the edges with things that might help a little bit is not enough. We need to have a policy environment which has a much higher impact and changes things much more quickly and more purposefully than just tinkering around the edges  $\dots$  <sup>104</sup>

## REGULATION

- 4.34 We considered the question of whether boarding houses were inherently a problem, or whether they could be acceptable if regulated effectively.
- 4.35 Andrew Rowe told us:

Where you move regarding the regulation of the operation of boarding houses, how they are applied, who they serve and who runs them are really important. It is not that the notion of congregated living—which is a term that I prefer—configuration is good or bad; it can be both. It suits certain contexts and certain communities of people but not others. How you regulate it is absolutely important. <sup>105</sup>

4.36 He went on to speak about the work of Havelock Housing. This recalled evidence considered above in which he described Havelock Housing as providing something like boarding house accommodation, <sup>106</sup> and made it plain that he was not speaking about the private boarding house service provision model:

Havelock Housing has chosen to serve those people who are on the lowest income and with high and complex support needs who need a lot of support and are not well supported by the health services and other community services in the ACT. It is incredibly difficult for us to meet the demand. 107

4.37 He told us that a further opportunity for boarding houses, under the terms of the Draft Variation, was a possible solution. However, he was concerned if there was not 'an overlaying

<sup>&</sup>lt;sup>103</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, pp.28-29.

<sup>&</sup>lt;sup>104</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, pp.28-29.

<sup>&</sup>lt;sup>105</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, p.28.

<sup>&</sup>lt;sup>106</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, p.22.

<sup>&</sup>lt;sup>107</sup> Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, p.28.

- or supplementary regulation of some sort that controls how that is applied' and that there was assurance that these opportunities were able to be taken up by Havelock House. 108
- 4.38 ACTCOSS, on the other hand, in its submission, understood 'boarding houses' to be traditional private-operated boarding houses. It told us that it had 'reservations' about change which implied that the expansion of the boarding house sector in Canberra is desirable 'without first undertaking significant policy and regulatory work to protect rights of vulnerable people who have been the traditional residents of boarding houses, such as people with disability'. It told us that boarding houses often had shared facilities and more than one person to a room, and that 'thorough policy development' should be undertaken in the ACT to support vulnerable people to 'live safely and with dignity'. A good starting point, it told us, would be to examine regulation and its effectiveness in other jurisdictions.<sup>109</sup>
- 4.39 This was all the more important, ACTCOSS told us, because while other jurisdictions had attempted to regulate boarding houses, the ACT did not have 'a baseline of minimal regulation' such as a Boarding House Act and a publicly-available list of registerable boarding houses as was the case in NSW. 110
- 4.40 In contrast, ACTOCSS told us, in the ACT the Government had not detailed plans to: publicly list or accredit providers; provide for mandatory inspections; regulate providers; and 'establish arrangements which subject any new private boarding houses to high levels of scrutiny including official visitors and fire inspection requirements'. It also failed to establish tenancy rights for boarding house occupants, put in place measures to ensure boarding house tenants were aware of their rights, or to enhance advocacy on behalf residents of boarding houses.<sup>111</sup>
- 4.41 While calling on the ACT Government to provide appropriate regulation for boarding houses in the ACT, particularly if this sector were to be expanded by the Draft Variation, ACTCOSS also noted continuing regulatory failures in other jurisdictions. In particular it noted that for Assisted Boarding Houses in NSW regulations had 'failed to protect vulnerable people over time', and that this had 'required governments to become involved in work to devolve people from boarding houses' altogether.<sup>112</sup>
- 4.42 Consistent with this, Craig Wallace, Policy Manager with ACTCOSS, told us in hearings that, particularly in New South Wales, there had been 'some spectacular examples' of 'bullying, coercion, inappropriate tenancy management—a whole host of issues which have made those

 $<sup>^{108}</sup>$  Mr Andrew Rowe, *Proof Transcript of Evidence*, 15 July 2021, p.28.

<sup>&</sup>lt;sup>109</sup> Submission No 3, ACTCOSS, p.2.

