BURWOOD HOUSING STRATEGY

Endorsed by Council on 11 February 2020

JANUARY 2020

Prepared for
Burwood Council

Independent insight.

SGS Economics and Planning Pty Ltd
ACN 007 437 729
www.sgsep.com.au
Offices in Canberra, Hobart, Melbourne, Sydney

TABLE OF CONTENTS

LIST OF FIGURES

LIST OF TABLES

EXECUTIVE SUMMARY

Housing strategy

> The Burwood LGA will provide a wider variety of housing choices to cater to the evolving needs of the diverse community. These will include high density apartments in vibrant centres, larger apartments, medium density dwellings and the separate houses that give much of Burwood its valued suburban character. Increased housing choice will allow people of all ages to stay in the LGA as their life circumstances change.
>
> Medium density housing development will be focused on the LGA's centres, supporting their vibrancy and providing people with great places to live that are highly accessible. This will be supplemented by the continued development of well-designed high-density housing around the Burwood and Strathfield Town Centres. Redevelopment at Burwood North will occur in the longer term, taking advantage of the new Metro Station to extend the Burwood Town Centre to the north.
>
> Much of the LGA will continue to have a high amenity suburban character. Only limited amounts of development will occur outside of identified areas for redevelopment and the impacts of development will be carefully managed.
>
> Housing in the LGA will be more affordable, with increased housing diversity providing affordable options for a variety of people. There will be a greater supply of affordable housing for people on lower incomes, and the LGA will be easily accessed by those who live elsewhere.

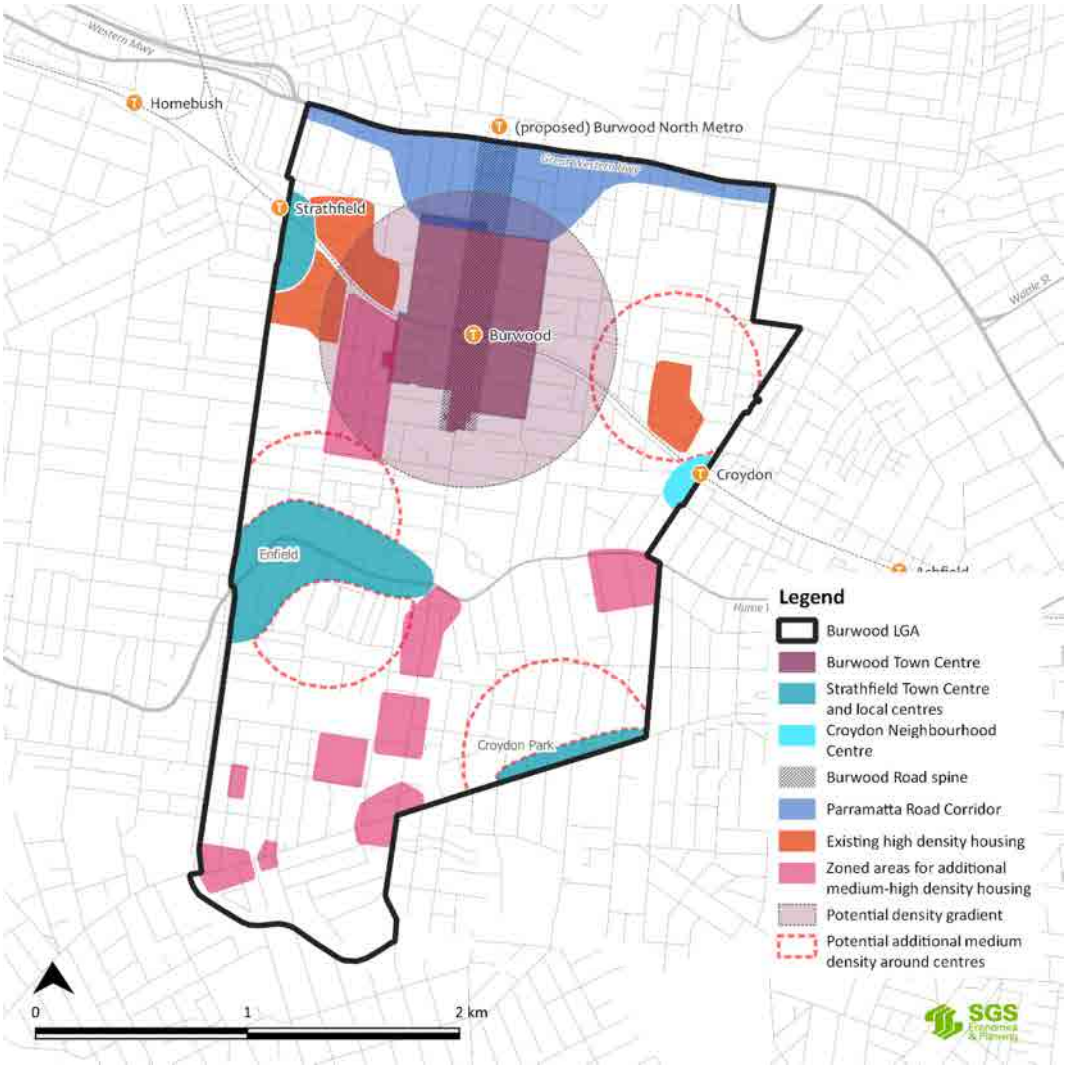
The following are the objectives for housing in Burwood which implement this vision:

- Increase **housing diversity** and choice to meet the community's changing needs
- **Make housing more affordable**, including through development contributions (SEPP 70 and voluntary planning agreements), advocacy and partnerships
- Preserve **local character** by preventing extensive redevelopment in those parts of the LGA which have heritage significance or a significant local character
- Plan for **longer term housing needs**, preserving opportunities for medium and high density housing development beyond 2036 near centres and public transport
- Support the **vibrancy, vitality and activity of centres**, including the Burwood Town Centre, local centres and neighbourhood centres

The housing structure plan for Burwood is shown on the following page. Key elements include:

- Continued apartment development under current planning controls in **Burwood Town Centre** and **Strathfield Town Centre** as well as in the **local centres** of Enfield and Croydon Park and **zoned areas for additional medium-high density housing**. In combination these places already have enough dwelling capacity to meet likely demand until at least 2036.
- More medium density development to increase housing diversity around **local and neighbourhood centres** and in the **potential density gradient** area creating a built form transition from Burwood Town Centre to surrounding lower-density suburbs
- Longer term redevelopment in the **Parramatta Road Corridor**, particularly following the development of the Burwood North Metro Station.

HOUSING STRUCTURE PLAN



Burwood's housing

Dwellings in Burwood have been considered in the following categories used by the Australian Bureau of Statistics:

- Separate houses,
- Attached dwellings, which share walls with other dwellings (for example dual occupancies and townhouses), and
- Flats and apartments, which share both horizontal and vertical walls with other dwellings,
- Other dwellings including caravans and cabins, improvised dwellings, houseboats and flats attached to shops.
- Non-private dwellings which do not house single households. These include boarding houses, boarding schools, student accommodation and aged care facilities.

The number of dwellings of each type in the Burwood LGA and the population contained in those dwellings is shown in the table below.

NUMBER OF DWELLINGS BY TYPE IN THE BURWOOD LGA

Dwelling type	Separate house	Attached dwelling	Flat or apartment	Other	Dwelling type not stated	Non-private dwelling	Total
Number of dwellings	5,196	2,156	5,964	80	89	46	13,531
Population in dwellings	15,518	6,161	14,327	162	235	1,271	37,674

Source: ABS Census 2016

Apartments in the Burwood LGA are concentrated in a band along the Railway Line, particularly around the Burwood and Strathfield Town Centres. Apartments constitute almost half of all private dwellings in the LGA (45%), but take up a relatively limited portion of the residential land. Separate houses and attached dwellings are more widely spread throughout the remainder of the LGA. Compared to the Eastern City District, which contains the Burwood LGA as well as the cities of Sydney, Inner West, Canada Bay, Strathfield, Bayside, Randwick, Waverley and Woollahra, separate houses are relatively over-represented while attached dwellings are under-represented in the Burwood LGA.

The number of dwellings in the Burwood LGA grew by 1.5% per year between 2006-2016, a similar rate to the Eastern City District and slightly slower than Greater Sydney. The most development occurred in the Burwood Town Centre, which contains the largest concentration of apartments, and apartments made up 61% of the increase in dwellings between 2006-2016. Most new apartments (81% between 2006-2016) are relatively small, with two bedrooms or less. This caters to a relatively limited portion of the local population.

The Burwood LGA contains a diversity of household types, and the number of households of every type is growing. While group households[1] are particularly common in the Burwood Town Centre, and couples with children are more common elsewhere, there are households of all types occupying each kind of dwelling (including families living in apartments).

Dwelling production in the Burwood LGA is not on track to meet the dwelling target of 2,600 additional dwellings between 2016-2021 set in the Eastern City District Plan. Between August 2016-May 2019, 37% of the target was achieved (968 dwellings were completed) in 58% of its timeframe. Meeting the housing target would require development rates to be significantly higher than past rates, including those between 2006-2011 and the historically high rate between 2011-2016.

The changing face of Burwood

Burwood Council has historically been a suburban area with predominately separate housing. While much of the LGA still has this character, higher-density housing development has been changing the profile of the average dwelling and the average household in the Burwood LGA. The many apartments built in the Burwood Town Centre between 2011-2016 saw local demographics shift to reflect the profile of apartment residents.

Apartment residents in the Burwood LGA are on average relatively young. Between 2006-2016, the number of people aged 20-34 grew by 47%, making up 70% of the overall population growth in the LGA despite making only 29% of the population in 2006.

There are many tertiary students living in the Burwood LGA, with most living in apartments (56% compared to 38% of the general population). The number of students in the LGA has increased rapidly recently, growing by 50% between 2011-2016, compared to 15% in the overall population. This reflects both an overall increase in the number of tertiary students in Greater Sydney, as well as increasing numbers of international students and others living in

[1] Group households are defined as shared households accommodating two or more unrelated people who are aged 15 years and over.

flats and apartments in Burwood. Continued increases in student numbers will contribute to continued demand for apartments developments.

Most apartments (approximately 70%) in Burwood are rented, a much higher proportion than for attached dwellings (30%) or separate houses (19%). If recent apartment development rates continue and the current tenure profile remains, the LGA will move from being composed mostly of owner-occupied dwellings to mostly rented dwellings. However, the rental market will be strongly concentrated in the Burwood Town Centre.

