

Enquiries: Carl Gallagher, Manager Strategy & Community (03) 6261 8500

Date: Monday 17 July 2023

ATT: Tasmanian Housing Strategy  
Homes Tasmania  
via email: [tasmanianhousingstrategy@homes.tas.gov.au](mailto:tasmanianhousingstrategy@homes.tas.gov.au)

Dear Sir / Madam,

## **RE: DRAFT TASMAINIAN HOUSING STRATEGY**

Derwent Valley Council ('DVC') welcomes the opportunity to provide a submission to the Draft Tasmanian Housing Strategy consultation. We are encouraged by the Government's long-term commitment to shape a better housing system for Tasmanians over the next 20 years and the commitment to collaboration and partnerships to deliver on the strategy.

The strategy has particular importance to our municipality. The Derwent Valley has experienced unprecedented residential growth in recent times, with record number of planning approvals in both private and Government-funded housing. This brings with it challenges regarding the physical and social infrastructure needed to support the growth in our community, and the funding required to put in place this infrastructure and services needed. While a growth in population is welcomed in the Derwent Valley, this must be done in a whole of community context to ensure adequate services are provided and quality of life maintained for all residents.

The Derwent Valley Council Area SIFA index score is 913 (ranked 23<sup>rd</sup> out of 29 in the state), highlighting a significant pocket of disadvantage for our residential population. Insecure housing is a very real issue in our community. While often unseen, this problem manifests through other indicators such as school attendance rates, youth unemployment, reliance on food relief programs and crime patterns. DVC views housing through both the planning lens and the social lens. Consideration of the draft Housing Strategy has also taken this dual approach.

### **Our Feedback:**

#### **Lack of clarity around actions**

While we feel the draft Strategy goes some way towards acknowledging some of the concerns relevant to our community, in many cases the draft strategy does not delve deeper into the issues and does not provide clear, and practical directions.

We acknowledge that the draft Housing Strategy once finalised, will contain action plans to guide the implementation of initiatives to achieve the vision. However, given the collaborative, partnership approach to addressing these strategies, we feel it is important to see and have input into the action plans as part of the strategy. Without clear action plans, the draft Housing Strategy fails to provide detail or guidance on how each issue will be addressed, and specifically the role of councils in the overall mix. We would welcome the opportunity to have further input regarding our capacity as a Council to influence given the limited policy levers we have influence over. As such we expect that action plans developed will be subject to further consultation, particularly for those actions that involve or impact upon councils in some way.

#### **Accelerating planning approvals**

The draft Housing Strategy discusses accelerating planning approvals for more housing. However, Tasmania's development application assessment timeframes are already the second quickest in the nation, with current timeframes barely enabling full assessment and meaningful community engagement. Reductions in planning application assessment timeframes are not supported. We also don't feel that accelerating planning approvals will speed up housing development given the significant delays currently

being experienced in both subdivision and housing construction due to lack of resources and cost of materials.

**Private developers and the market forces not delivering what's needed.**

From our experience there is already a significant number of lots that have received planning approval that are being 'land banked' by developers to maximise their own return. Market mechanisms that prioritise profit for developers seems to be counterintuitive to the objectives of the draft strategy.

The reliance upon private developers to supply most of the housing stock for both private and social housing in the last few decades has created a reliance upon local government to anticipate the demand for, and strategically provide development opportunities for, land release through the planning system.

Despite significantly increased approvals, "land banking" by private developers by limiting land release has continued to constrain supply which has contributed to escalating housing prices and housing need.

The planning system requires significant justification, both in terms of environmental impacts and infrastructure supply as well as housing supply/demand scenarios before consideration of increasing the provision of residential zoned land. Lack of clarity and consistency of this justification, as well as the ability to provide it in a detailed manner across the region, as well as the rate of change imposed by legislative processes, has exacerbated this problem.

It is noted that, without significant legislative reforms, the planning system will struggle to provide meaningful responses to social and affordable housing provision based on socio-economic and need factors. Currently, there is no mechanism to differentiate development based on the intended target audience, nor any ability to enforce any such provisions following the completion of the development. Although it is questionable as to whether it is the role of the planning system to consider this matter as it potentially undermines the principle of fairness within the objectives of the Resource Management and Planning System of Tasmania .

The introduction of the Housing Land Supply Act 2018 already challenges these objectives, in that the rezoning of land for social housing, and subsequent release of excess stock to market, provides a land development process that is not available to private developers nor, necessarily, sound strategic planning and coordinated action by State and local government.

Despite the push for medium density housing as a solution to urban sprawl and limited housing stock, this housing typology remains unpopular with private developers appearing to prefer development more readily acceptable to the market. Unless there is a clear benefit to providing this form of housing, or it is mandated, the market will consistently provide the most "sellable" solution.

All the above points to the need to incentivise preferred solutions as a real mechanism for change and consider the need to provide for minimum volumes of land release across the regions. However, the inclusion of "sustainability" principles and energy efficiency discussions is neither unique to the housing sector, nor confined to social housing outcomes and should be addressed at a statewide, or even national level.

Thanks again for the opportunity to make a submission to the draft strategy and for your consideration of our points when finalising the strategy.

Yours sincerely,



Carl Gallagher  
**Manager Strategy & Community**



Daniel Marr  
**Executive Manager Development**