<sup>110</sup> Submission No 3, ACTCOSS, p.4.

<sup>&</sup>lt;sup>111</sup> Submission No 3, ACTCOSS, p.4.

<sup>&</sup>lt;sup>112</sup> Submission No 3, ACTCOSS, p.4, and see Mr Craig Wallace, Proof Transcript of Evidence, 15 July 2021, p.25.

places dysfunctional, prone to violence and ... extreme deprivation'. Multiple inquiries, including the present Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, had shown that these were particular problems for people with disability. 113

- 4.43 The ACTCOSS submission went into this in greater detail. It said that while there was a range of people who were vulnerable when living in boarding houses, there were particular risks for people with disabilities. A submission to the review of the NSW Boarding House ACT by People with Disability Australia had said that boarding houses, even when regulated, represented a form of 'congregate housing' which did not 'promote or deliver on the right of people to live independently and participate in the community', which was a right under the Convention on the Rights of Persons with Disabilities, provided under Article 19 of the Convention. ACTCOSS said that other research and inquiries had also shown that people with disability living in congregate forms of housing were 'more likely to be exposed to violence, abuse, neglect and exploitation', in contravention of Article 12 of the Convention. 114
- 4.44 ACTCOSS said that it would be concerned if boarding houses 'where housing, disability supports and other amenities like food service [were] linked' were to become 'an assisted disability housing option or part of the Specialist Disability Accommodation market in the ACT via the National Disability Insurance Scheme (NDIS)', and said that further work in this area required 'consultation with disability representative organisations'. 115

### FINANCIAL ASPECTS

- 4.45 Alan Morschel spoke to us about the financial challenges facing community housing providers wishing to create new boarding-house style accommodation. He told us that the reduction of boarding house sizes from that originally proposed in the draft was positive because a tenbedroom boarding house was 'a big organisational arrangement' and to find land of that size and purchase it at current prices was going to be 'extremely difficult'.<sup>116</sup>
- 4.46 Noting that these were primarily charity organisations, finding the money first to buy the land, then pay the architect, builders et cetera, and manage and run the premises after that was, he thought, 'an extremely difficult course to embark on'. He suggested that they should be given

<sup>&</sup>lt;sup>113</sup> Mr Craig Wallace, *Proof Transcript of Evidence,* 15 July 2021, p.24.

<sup>&</sup>lt;sup>114</sup> Submission No 3, ACTCOSS, p.3.

<sup>&</sup>lt;sup>115</sup> Submission No 3, ACTCOSS, p.4.

<sup>&</sup>lt;sup>116</sup> Mr Alan Morschel, *Proof Transcript of Evidence*, 15 July 2021, p.11.

- all possible assistance by government, although the reduction in the potential size of boarding houses under the Draft Variation in RZ1 would help to some extent.<sup>117</sup>
- 4.47 However, even under the current proposals there were big challenges for community housing operators, most particularly the current high cost of land. He told us that to buy a 700-square metre block now with an existing house on it, in many suburbs, would cost at least an average of \$800,000 and in some suburbs \$1 million and that this was 'a lot of money to spend before you ever even get started'. 118
- 4.48 He told us that while the cost of housing was driven by current market values, Canberra was 'still very generous in its open spaces'. This was enjoyed as one of the defining characteristics of Canberra but, he said, there was land available defined as open space or unused land which could be cost effectively made available for those wanting to support affordable housing. He told us that a number of institutions he had worked for as an architect were 'desperate' to support this, and that much of the land owned by churches in Canberra was significantly under-utilised. He had been involved in a project where a church gave up 'a fair slice' of land for some affordable housing, which now 'works very well' for disability housing. The question, he told us, was how best to encourage this approach for churches and similar institutions with vacant land for which they had little in the way of future plans. 119
- 4.49 Another approach, which he considered 'extremely controversial', was to take 'slices or slivers' of public land: this would not involve taking a sports oval, for example, for housing, but there were ovals with lots of land around them, some of which could be taken and used for a boarding house, thus saving 'a million dollars' on the cost of that boarding house if the government were to provide that land for a lower cost. He thought such options should be considered because it was necessary to 'start thinking for the future of this city' in light of its rising population. 120