Many dwellings in the Burwood LGA are relatively crowded when assessed using the Australian Bureau of Statistics dwelling suitability measurement. This problem is particularly acute in apartments and in the Burwood Town Centre, where 31% of two bedroom and 22% of three bedroom dwellings would need more bedrooms to appropriately house their occupants. This is mostly a result of crowded shared households, as well as some family households, and reflects a general lack of affordability of larger dwellings.

Housing capacity

Housing capacity under current planning controls has been modelled for the Burwood LGA. Net capacity results are shown in the table below and presented by dwelling type. This analysis has been tailored to local planning controls, development standards and recent development data. This analysis is completed at a high-level and does not show whether development is feasible or likely to occur, or if there are site-specific constraints which may hinder development. As separate house development will only replace existing dwellings, it will not increase the overall number of dwellings in the LGA and is not included in the analysis.

HOUSING CAPACITY UNDER CURRENT PLANNING CONTROLS (EXCLUDING CURRENT CONSTRUCTION SITES)

Zone	Dual occupancies	Multi-dwelling housing	Residential flat buildings	Shop-top housing	Total
Housing capacity	1,076	116	2,941	3,634	7,766

Most (85%) of the housing capacity in the Burwood LGA is for apartments in either residential flat buildings or shop-top housing. This capacity is strongly concentrated in the Burwood Town Centre and the R1 General Residential Zone (42% and 38% of apartment capacity respectively), with the remainder in various local centres.

Dual occupancies and multi-dwelling housing, the two forms of attached dwelling considered in this analysis, make up only a small portion of the total dwelling capacity (15%). Feasibility analysis shows that dual occupancy development is generally unfeasible in the Burwood LGA as a result of the high prices of potential redevelopment sites containing separate houses. As a result, a lack of feasible capacity is likely to significantly constrain attached dwelling development.

Housing demand

Future housing demand has been modelled based on population projections from the Department of Planning, Industry and Environment. These projections have been modified using the age breakdown of Forecast.id's population forecasts, which are more tailored to the Burwood development context. The SGS Housing Demand Model converts population projections to projections for dwelling demand using recent demographic trends from multiple censuses. The results are shown in the table below.

DWELLING DEMAND 2016-2036

Dwelling type	2016	2021	2026	2031	2036	Change 2016-2036
Separate house or attached dwelling	7,402	8,673	9,059	9,429	9,682	2,279
Flat, apartment or other dwelling	6,086	7,277	8,323	9,544	10,796	4,710
Total	**13,488**	**15,950**	**17,382**	**18,973**	**20,477**	**6,989**

Note that the values in this table have been rounded so the sum of the rows or columns may be different to the reported total. In these cases the reported total is more accurate.

This model shows an increase in total housing demand between 2016-2036 of 52% or 6,989 dwellings. Most of this additional demand is for apartments in high density developments, but a substantial demand is also expected for additional low and medium density dwellings which are suitable for larger household types (in this case low and medium density dwellings are either separate or attached). Providing these dwellings would increase housing choice and allow people to stay in the Burwood LGA as their household circumstances and housing needs change.

These demand results show a relatively status-quo housing demand scenario in which future shifts in revealed housing preferences (the kind of dwelling a household lives in as opposed to where they would ideally like to live) are a continuation of recent trends. Revealed dwelling preferences are affected by a range of factors including the availability of housing and its affordability. An increase in development of a particular dwelling type, such as apartments or medium density dwellings, may mean that expressed preferences change more rapidly in the future than in the past. As such, these capacity results provide an estimate of the future profile of housing demand but may differ from what actually occurs.

Consultation with estate agents revealed that some people may compromise on dwelling type to remain in the Burwood LGA if their preferred dwelling type is not available or affordable. For example, a household may live in a larger apartment instead of a separate house or attached dwelling. However, others are likely to move to nearby areas with greater availability of affordability such as Canterbury-Bankstown.

Housing affordability

Housing affordability refers to the relationship between housing costs and household incomes, with housing generally regarded as unaffordable if households must devote a high proportion of their incomes to paying for housing. In recent years housing unaffordability has worsened in the Burwood LGA, along with many other parts of Greater Sydney as house price and rent growth has significantly outpaced incomes.

SGS has modelled current and future demand for social and affordable housing (SAH) in the Burwood LGA. Affordable housing refers to housing that is targeted to people on very low, low or moderate incomes at a relatively affordable price which is generally subsidised and below market rates. Social housing refers to secure and affordable rental housing for people on low incomes with housing needs, including public, community and Aboriginal housing.

Demand for SAH is shown in the table below, calculated using ABS Census data and classified into households who are in moderate rental stress or severe rental stress, homeless households as recorded in the ABS Census, and households residing in social housing. Homeless households as classified by the ABS includes those living on the street and those in severely crowded dwellings and those in insecure forms of tenure including boarding houses.

SAH demand comes from a variety of household types, with lone person households the most common (40% of demand) followed by couples without children (18% of demand). Lone

person households also had the highest proportion of households in rental stress (45%) followed by group households (38%). There would be demand for dwellings of a variety of sizes, although predominately one and two bedroom dwellings to cater to lone person households and couples without children.

SOCIAL AND AFFORDABLE HOUSING (SAH) DEMAND IN 2016

	Homeless	Living in Social Housing	Severe Rental Stress	Moderate Rental Stress	Total
SAH Demand	707	379	1,033	829	2,948

There is a current supply of 562 SAH dwellings in the Burwood LGA, 369 of which are public housing and 191 of which are community housing (boarding house rooms are not included in this count). This supply is well below the 2016 demand, creating a gap of approximately 2,386 dwellings. There are no publicly announced plans for significant increases in supply.

Projections of the increase in SAH demand are shown in the table below. The projected increase in demand is driven primarily by population growth, and is likely to exacerbate the current gap between demand and supply of SAH.

FORECAST INCREASE IN SOCIAL AND AFFORDABLE HOUSING (SAH) DEMAND

	2016	2021	2026	2031	2036	Change
SAH demand	2,948	3,392	3,688	4,022	4,363	1,415

Burwood Council has relatively little ability to increase the supply of SAH in the LGA. Public housing is provided by the NSW Government, while community housing is generally provided by third party not for profit providers. Burwood Council's possible roles in the provision of SAH include:

- Putting a SEPP 70 contribution in place in the event of any uplift in development potential
- Negotiating the delivery of affordable housing through VPAs,
- Advocating to the NSW Government for additional investment in public housing or affordable housing in major development precincts,
- Partnering with community housing providers, including by providing density incentives.

Any combination of these actions would be unlikely to bridge the gap in SAH provision, given that its current size is greater than the total increase in dwellings in the Burwood LGA between 2006-2016 (1,881 dwellings).

Housing opportunities and constraints

The table on the following page compares likely future demand for housing until 2036 with the capacity under current planning controls. A demand-capacity gap is calculated by subtracting the remaining demand, which is how much of the modelled 2016-2036 remains after accounting for recent completions and the development pipeline, from the capacity under current controls. There is excess capacity for high-density apartment development, but an under-provision of capacity for medium density development by around 1,000 dwellings.

Feasibility modelling shows that dual occupancy development is generally unfeasible in the Burwood LGA as a result of the high prices of potential redevelopment sites containing separate houses (as noted above), therefore rezoning to create additional capacity for multi-dwelling housing would be the most effective way to address the identified gap.

THE GAP BETWEEN HOUSING CAPACITY AND DEMAND BETWEEN 2016-2036

	Low – Medium density	High density	Total
Capacity			
Housing capacity under current controls	1,192	6,575	7,766
Housing demand			
Modelled demand (2016-2036)	2,279	4,710	6,989
Housing completions (2016-August 2019)	45	1,055	1,100
Housing construction pipeline (August 2019+)	38	884	922
Remaining demand	2,196	2,771	4,967
Capacity-demand gap			
Housing capacity - housing demand	-1,004	+3,803	+2,799

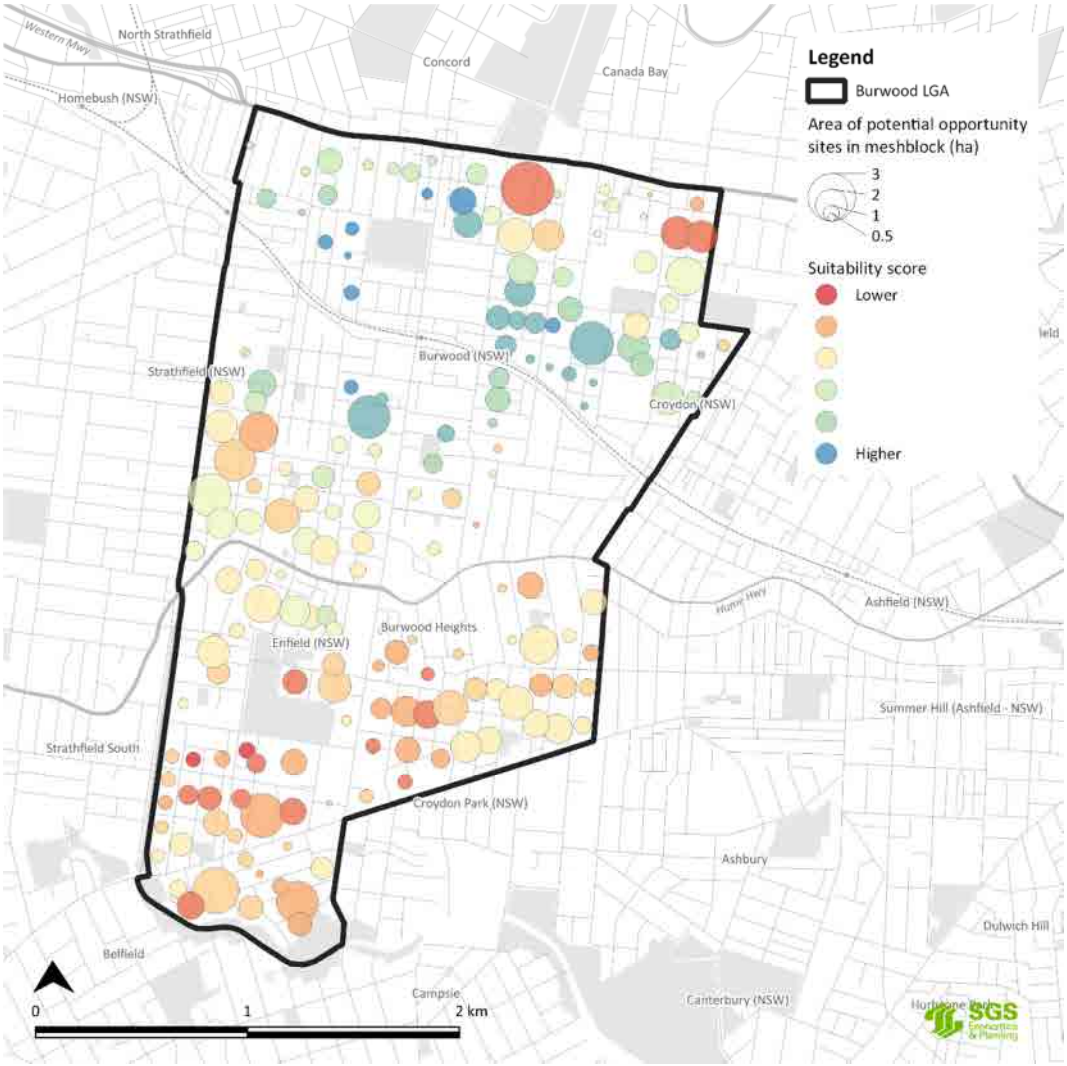
Note that the values in this table have been rounded so the sum of the rows or columns may be different to the reported total. In these cases the reported total is more accurate.