## **DESIGN ASPECTS**

- 4.50 We considered the role of design in debate about boarding houses and other forms of higher density development.
- 4.51 Rolf Fenner, President of the ACT Division of the Planning Institute of Australia, told us that quality design was 'the missing challenge' in these debates. He told us that explorations of

<sup>&</sup>lt;sup>117</sup> Mr Alan Morschel, *Proof Transcript of Evidence*, 15 July 2021, p.12.

<sup>&</sup>lt;sup>118</sup> Mr Alan Morschel, *Proof Transcript of Evidence*, 15 July 2021, pp.12-13.

<sup>&</sup>lt;sup>119</sup> Mr Alan Morschel, *Proof Transcript of Evidence*, 15 July 2021, p.19.

<sup>&</sup>lt;sup>120</sup> Mr Alan Morschel, *Proof Transcript of Evidence*, 15 July 2021, p.19.

higher density development had only talked about density, without sufficient attention to quality, and as a result local communities had been 'scared' by these proposals, leading them to keep 'whatever is existing' and this, particularly in light of the current cost of housing, had led people, particularly in RZ zones, to fight for 'their financial asset rather than what is actually good for the population at large'. 121

- 4.52 He told us that there were indeed opportunities to expand types of uses in RZ1 areas, but there needed to be a quality design element to this approach, so that it was not just about definitions of boarding houses, or indeed co-housing, but also their physical design and how those uses were managed. 122
- 4.53 Design, he told us, was something 'we have not done well'. People in Canberra who showed antagonism to potential change in RZ1 areas were 'not bad people', they were simply protecting their main financial asset and were scared to see 'poor types of development coming in', that is: not 'poor people', but 'poor types of development'. He told us:

Unless the Territory Plan variation goes through with additional resources for upskilling the development assessment teams in EPSDD or producing documents to reinforce what good urban design is—and this is the danger with demonstration projects—if those demonstration projects are not first class, there is a real danger that that will intensify people's opposition to any kind of change. The intent was good, but if you get it wrong, it will make it even more difficult to introduce changes in the RZ1 areas.<sup>124</sup>

- 4.54 He contrasted this with the experience overseas, in Barcelona, Vienna, Zurich or London, which showed 'what quality urban design is'. This was all the more significant because these places showed very high levels of population density. 125
- 4.55 However, he told us, in the wider picture, he thought we were 'kidding ourselves', in that 'changing ... housing opportunities ... in an RZ zone are not going to solve the crisis'. Current problems with housing affordability were a 'demand-driven crisis', and given present interest rates and tax benefits for investors in housing, there were many other regulations and policies which should be considered, including those beyond the responsibility of the ACT government. 126

<sup>&</sup>lt;sup>121</sup> Mr Rolf Fenner, *Proof Transcript of Evidence*, 15 July 2021, p.13.

<sup>&</sup>lt;sup>122</sup> Mr Rolf Fenner, *Proof Transcript of Evidence*, 15 July 2021, pp.13-14.

<sup>&</sup>lt;sup>123</sup> Mr Rolf Fenner, *Proof Transcript of Evidence*, 15 July 2021, p.15.

<sup>&</sup>lt;sup>124</sup> Mr Rolf Fenner, *Proof Transcript of Evidence*, 15 July 2021, p.15.

<sup>&</sup>lt;sup>125</sup> Mr Rolf Fenner, *Proof Transcript of Evidence*, 15 July 2021, pp.15-16.

<sup>&</sup>lt;sup>126</sup> Mr Rolf Fenner, *Proof Transcript of Evidence*, 15 July 2021, p.15.

- 4.56 Robyn Coghlan, Secretary of Friends of Hawker Village, also spoke to us about design considerations. She told us that when other uses were considered for blocks in residential areas, special features of the block were not always taken into consideration in determining whether it was suitable for the proposed development.<sup>127</sup>
- 4.57 This, she told us, led to problems because redeveloping blocks originally designed as single housing blocks often did not lead to a good result outcome when attempting to increase density in an area. A good example, she told us, lay in the contrast between higher density developments in Hawker and Weetangera. When Hawker was developed, townhouses were fashionable, and a third of Hawker was given over to townhouses, all 'very nice areas' without any problems.<sup>128</sup>
- 4.58 Weetangera, on the other hand, did not have townhouse development from the beginning because it was an older suburb. It now had a large RZ2 area in which townhouses were being built, but because they were built on individual blocks or several blocks joined together, it did not work as well or have the same 'appeal and landscape value' as the planned townhouses in Hawker, or other suburbs such as Page and Scullin. 129
- 4.59 She told us that a further concern about densification was the loss of green space in RZ2 areas. She told us that in higher density land uses there was often no 'usable, practical space' around buildings for green space and trees that would offset the heat island effect, and this was a particular concern in the context of climate change. Higher density developments in RZ2 areas tended to concrete over land and to avoid adding 'any kind of vegetation' because someone had to maintain it, and was viewed as not practicable in the smaller spaces that were available. She told us that Friends of Hawker Village believed that little thought had been given to this. If we needed to densify, there should still be green space around every building to counteract heat island effects: however, at present suburbs where densification was occurring were getting hotter.<sup>130</sup>
- 4.60 With this in mind we asked Alan Morschel, as an architect, whether redeveloping single or aggregated single blocks could be an effective way to achieve higher densities. He agreed that the small-scale operations allowed under RZ2 policy had often led to a lower standard of architectural character and quality of design. He told us that higher density development had worked better under the administration of the NCDC (National Capital Development Commission), when 'it was not called RZ2' and development maps displayed areas indicated by the NCDC as places for higher density development. RZ2 had been introduced subsequently in

<sup>&</sup>lt;sup>127</sup> Ms Robyn Coghlan, *Proof Transcript of Evidence*, 15 July 2021, p.16.

<sup>&</sup>lt;sup>128</sup> Ms Robyn Coghlan, *Proof Transcript of Evidence*, 15 July 2021, p.16.

<sup>&</sup>lt;sup>129</sup> Ms Robyn Coghlan, *Proof Transcript of Evidence*, 15 July 2021, p.18.

<sup>&</sup>lt;sup>130</sup> Ms Robyn Coghlan, *Proof Transcript of Evidence*, 15 July 2021, p.20.

an attempt to increase density: the ACT Government had announced its policy that Canberra should stay within its boundaries and absorb population growth within the current envelope, and RZ2 was a means to that end. He told us that in view of this the current review of the Territory Plan should look at the success or failure of all RZ categories and determine whether or not they had been effective. <sup>131</sup>

- 4.61 In practice, he told us, distinctions between RZ1 and RZ2 had been made using 'a pretty crude method' as it was not done 'block by block', but was determined in a context of 'neighbourhood development' by assessing the distance from the nearest shopping centre whether a kilometre or half a kilometre drawing a circle on the map, and properties within the circle were categorised accordingly. In summary, he agreed that the approach to categorising property into RZ zones needed to be done in a more nuanced way than this process had been able to achieve. <sup>132</sup>
- 4.62 Colin Lyons, Convenor of Friends of Hawker Village, also commented on the reaction of property owners who resisted planning changes for RZ1 areas. He told us that this was 'a real concern that people have'. He thought the concern was misplaced if they thought the value of their property would go down. The changes proposed were more likely to increase land value. On the other hand, he told us, if they thought that quality of living would be reduced, this was 'entirely understandable', and in his view was in fact taking place. 133

<sup>&</sup>lt;sup>131</sup> Mr Alan Morschel, *Proof Transcript of Evidence*, 15 July 2021, p.18.

<sup>&</sup>lt;sup>132</sup> Mr Alan Morschel, *Proof Transcript of Evidence*, 15 July 2021, p.18.

<sup>&</sup>lt;sup>133</sup> Mr Colin Lyons, *Proof Transcript of Evidence*, 15 July 2021, p.17.