Apartment buildings are likely to be generally feasible. Rezoning to permit for additional apartments buildings would create additional housing capacity, which could increase the rate of housing development. However, there is enough capacity under current planning controls to accommodate likely apartment demand until 2036.

The suitability of each part of the Burwood LGA to accommodate additional housing density was assessed based on proximity to train stations, bus services, schools, open space, libraries and supermarkets. The figure below shows the opportunity score, as well as the property area deemed to present opportunities for intensification. These developable sites are zoned R2 Low Density Residential, are free from heritage or environmental constraints and have lot areas of at least 400sqm. There are several areas which may be suitable for rezoning to R3 to accommodate additional medium density housing which have been identified in the housing structure plan map:

- The immediate surrounds of the Burwood Town Centre, particularly to the east
- The area between the Croydon and Burwood centres
- Low density residential areas immediately north and south of the Hume Highway at the Enfield Local Centre,
- North of Georges River Road near the Croydon Park Local Centre

HOUSING SUITABILITY FOR POTENTIALLY DEVELOPABLE PROPERTIES ZONED R2 WHICH ARE AT LEAST 400SQM IN AREA



The following table shows the amount of land that would need to be rezoned to create capacity to meet the identified demand for attached dwellings in the Burwood LGA. The land needed would depend on the intended density of development. At the current FSR of 0.55:1 for the R3 zone, densities of between 50-80 dwellings/ha should be achievable for infill development.

LAND REQUIREMENTS TO CREATE CAPACITY FOR APPROXIMATELY 1,000 ADDITIONAL ATTACHED DWELLINGS

Development density (dwellings/ha)	Land area per dwelling	Area needed for additional capacity (ha)
40	250	25
50	200	20
67	150	15
100	100	10

A metro station is confirmed as part of the planned Sydney Metro West line at Burwood North, although there is no confirmed timeframe for this project. It will be located on the north-east site of the intersection of Parramatta Road and Burwood Road in the Canada Bay LGA, with an entrance on the south-east side of this intersection in the Burwood LGA. The area immediately around the station was planned for redevelopment as part of the Parramatta Road Urban Transformation Strategy, although the final development densities may differ from the released strategy. The opening of a new railway line will create significant opportunities for redevelopment, including potential to make a greater contribution to Greater Sydney's housing than current projections for Burwood Council indicate.

Housing strategy objectives and actions

Increase housing diversity and choice to meet the community's changing needs

- Investigate rezoning land in the density gradient area around the Burwood Town Centre to the R3 zone
- Investigate the creation of variable floor space ratio and development height controls in the R3 zone with allowable floor space and height dependent on development type and lot size, with the aim of encouraging site amalgamation and providing a small increase on current floor space ratio controls for low rise (1-3 storeys) attached dwelling types.
  Urban design work testing building envelopes would be required to develop these controls. An example of this approach is provided in the design criteria in DPIE's *Low Rise Medium Density Design Guide*.
- Investigate rezoning land around the following local centres to create additional capacity for medium density development
  - Croydon, north of the Railway Line
  - Enfield
  - Croydon Park
- Investigate selective rezoning of sites with frontages to parks to facilitate medium density development which would improve the interface with the public domain
- Require a proportion of all apartments to have three or more bedrooms to cater to larger household sizes (with the specific percentage subject to further investigation)

Make housing more affordable, including through direct development contributions, advocacy and partnerships

- Investigate the creation of a density bonus scheme which would allow increased floor area in apartment developments if affordable housing is provided
- Use SEPP 70 to require affordable housing contributions in any future rezoning along Parramatta Road and near the Burwood North Metro Station which allows additional housing density
- Continue to liaise with community housing providers to facilitating housing development, potentially through the provision of increased development rights linked to the long-term affordability of the housing delivered

- Seek the provision of affordable housing through planning agreements as part of proponent-led rezoning of development sites (where rezoning is deemed to be appropriate)

Preserve **local character** by preventing extensive redevelopment in those parts of the LGA which have heritage significance or a significant local character

- Review minimum site frontage and lot size controls for dual occupancy and multi-dwelling housing development, with the intention of placing minimum standards in the LEP.
- Protect identified areas with heritage significance or significant local characters from rezoning to facilitate increased housing density

Plan for **longer term housing needs**, preserving opportunities for medium and high density housing development beyond 2036 near centres and public transport

- Rezone land near the Burwood North Metro Station to facilitate higher-density housing development, including large apartments and ground floor apartments which cater to families and larger households
- Retain some land between the Train Line and Parramatta Road with a low density residential zone, providing capacity for future redevelopment after 2036
- Review housing capacity and likely demand every five years to ensure that sufficient housing capacity remains to meet likely demand

1. INTRODUCTION

SGS Economics and Planning has been commissioned by Burwood Council to prepare a Local Housing Strategy (LHS) and Local Employment and Investment Strategy for the Burwood Local Government Area (LGA). The Local Employment and Investment Strategy is contained in a separate document, but the two strategies reinforce each other's objectives and aim to make the Burwood LGA more liveable, productive and sustainable.

The LHS responds to the Eastern City District Plan and informs the preparation of the Burwood Local Strategic Planning Statement and a review of local planning controls and development standards. The LHS has been prepared in accordance with the *Local Housing Strategy Guideline* released by the Department of Planning, Industry and Environment.

As established in the project brief, the objectives of the LHS are to:

- Address the key housing actions in the Greater Sydney Region Plan and Eastern City District Plan
- Analyse the demographic data, demand and supply for housing (including affordable housing), the type of housing that currently exists and factors affecting residential development activity in the LGA
- Consider the work being undertaken in relation to the provision of infrastructure required to meet the population growth, e.g., open space, community facilities and education facilities
- Assess housing projections, including those for affordable housing, in 0-5 year, 6-10 year and 20 year timeframes, and Burwood's ability to accommodate those projections
- Identify urban areas that have potential for increasing housing supply, including potential to integrate affordable housing
- Provide strategies and actions to facilitate housing to meet the needs of the future population while maintaining, enhancing or cultivating local character, that is suitable to local needs and based on evidence
- Recommend supporting social and civil infrastructure required to support the housing strategy
- Recommend LEP and DCP amendments to facilitate new housing consistent with the vision in the LSPS for Burwood and the Eastern City District Plan.

1.1 Strategy structure

This report contains the following sections. Chapters 2-7 outline the evidence base for the Local Housing Strategy, while Chapter 8 provides the strategy itself, including a vision for housing in the Burwood LGA, housing objectives and actions.

Chapter 2 outlines the context for the local housing strategy, including existing policies from the NSW Government and Burwood Council and the views of stakeholders who were consulted to inform the preparation of the strategy.

Chapter 3 examines the characteristics of the housing in the Burwood LGA and the demographics of Burwood's households.

Chapter 4 discusses housing affordability in the Burwood LGA and models the supply and demand for social and affordable housing.

Chapter 5 contains results of housing demand modelling in the Burwood LGA, including how many of each kind of dwelling are likely to be required in the LGA until 2036.

Chapter 6 provides an analysis of the development capacity of Burwood's current planning controls.

Chapter 7 discusses housing development opportunities and constraints which influence the housing policy options, including the best places for additional housing and development feasibility.

Chapter 8 outlines the strategic framework for housing in the Burwood LGA over the next 20 years, including a vision for the LGA's housing, a spatial framework for development, objectives and actions.

2. CONTEXT

2.1 Policy context

There are a number of current State and Local strategies and transport projects which will affect the Burwood LGA. These have been reviewed to distill their potential implications for Burwood's housing strategy.

Greater Sydney Region Plan

The Greater Sydney Region Plan (GSRP) is the metropolitan strategy for Greater Sydney, with the aim of transforming it into a metropolis of three cities in the next 40 years: Western Parkland City, Central River City and the Eastern Harbour City.

The Burwood LGA is within the Eastern Harbour City, a focus for which is innovation and global competitiveness to underpin its continued growth. The GSRP also establishes a centres hierarchy, under which Burwood is identified as a strategic centre. Strategic centres are expected to include:

- High levels of private sector investment
- Flexibility, so that the private sector can choose where and when to invest
- Co-location of a wide mix of land uses, including residential
- High levels of amenity and walkability and being cycle friendly, and
- Areas identified for commercial uses, and where appropriate, commercial cores.

Implications for housing

One of the GSRP's Directions is 'Housing the City, is focused on giving people housing choices.' This Direction includes two objectives.

Objective 10: Greater Housing Supply recognises the need for housing supply and a range of housing types in the right locations. It also sets out the requirements for councils to prepare housing strategies and to develop 6-10 year housing targets. As a well-established area, Burwood would be expected to accommodate urban renewal and infill development in accessible locations.

Objective 11: Housing is more diverse and affordable sets out the need to increase housing diversity and affordability across Greater Sydney, including the preparation and implementation of affordable rental housing schemes and targets.

Eastern City District Plan

Alongside the GSRP are the five District Plans, which are 20-year strategies aimed to act as a bridge between metropolitan and local planning. Burwood Council is part of The Eastern City District, and subject to the Eastern City District Plan (ECDP).

Implications for housing

The ECDP includes a number of priorities. *Planning Priority E5 – Providing housing supply, choice and affordability, with access to jobs, services and public transport* gives effect to Objectives 10 and 11 of the GSRP. Under this Priority, additional housing across the Eastern City is to be delivered through both urban renewal and local infill.

The ECDP identifies Burwood as part of the Inner West – Burwood housing market. It also identifies a five-year housing target for the Burwood LGA of 2,600 dwellings by 2021, out of a total 46,550 for the District.

Planning Priority E6 – Creating and renewing great places and local centres, and respecting the District's heritage includes a principle for increased residential development to occur within walkable distances of centres.

Burwood 2030 Community Strategic Plan

Burwood 2030 is Burwood Council's Community Strategic Plan, and outlines the Council's vision and aspirations for the area, providing a blueprint for Council activities and strategic directions for the next 20 years.

The vision for the Burwood LGA is for 'a well connected, innovative, sustainable and safe community that embraces and celebrates its diversity,' underpinned by the four social justice principles of equity, access, participation and rights.

The broad strategic themes of Burwood 2030 are:

- Community and lifestyle
- Leadership and innovation
- Healthy and sustainable environment
- Planning and infrastructure
- Vibrant city and villages.

Implications for housing

The strategic themes under the Plan with relevance to the future of housing include the need for:

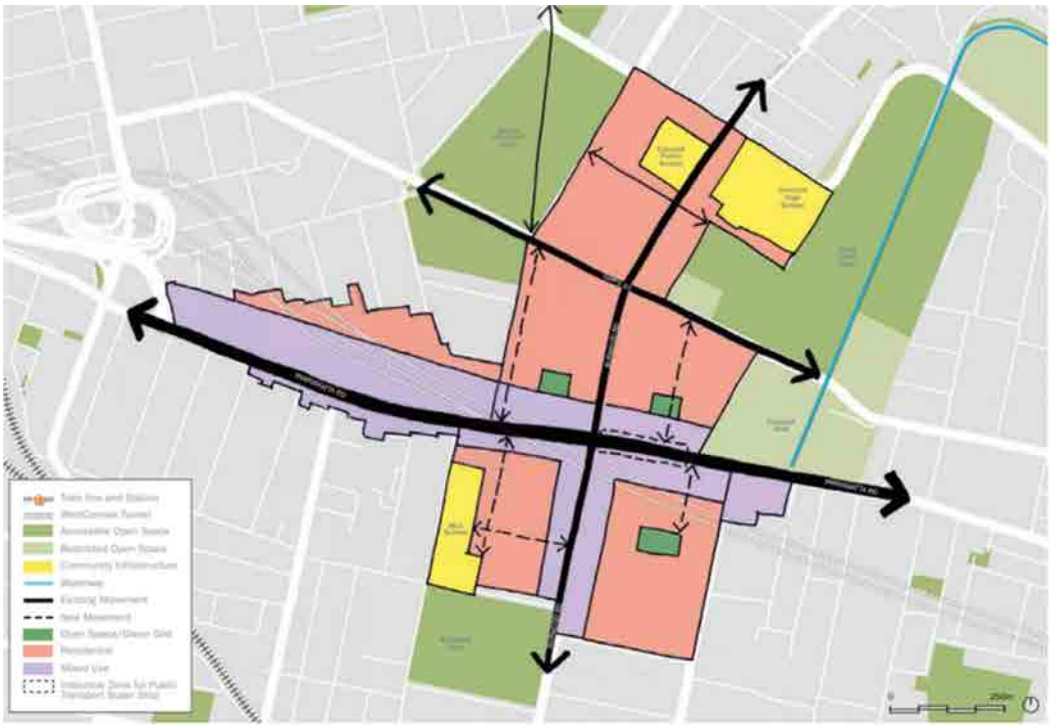
- Environmentally sustainable developments which reduce impacts on the environment
- Burwood's existing heritage to be integrated with high quality urban design, and
- The distinct character of residential areas surrounding town centres to be preserved.

Likely challenges in relation to housing include that as a strategic centre, Burwood is expected to meet State Government targets for additional housing. Additionally, strong demand for housing in the wider Inner West will continue to pose challenges for affordability, requiring a diverse mix of dwellings to cater to a range of households.

Parramatta Road Corridor Urban Transformation Strategy (PRCUTS)

Burwood-Concord is identified as one of the precincts in UrbanGrowth's 30-year plan for the Parramatta Road corridor, shown in Figure 1 below. The PRCUTS envisions development at Burwood-Concord reinforcing Burwood's role the most major centre in the corridor, and allowing for greater diversity of housing while maintaining the quality of buildings in the area. Burwood Road will act as the spine of the precinct, linking urban renewal areas into the Burwood Town Centre.

FIGURE 1: BURWOOD – CONCORD PRECINCT IN THE PARRAMATTA ROAD CORRIDOR URBAN TRANSFORMATION STRATEGY



Source: UrbanGrowth, 2016.

Implications for housing

The PRCUTS includes a target for **5,500 new homes** in the precinct by 2050, to accommodate an **additional population of 11,400**.

Burwood-Concord is envisioned as having streets with mixed use, tall and medium-density residential buildings. Residential development will be designed to sensitively respond to existing character, including heritage structures. The built form will taper down to the north, transitioning to lower-scale residential.

Future Transport – Greater Sydney Services and Infrastructure Plan

Future Transport 2056 is the NSW Government's long-term transport strategy. The Greater Sydney Services and Infrastructure Plan provides transport infrastructure priorities and aims to achieve an aspiration for Greater Sydney to be a 30-minute city, which is set in the GSRP.

A number of new and upgraded transport connections are identified across Sydney. Sydney Metro West, a city-shaping corridor, is listed as a committed project with a 0-10 year timeframe. A new city-serving corridor link between the CBD and Burwood is identified for 2056, shown in Figure 2 below.

FIGURE 2: CITY-SERVING NETWORK IN 2056

Source: Transport for NSW, 2018.

Other initiatives that may be relevant to Burwood include:

- Improvements on the T1 Western Line (0-10 year timeframe).
- Potential future mass transit link between Macquarie Park and Hurstville (20+ year timeframe).
- Establishment of the Western Sydney Airport may see changes to freight routes around Burwood by 2056.

Implications for housing

Increasing the accessibility of Burwood to other parts of Sydney by public transport, particularly the CBD, has the potential to increase demand for housing in the area.

Burwood Development Control Plan

The Burwood Development Control Plan (DCP) contains design standards which are applied to development applications in the Burwood LGA. Its overall aims include to:

- Provide a clear framework of provisions to be complied with or taken into account in development assessment for the assistance of the community and the development industry.

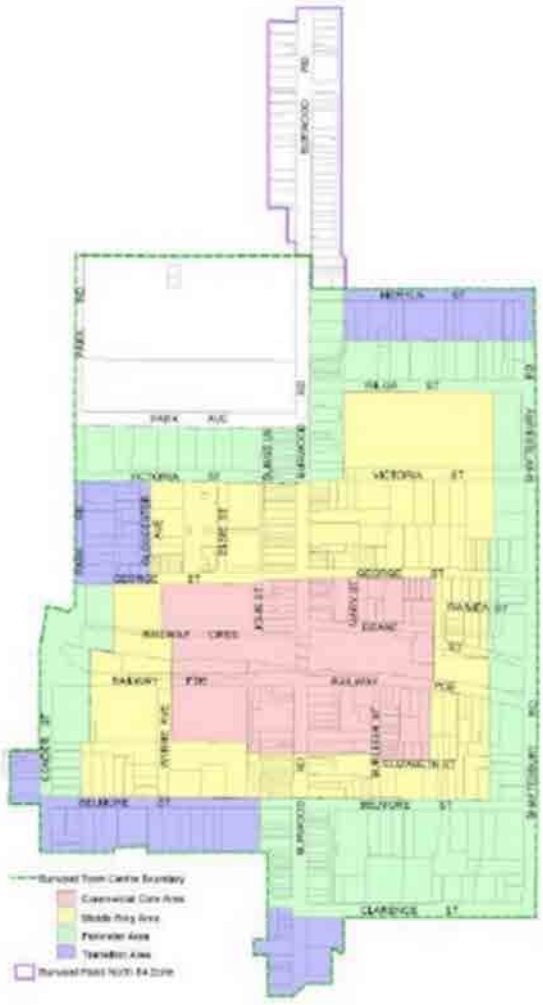
- Help maintain and enhance the quality of the natural and built environments in the Burwood LGA through the development assessment process
- Improve the environmental and social sustainability of development, and
- Increase the participation of the community in development assessment decisions.

The DCP identifies Burwood Town Centre as the natural centre for the Inner West, with aims to:

- Provide for a vibrant centre with a level of amenity that reflects its Major Centre status (note that Burwood has subsequently been classified as a strategic centre).
- Provide for a built form that supports appropriate urban design outcomes.
- Ensure a building scale that complements existing heritage items and human-scale streetscape environments.

Under the DCP, the Town Centre is divided into different areas, shown below in Figure 3. For the Commercial Core (pink) and Middle Ring (yellow) areas, the DCP envisions the concentration of commercial and retail development, with residential permitted to a maximum FSR. For the Perimeter (green) and Transition (purple) areas, residential will be the primary land use.

FIGURE 3: BURWOOD TOWN CENTRE UNDER BURWOOD DEVELOPMENT CONTROL PLAN (DCP)



Source: Burwood Council, 2018.

Sydney Metro West

Sydney Metro West will connect the CBD to Parramatta, doubling the existing rail capacity between the two.

The NSW Government has recently confirmed that the line will include a station at Burwood North at the intersection of Parramatta Road and Burwood Road. The station is intended to be located predominately in the Canada Bay LGA on the northern side of Parramatta Road, but to have an entrance in the Burwood LGA on the southern side of Parramatta Road. Burwood North will be an intermediate station alongside the main stations precincts of Westmead, Parramatta, Sydney Olympic Park, The Bays Precinct, and the Sydney CBD.

Implications for housing

As well as connecting more people to rail services, the project is expected to facilitate the unlocking of housing supply along the corridor. With the station confirmed for Burwood North, it is likely to provide impetus for increased housing growth in the area.

2.2 Stakeholder consultation

To gain an understanding of the current housing market and other key housing issues in the Burwood LGA, SGS has spoken with various stakeholders including residential real estate agents, community housing providers and advocacy organisations. The following summarises the key themes and findings that emerged from this consultation.

Current market

A consistent theme from the consultation was that property values have dropped considerably in the past two years, somewhere in the vicinity of 10-20 per cent. While properties are still 'sellable,' a range of factors are seen to be contributing to a slower market, including:

- Lower consumer confidence generally
- Greater restrictions on lending (including on overseas buyers)
- An oversupply of apartments.

Rents have also declined. Landlords are having difficulty attracting tenants without reducing rents, as there is a lot available on the market currently.

The slowdown in the market appears to have affected units more than separate houses. Much of the more recent apartment stock in Burwood is of a similar character (in terms of design and features), and as such there is not a lot to distinguish between properties for buyers or potential tenants. With an oversupply of apartments generally, buyers have a lot to choose from.

Some buyers are also being more discerning in the wake of the publicity surrounding defects in apartment buildings in other Sydney locations, with more recent interest observed in older apartment blocks.