## 5 COMMITTEE COMMENT

- 5.1 We were concerned to find that the Minister and his officers had not given more thought to this Draft Variation. It became evident in the course of the inquiry that the Draft Variation had not provided clear definitions of co-housing and boarding houses, and that if put into effect in its current form it could give rise to unintended consequences.
- 5.2 It was also a matter of concern that the Recommended Draft Variation did not more closely reflect the outcomes of the Collaboration Hub upon which it was said to be based. Certainly, in our view there appears to be little in Recommendation 7 of the Collaboration Hub, quoted in the Draft Variation, which would provide any rationale for changing arrangements for boarding houses in the ACT. 134
- 5.3 We agree with the majority of contributors to the inquiry that grouping together of proposed planning changes for co-housing and boarding houses in the Draft Variation is not helpful, and that if new arrangements for boarding houses are put into effect there should be new regulation to go with them.

#### Recommendation 1

5.4 The Committee recommends that the ACT Government should deal with any proposed planning changes for co-housing and boarding houses in separate Draft Variations.

#### Recommendation 2

5.5 The Committee recommends that the co-housing components of DV365 be withdrawn and Territory Plan amendments concerning co-housing be made following evaluation of the cohousing projects currently being progressed through the demonstration housing project, the Collaboration Hub, community consultation and existing informal co-housing models in Canberra.

<sup>&</sup>lt;sup>134</sup> Variation 365 – recommended version, December 2020, p.3. This is quoted in full at the start of Chapter 4 of the present report.

#### Recommendation 3

5.6 The Committee recommends that if the ACT Government review its regulatory and compliance regime for both private and community boarding houses in the ACT. This could be modelled on existing community boarding house regulation and should be designed to protect boarding house residents. It should include a system of licensing, inspection and registration and should be developed in consultation with the existing community housing sector.

#### Recommendation 4

- 5.7 The Committee recommends that if the ACT Government retains co-housing in DV365, it consider:
  - whether co-housing should be prohibited or permitted in RZ1 and if it is permitted, whether it should be limited to one per section and be subject to other limitations such as the Living Infrastructure policy;
  - using the original definition of co-housing distributed in the original consultation;
  - policy and options for unit title for co-housing; and
  - embedding a review of co-housing in five years' time.

Jo Clay MLA Chair 26 August 2021

## Appendix A Witnesses

#### Hearings of 15 July 2021:

- Mr Chris Aitchison
- Dr Erin Brady, Acting Director-General, Environment, Planning and Sustainable Development Directorate
- Dr Emma Campbell, Chief Executive Officer, ACTCOSS
- Ms Robyn Coghlan, Secretary, Friends of Hawker Village
- Ms Julie Esdaile Bray, Co-housing Canberra
- Mr Rolf Fenner, President, ACT Division, Planning Institute of Australia
- Mr Mick Gentleman MLA, Minister for Planning and Land Management
- Mr Travis Gilbert, Chief Executive Officer, ACT Shelter
- Ms Alix Kaucz, Senior Director, Territory Plan Variation Unit, Environment, Planning and Sustainable Development Directorate
- Ms Caroline Le Couteur, Co-housing Canberra
- Mr Colin Lyons, Convenor, Friends of Hawker Village
- Mr Alan Morschel, Architect
- Mr Ian Ross
- Mr Andrew Rowe, Chief Executive Officer, Havelock Housing Association
- Ms Clare Wall, Committee Member, ACT Division, Planning Institute of Australia
- Mr Craig Wallace, Policy Manager, ACTCOSS

# Appendix B Submissions

- Submission No 1 Mrs Else and Mr Chris Aitchison
- Submission No 2 Co-housing Canberra
- Submission No 3 ACTCOSS
- Submission No 4 Friends of Hawker Village
- Submission No 5 Ms Caroline Le Couteur
- Submission No 6 Mr Ian Ross
- Submission No 7 Ms Julie Esdaile Bray
- Submission No 8 ACT Shelter