Housing stock and preferences

The market for separate houses in Burwood is extremely tightly held, and more so than in other parts of Sydney. There are very few separate houses available on the market, and those that are being sold have not had price drops to the same extent that units have in recent times.

In terms of dwelling types, there is perceived to be a lack of medium density dwellings available in Burwood – in effect there are only houses or apartments and nothing in between. Existing controls around subdivisions may be playing a role in this.

There is also a lack of single-level stock that could be suitable for older people – such as those who have lived in Burwood for many years who are looking to downsize and stay in the area.

Demand drivers and constraints

Buyers who are unable to purchase a separate house in Burwood tend to look elsewhere or compromise with a larger apartment. However, some people have a real preference to not live in an apartment, and these people would typically look at nearby areas (such as Canterbury) where houses are not as expensive as Burwood and where more stock is available.

The proximity of Burwood Station (and the recently confirmed Burwood North Metro Station) is a key driver for the area, as is the availability of shopping. This is particularly so for many students/younger demographics who do not own cars.

A significant constraint for delivering future housing supply is likely to be the availability of land, as much of the area has already been developed.

Affordability issues

Competition for land is a key issue for community housing providers as well. Many cannot compete with private developers, as they have to provide housing at a discounted rate. Even with subsidies it is hard to make projects stack up financially (particularly for residential-only buildings with no commercial component, as there are no additional revenue streams available to the providers).

There are also very few opportunities to purchase whole existing buildings to use as community housing (though community housing operators are looking for these).

There may be opportunities to support community and affordable housing provision through mechanisms such as waiving development contributions, arrangements under voluntary planning agreements, or through working with councils to identify opportunities on council-owned land.

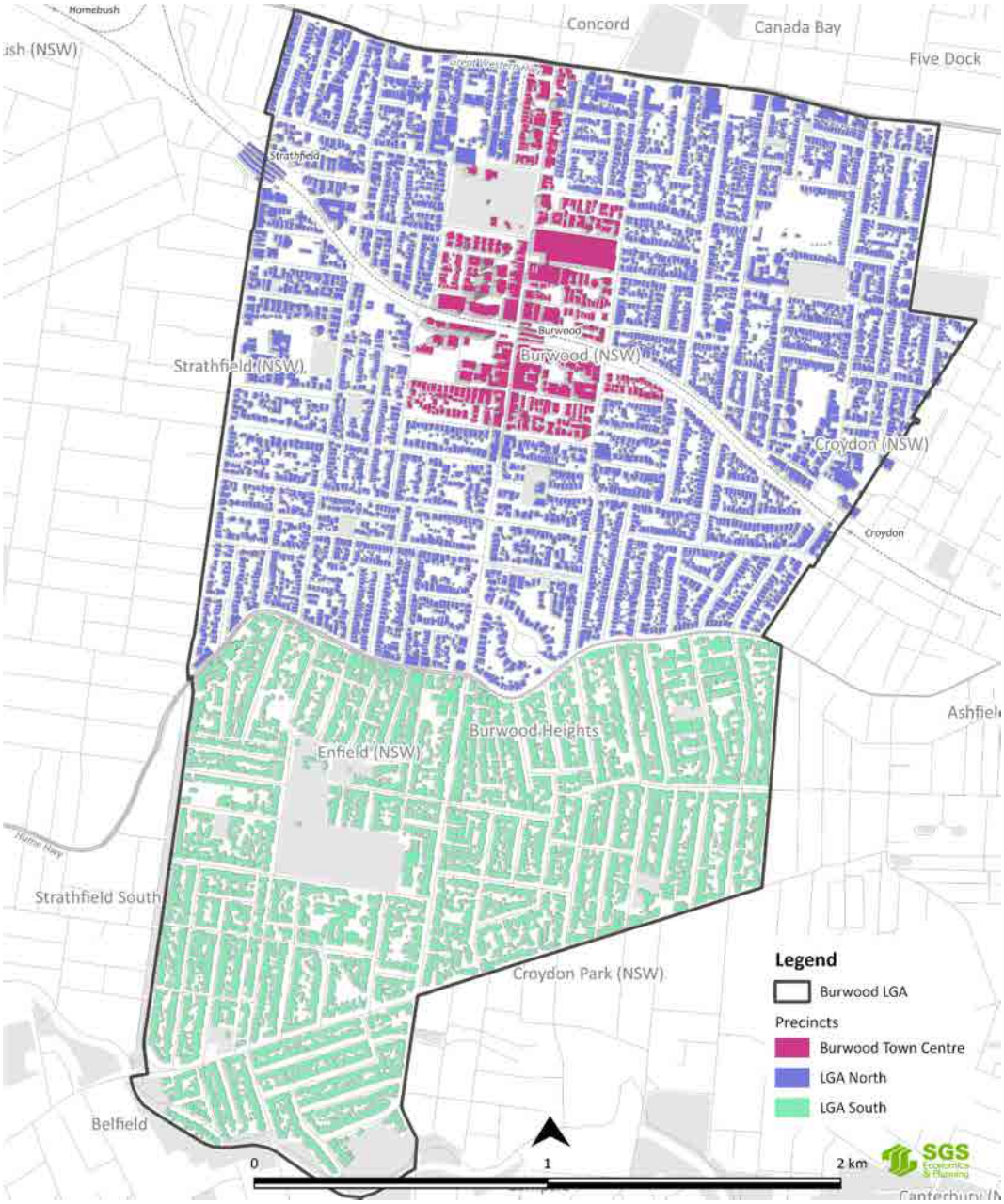
It was noted that creating more diverse housing stock will not necessarily have an impact on affordability, as many low-income households are likely to still be priced-out by higher earning households in this part of Sydney. Some forms of affordable housing (e.g. boarding houses) do exist in the Burwood LGA and fill a particular role, but these are not suitable for many households and often are not very affordable.

There is also estimated to be a significant shortfall in social and affordable housing dwellings in this part of Sydney already, with the scale of the issue also likely to be masked somewhat by how housing stress is recorded and identified.

3. HOUSING SUPPLY & DEMOGRAPHICS

This chapter profiles the dwellings in the Burwood LGA, recent development trends and the demographics of the LGA's population. Housing and demographic results are reported for three sub-areas which are built off the Australian Bureau of Statistic's spatial boundaries and are shown in Figure 4: the Burwood Town Centre, LGA North and LGA South.

FIGURE 4: PROFILING AREAS IN THE BURWOOD LGA



Source:

3.1 Dwelling types

In this report, dwellings are categorised into four types which are defined by the Australian Bureau of Statistics (ABS) and used in the Census and other statistics. These categories are:

- **Separate house** means a dwelling which is not attached to any other dwelling. In planning instruments these are called dwelling houses.
- **Attached dwellings** are attached on one or more walls, such as semi-detached, terraced and villa-style housing. In planning instruments these are called dual occupancies, semi-detached dwellings, attached dwellings and multi-dwelling housing.
- **Flats or apartments** can be two or more storeys, with dwellings sharing vertical as well as horizontal walls. In planning instruments these are called shop-top housing and residential flat buildings.
- **Other dwellings** includes caravans and cabins, improvised dwellings, houseboats and flats attached to shops.

This categorisation refers only to *private dwellings*, which are those in which only a single household lives. The Burwood LGA also contains *Non-private dwellings* in which more than a single household lives or in which people do not live in traditional households. These dwellings include boarding houses, student accommodation and aged care facilities.

Secondary dwellings and granny flats are inconsistently classified and may not be accurately counted in the ABS Census or in the above categories.

3.2 Dwelling supply

Supply by dwelling type

There were 13,442 dwellings in the Burwood LGA in 2016 as recorded in the ABS Census. The breakdown of these dwellings by type as well as the population living in each type is shown in Table 1.

TABLE 1: NUMBER OF DWELLINGS BY TYPE IN THE BURWOOD LGA

Dwelling type	Separate house	Attached dwelling	Flat or apartment	Other	Dwelling type not stated	Non-private dwelling	Total
Number of dwellings	5,196	2,156	5,964	80	89	46	13,531
Population in dwellings	15,518	6,161	14,327	162	235	1,271	37,674

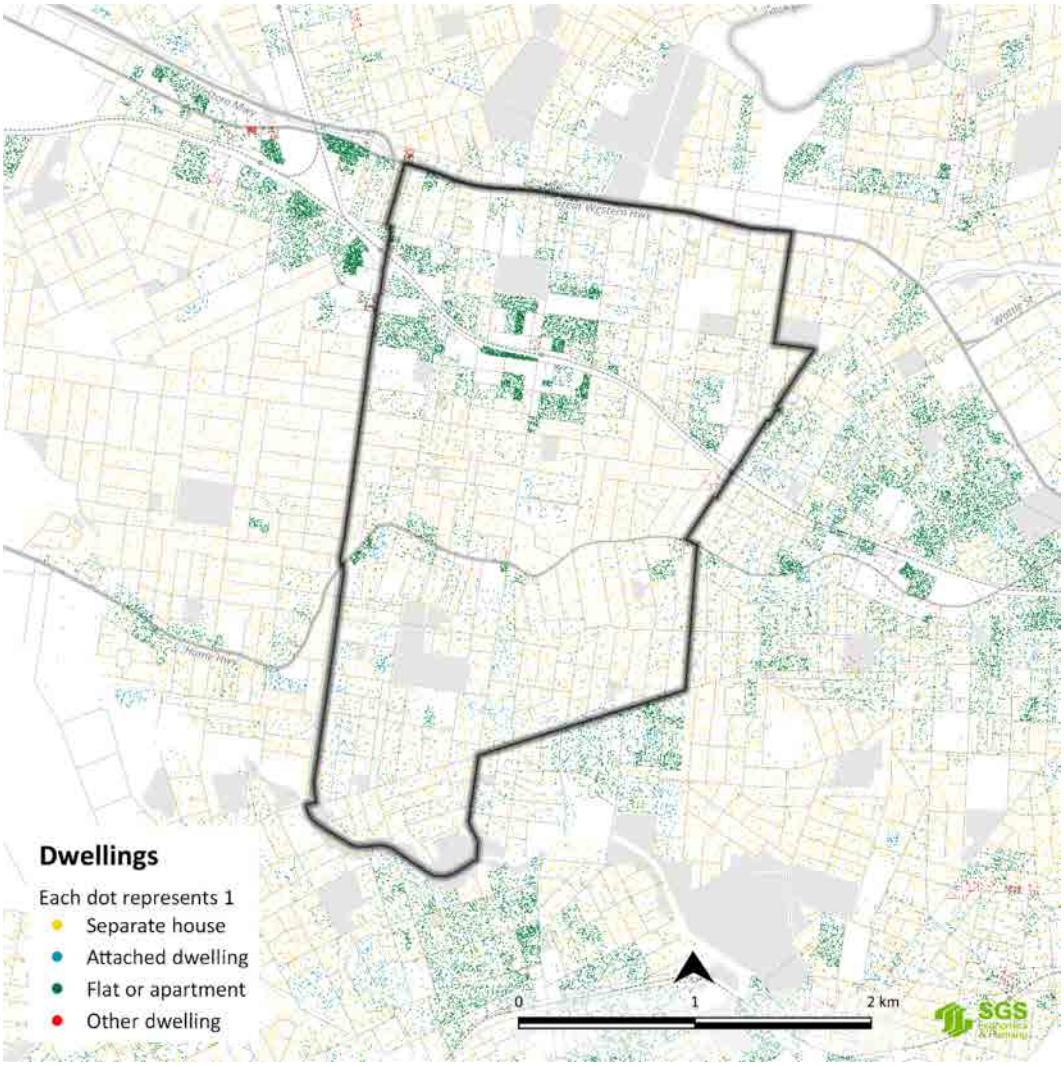
Source: ABS Census 2016

The kinds of dwellings in each part of the Burwood LGA and in benchmark areas is shown in Figure 5. Figure 6 illustrates the distribution of dwellings in the Burwood LGA with a finer spatial grain.

FIGURE 5: DWELLING TYPES IN THE BURWOOD LGA AND BENCHMARK AREAS (2016)

Source: ABS Census 2016

FIGURE 6: DISTRIBUTION OF DWELLINGS BY TYPE IN THE BURWOOD LGA (2016)



Source: ABS Census 2016

Separate houses are much more common in the Burwood LGA than the Eastern City District, but less common than in Greater Sydney. Separate houses are spread throughout the Burwood LGA and occupy much more space than other dwelling types. As they are much lower density than either apartments or attached dwellings, they constitute only 39% of dwellings despite taking up most of the residential land in the LGA. The LGA South area has the highest proportion of separate houses, which make up over 50% of all dwellings in this area.

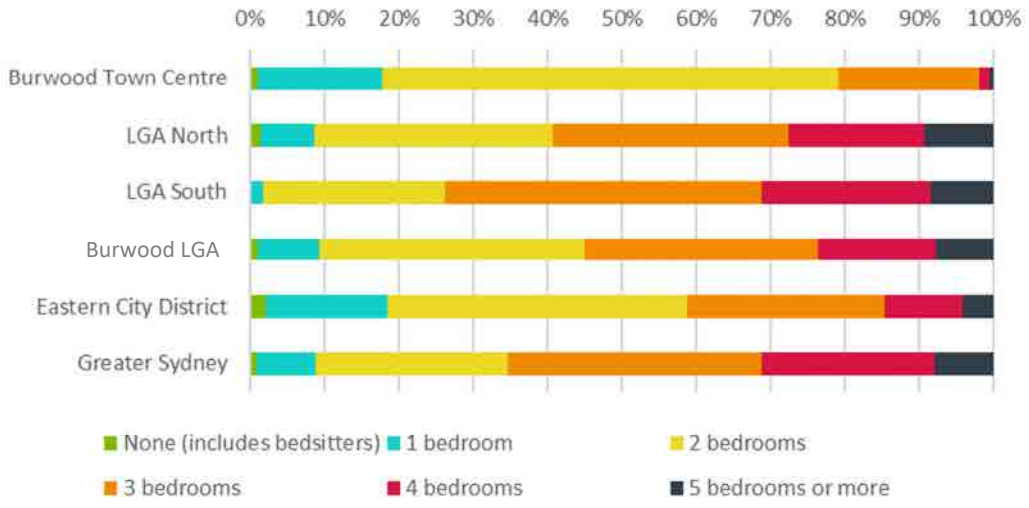
Flats and apartments constitute 45% of all dwellings in the LGA. They are highly concentrated around the Inner West Train Line at Burwood, Strathfield and Croydon. There are also some apartments in and around local centres along the Hume Highway. Apartment precincts have higher dwelling densities than other parts of the Burwood LGA, as illustrated by the greater density of dots in Figure 6. There are particularly high densities in the Burwood Town Centre and the nearby Strathfield Town Centre outside the Burwood LGA boundary.

Attached dwellings are the least common type of dwelling in the LGA, making up 16% of all dwellings, less than in the Eastern City District (19%) but more than in Greater Sydney (14%). Attached dwellings are distributed throughout the Burwood LGA but are most common south of the Hume Highway and north of the Railway Line.

Dwelling size

The size of the dwellings in the Burwood LGA can be considered through the proxy measure of how many bedrooms they contain. This is shown in Figure 7 for each part of the Burwood LGA. The Burwood LGA contains dwellings of a variety of sizes, with two bedrooms the most common number (36% of dwellings) and 55% of dwellings having three or more bedrooms. Compared to the Eastern City District, the Burwood LGA has more three bedroom, four bedroom and larger dwellings. Compared to Greater Sydney, Burwood has a relatively high number of two bedroom dwellings.

FIGURE 7: NUMBER OF BEDROOMS IN THE BURWOOD LGA AND BENCHMARK AREAS (2016)



Source: ABS Census 2016

Most (61%) of the dwellings in the Burwood Town Centre are two bedroom apartments, and as shown in Figure 5 almost all dwellings are apartments. Despite the dominance of apartments in the Burwood Town Centre's dwelling mix, around 20% of dwellings have three or more bedrooms. While much recent growth has occurred in the Burwood Town Centre (as discussed in Section 3.3 below), less than half of all one bedroom apartments in the LGA, and under 40% of two bedroom dwellings, are in the Burwood Town Centre.

Many (around 32%) of the dwellings in the LGA North area have two bedrooms, with apartments comprising most of these two bedroom dwellings (23% of all dwellings). Compared to the Burwood Town Centre there is a broader dwelling mix with 59% of dwellings having three or more bedrooms and many 3 bedroom separate houses (21%).

The LGA South area has the largest dwellings on average. Three bedrooms is the most common dwelling size in this area (43%) and 31% of dwellings have four or more bedrooms, a similar proportion as the Greater Sydney average. As noted above, this area has fewer apartments than other parts of the LGA and so only 26% of dwellings have two or fewer bedrooms.

Average number of bedrooms

More information about the sizes of different kinds of dwellings is found in the average number of bedrooms, which is shown in Table 2.

TABLE 2: AVERAGE NUMBER OF BEDROOMS (2016)

	Separate house	Attached dwelling	Flat or apartment	Average
Burwood Town Centre	3.09	2.62	2.01	2.05
	3.54	3.07	1.95	2.86
LGA South	3.31	3.21	2.10	3.12
	3.43	3.15	2.00	2.76
Eastern City District	3.42	2.77	1.83	2.39

Source: ABS Census 2016

Separate houses in the Burwood LGA are on average a similar size to those in the Eastern City District but smaller than the Greater Sydney average. The LGA South area has smaller separate houses on average than the LGA North area, but separate houses make up a larger proportion of all dwellings in this area than in LGA North. The Burwood Town Centre has the smallest separate houses on average, but there are very few separate houses in this area.

Attached dwellings in the Burwood LGA are larger on average than those in the Eastern City District and Greater Sydney, with the largest in the LGA South area.

Flats and apartments are slightly larger on average than those in the Eastern City District and Greater Sydney, with the average number of bedrooms very close to 2.

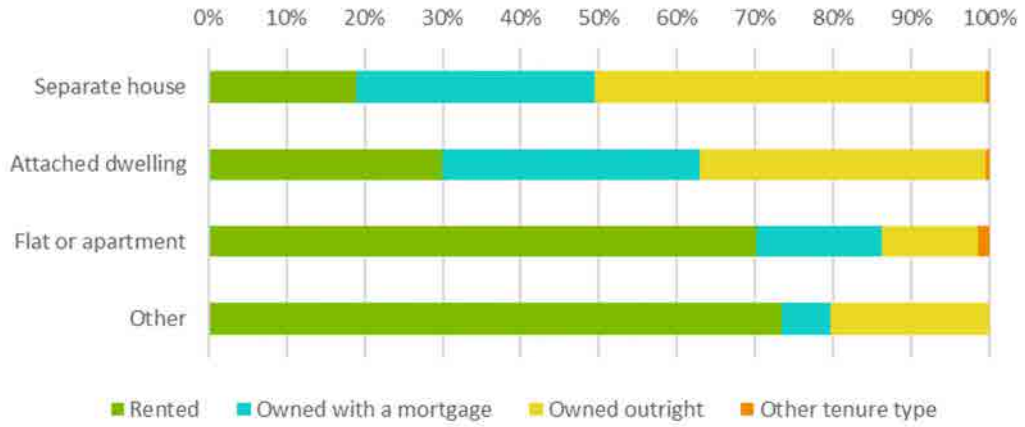
Dwelling tenure

Dwelling tenure refers to whether a dwelling is owned, mortgaged or rented and is shown for each part of the Burwood LGA in Figure 8 and for each dwelling type in the LGA in Figure 9. Compared to the Eastern City District, the Burwood LGA has a slightly lower proportion of dwellings rented while compared to Greater Sydney there is a much lower proportion of dwellings owned with a mortgage. A very high proportion of flats and apartments in the Burwood LGA are rented, while most separate houses and attached dwellings are either owned outright or owned with a mortgage.

FIGURE 8: DWELLING TENURE TYPE BY AREA (2016)

Source: ABS Census 2016

FIGURE 9: DWELLING TENURE TYPE BY DWELLING TYPE IN THE BURWOOD LGA (2016)



Source: ABS Census 2016

The high proportion of flats and apartments which are rented affects the overall dwelling composition of the Burwood Town Centre, where 70% of dwellings are rented flats or apartments. By comparison, 31% of dwellings in the Burwood LGA are rented flats or apartments. As more apartments are built and if the current tenure profile remains the same, with most apartments owned by investors and rented, the Burwood LGA will move from being composed mostly of owner-occupied dwellings to mostly rented dwellings. However, the rental market will be strongly concentrated in the Burwood Town Centre where the most apartment development is occurring.

Dwelling suitability

Dwelling suitability is a measure of how suitable the size of dwellings are for their occupants. This is an indication of relative housing affordability as well as of the availability of appropriately sized housing. It is calculated by the ABS based on the usual residents and the number of bedrooms in each dwelling with the following rules:

- One bedroom is needed for each couple or single adult in a household
- Up to two children of the same sex under 18 can share a bedroom
- Children of different sexes under five can share a bedroom.

A designation of a bedroom as spare does not mean that is not used, only that the household may be able to live in a smaller dwelling.

Dwelling suitability for the Burwood LGA is shown in Figure 10. As shown in Figure 7, two bedrooms is the most common number of bedrooms in the LGA, but a very high proportion of those two bedroom dwellings (23% or around 940 dwellings) would need additional bedrooms to appropriately house their occupants based on ABS standards. The proportion of three bedroom dwellings which would need additional bedrooms to house their occupants suitably is slightly lower but still significant (10% or around 360 dwellings).

Larger dwellings have a relatively low proportion of dwellings which need additional bedrooms, but a high proportion of spare bedrooms (33% of three bedroom dwellings, 50% of four bedroom dwellings, 67% of five bedroom dwellings and 74% of dwellings with six or more bedrooms). This illustrates a potential market for households to downsize, although some small households may intend to have children in the future or to continue to live in a relatively large dwelling.

The high proportion of dwellings with additional bedrooms needed reflects both a general lack of affordability of larger dwellings and a young and multicultural demographic, many of whom are happy to live in relatively crowded accommodation.

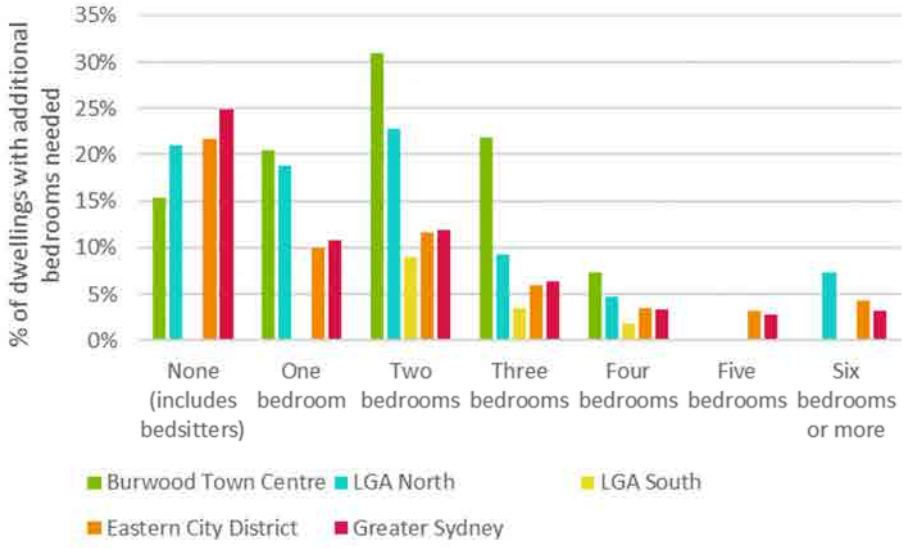
The level of crowding in dwellings at a finer spatial scale is illustrated in Figure 11. Crowding is particularly high in the Burwood Town Centre, where 31% of two bedroom and 22% of three-bedroom dwellings would need additional bedrooms to house their occupants suitably. Given the high number of group households in the Burwood Town Centre, this is likely to be caused by the presence of crowded shared households. However, some couple families with children and other households would also require more bedrooms to suitably house the population.

Crowding is also relatively high (although lower than in the Burwood Town Centre) in the LGA North area, where 19% of one bedroom, 23% of two bedroom and 9% of three bedroom dwellings need additional bedrooms.

FIGURE 10: DWELLING SUITABILITY IN THE BURWOOD LGA (2016)

Source: ABS Census 2016

FIGURE 11: PROPORTION OF HOUSEHOLDS WITH ADDITIONAL BEDROOMS NEEDED (2016)



Source: ABS Census 2016

Boarding houses

Types of boarding houses

Boarding houses are complexes of rooms let out individually with communal facilities. The *Standard Instrument – Principal Local Environmental Plan* defines a boarding house as "a building that:

(a) Is wholly or partly let in lodgings, and
(b) Provides lodgers with a principal place of residence for 3 months or more, and
(c) May have shared facilities, such as a communal living room, bathroom, kitchen or laundry, and
(d) Has rooms, some of all of which may have private kitchen and bathroom facilities, that accommodate one or more lodgers,

but that does not include backpackers' accommodation, a group home, hotel or motel accommodation, seniors housing or a serviced apartment".

Boarding houses can be generally split into two categories: traditional boarding house and new generation boarding houses, which are one of several kinds of premises apart from traditional boarding houses which are developed under the boarding house provisions of the *State Environmental Planning Policy (Affordable Rental Housing) 2009*.

Traditional boarding houses

Traditional boarding houses are those that people generally think of when referring to boarding houses. They are usually older buildings which are managed by in in-house proprietor according to specific house rules. Rooms are generally small, requiring people to use the communal facilities, and are let out via occupancy agreements rather than residential tenancy agreements. There are minimal barriers to entry to or exit from occupancy, and so people are able to come and go much more freely than under a residential tenancy. This means that barriers to accessing accommodation are much lower, but also that there can be less security of tenure for occupants.

As a result of the lack of secure tenure, lack of individual control of space and who can access it and lack of privacy, the ABS records people living in traditional boarding houses as

homeless. People staying in boarding houses are assumed to lack accommodation alternatives[2].

New generation boarding houses

Many of the boarding houses constructed today are described as 'new generation boarding houses,'. These developments contain small rooms resembling studio apartments and each commonly contains dedicated bathrooms and kitchen facilities, in contrast to traditional boarding houses. Rooms are usually let through residential tenancy agreements rather than occupancy agreements, and so substitute for apartments in the rental market rather than housing people who have difficulty accessing this market. In a study for the South Sydney Regional Organisation of Councils, the City Futures Research Centre found that 86% of surveyed occupants lived in rooms with kitchen and bathroom facilities and had a residential tenancy[3].

Boarding house development provisions

New generation boarding houses are developed using the *State Environmental Planning Policy (Affordable Rental Housing) 2009* (the SEPP). Purpose built student accommodation (PBSA) developments also meet the definition of boarding houses under the *Standard Instrument—Principal Local Environmental Plan* and so take place under the SEPP. Under this instrument, boarding house developments are permissible throughout Greater Sydney in residential zones which are accessible (defined by meeting minimum accessibility standards). Density bonuses are available in zones in which residential flat buildings are permitted.

Development consent for a boarding house under the SEPP cannot be refused on the grounds of building height, landscaped area, solar access, private open space, parking or accommodation size providing that the design standards in the SEPP are met. The SEPP bypasses many of the standards with which residential flat buildings must comply under *State Environmental Planning Policy No 65 - Design Quality of Residential Apartment Development (SEPP 65),* as well as over-riding local planning instruments and design standards that conflict with its provisions. As such, it removes control from Councils regarding where boarding houses are able to be built and over some of the applicable design standards.

Prevalence of boarding houses

The number of registered boarding houses and residents in the NSW LGAs with the most boarding houses is shown in Table 3. These statistics were compiled by the City Futures Research Institute from the NSW Boarding House Register but does not include any boarding houses which are informal or which do not comply with the statutory obligation for registration.

TABLE 3: BOARDING HOUSES IN THE TEN LGAS WITH THE MOST BOARDING HOUSES IN GREATER SYDNEY

	Number of registered boarding houses (excluding student accommodation)	Number of boarding house residents
Sydney	250	3,451
	187	2,649
Randwick	58	784
	41	479
Waverley	41	557

[2] ABS 2016, *2049.0 - Census of Population and Housing: Estimating homelessness*
[3] City Futures Research Centre 2019, *Occupant Survey of Recent Boarding House Developments in Central and Southern Sydney*

Canterbury-Bankstown	27	470
	27	286
North Sydney	19	352

Source: City Futures Research Centre 2019, *Boarding houses in New South Wales: growth, change and implications for equitable density*

Burwood has the sixth highest number of boarding houses of any LGA in NSW. Burwood contains both traditional boarding houses and new generation boarding houses which function like apartment buildings and are rented on the private market, although data providing a breakdown of boarding house type is not available. Boarding houses in Burwood are relatively large, with an average of 22 residents compared to a median of 10 for all boarding houses in NSW.

Affordability of new generation boarding houses

The affordability of new generation boarding houses is increasingly being called into question. Recent research by City Futures,[4] which surveyed occupants of boarding houses in the SSROC area, found that around 67 per cent of respondents were in rental stress, with the majority paying upwards of $300 per week with varying levels of access to amenities. Many respondents indicated that they were either studying and/or working in low-paying jobs and viewed their residency in boarding houses as a temporary or transitional housing option.

While this has traditionally been the role of boarding houses, the research concluded that the current market for this type of development is more akin to that of studio apartments and is not delivering on the affordability that was envisaged by State planning policies. There is no affordability requirement for development approved under the *State Environmental Planning Policy (Affordable Rental Housing) 2009*, despite the aim of the policy to facilitate the delivery of affordable rental housing and its provision of density bonuses on this basis.

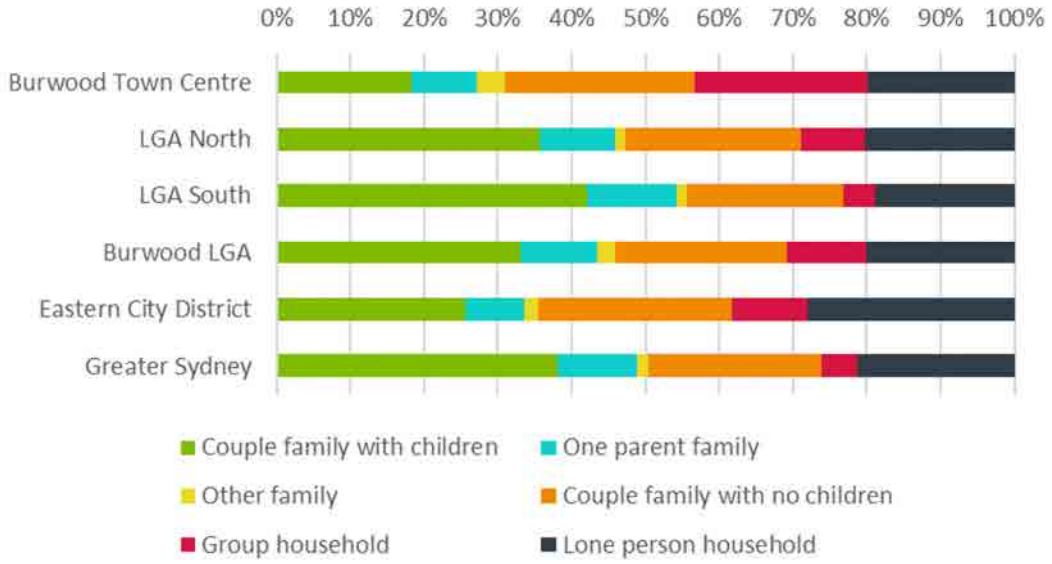
3.3 Burwood's households

The kinds of households living in the Burwood LGA and benchmark areas is shown in Figure 12. The Burwood LGA houses a wide variety of household types of different sizes. Compared to the Eastern City District, the Burwood LGA has more couple families with children (31% vs 23%) and less lone person households (19% vs 26%). Compared to Greater Sydney, the Burwood LGA has a lower proportion of couple families with children (31% vs 36%) and a much higher proportion of group households[5] (10% vs 5%).

[4] City Future Research Centre, 2019, '*Occupant Survey of Recent Boarding House Developments in Central and Southern Sydney*,'

[5] Group households are defined as shared households accommodating two or more unrelated people who are aged 15 years and over.

FIGURE 12: HOUSEHOLD TYPE COMPOSITION (2016)



Source: ABS Census 2016

The Burwood Town Centre has the widest diversity of household types of any part of the Burwood LGA, with only 17% of dwellings occupied by couples with children. While this is the lowest proportion of any area, it still illustrates that a significant number of couples with children (1,011) live in apartments, and so new apartment developments need to provide suitable spaces and facilities for families.

The LGA South area has a similar household composition to Greater Sydney. The LGA North area is similar to LGA South, but contains a higher proportion of group households and a lower proportion of families with children.

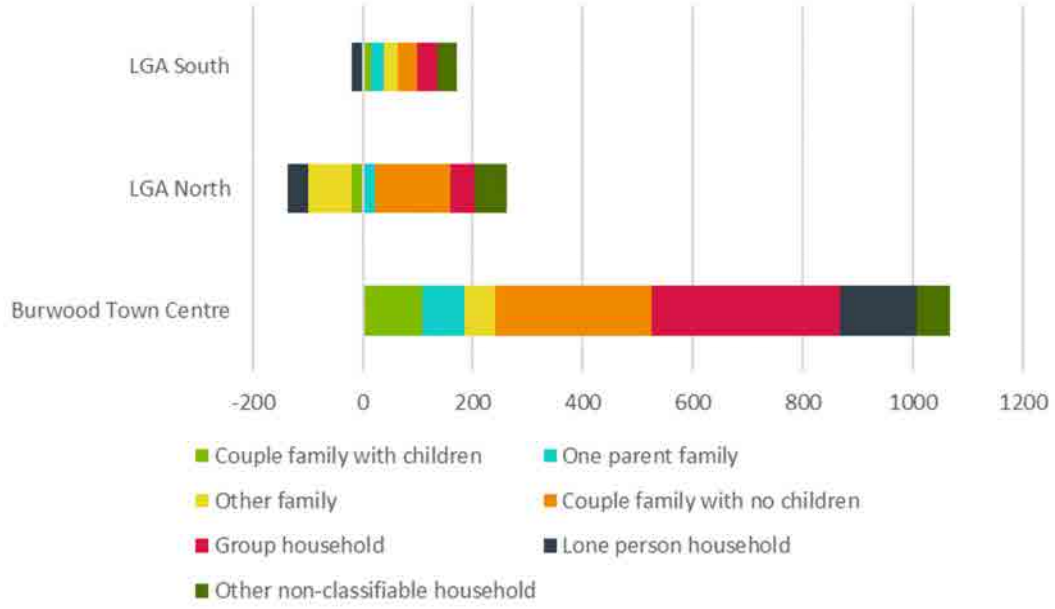
Change in household composition

Between 2011 and 2016 the number of households in the Burwood LGA grew by 1,368, with the breakdown of this growth by household type shown in Figure 13

The number of households of every type grew in this time period in the LGA as a whole. Most of the growth occurred in the Burwood Town Centre in line with the location of recent dwelling development.

The household types which increased by the most were group households (440) and couples with no children (421). These kinds of households often prefer to live in apartments in well-located areas like the Burwood Town Centre. As a proportion of all households, group households increased by 6% (from 16% to 22%) in the Burwood Town Centre, while lone person households declined (from 22% to 19%), as did couple family with children (21% to 17%).

FIGURE 13: CHANGE IN NUMBER OF HOUSEHOLDS 2011-2016



Source: ABS Census 2006, 2016

Household size

The average number of people living in each dwelling in different parts of the Burwood LGA is shown in Table 7. Average household sizes are higher in the Burwood LGA than in the Eastern City District for every dwelling type, and higher than in Greater Sydney for attached dwellings and flats or apartments. Attached dwellings have only slightly lower occupancy rates than separate houses in the Burwood LGA and each of its constituent parts.

The average number of people in attached dwellings and flats or apartments has increased substantially between 2006-2016, reflecting a likely change in the average age and size of dwellings.

TABLE 4: AVERAGE HOUSEHOLD SIZES BY DWELLING TYPE (2016). CHANGES SINCE 2006 ARE SHOWN IN BRACKETS.

Area	Separate house	Attached Dwelling	Flat or Apartment
Burwood Town Centre	*	3.17 (+0.12)	2.58 (+0.20)
LGA North	3.18 (+0.12)	2.92 (+0.51)	2.48 (+0.17)
LGA South	2.97 (-0.05)	2.90 (+0.38)	2.04 (+0.16)
Burwood LGA	3.16 (+0.08)	3.03 (+0.48)	2.54 (+0.21)
Eastern City District	3.09 (+0.19)	2.60 (+0.21)	2.07 (+0.18)
Greater Sydney	3.19 (+0.12)	2.64 (+0.21)	2.15 (+0.22)

Source: SGS 2019, ABS Census 2016

* Note that there are not enough separate houses in the Burwood Town Centre to provide a reliable estimate of average household size.

Tertiary students

Tertiary students comprise over 15% of the Burwood LGA's population, and the size of this group is growing over time. As illustrated in Table 5, there was dramatic growth in the number of tertiary students living in the LGA between 2006 and 2016, with the total number of students increasing by 2,142 or 62%. While this occurred at a time when the broader population was also growing, growth in the number of tertiary students outpaced population

growth, and so the proportion of the LGA's resident population studying a tertiary course increased from 11.2% to 15.2%.

Most of the growth in the number of tertiary students between 2006 and 2016 came from increases in the international student population, which grew by 1,656 or 130% while the number of Australian university students growing by 416 or 31%. TAFE and technical institutions make up only a small part of the total tertiary enrolment (16% in 2016), and the number of TAFE and technical students increased by only 70 or 8% between 2006 and 2016.

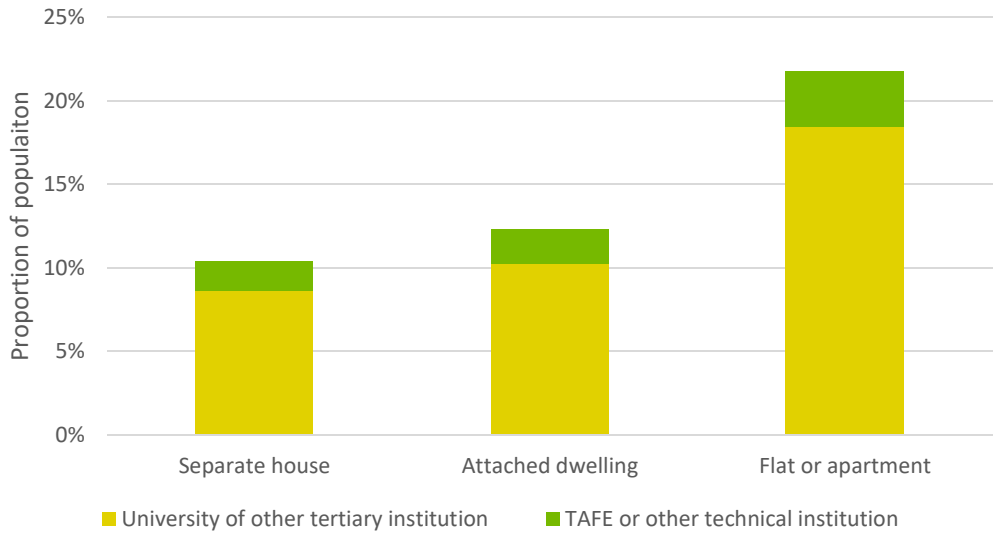
TABLE 5: GROWTH IN STUDENTS STUDYING AT TERTIARY INSTITUTIONS, BURWOOD LGA, 2006-2016

Institution type	2006		2016		% Change in number
	Number	% of population	Number	% of population	
TAFE and technical institutions	833	2.7%	903	2.5%	8%
Universities and other tertiary institutions (Australian students)	1,355	4.4%	1,771	4.8%	31%
Universities and other tertiary institutions (International students)	1,279	4.1%	2,935	8.0%	130%
Total	**3,467**	**11.2%**	**5,609**	**15.2%**	**62%**

Source: ABS Census 2006, 2016.

Tertiary students constitute a much greater proportion of residents in higher density dwelling types than other dwellings. As illustrated in Figure 14, around 21% of people living in flats or apartments in the Burwood LGA attend a tertiary institution, a much higher proportion than of the residents of separate houses or attached dwellings. This makes students a significant part of the increasing demand for apartments in the Burwood LGA.

FIGURE 14: TERTIARY STUDENTS AS A PROPORTION OF THE POPULATION, BURWOOD LGA 2016

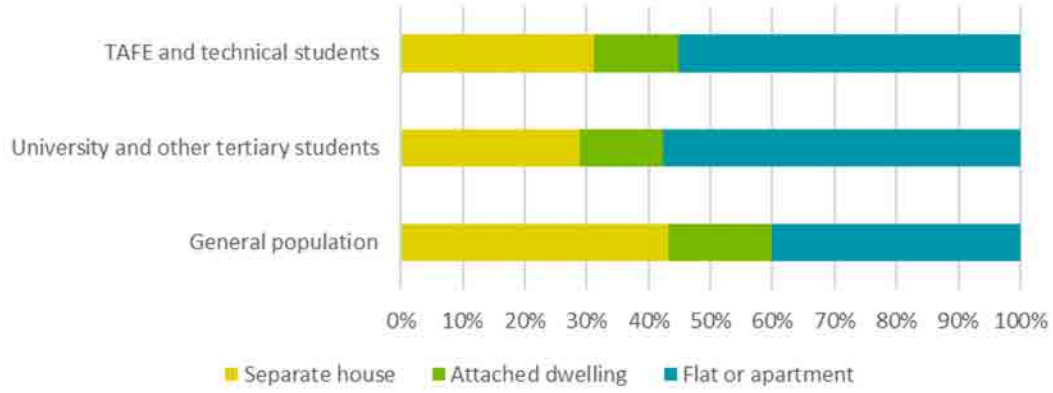


Source: ABS Census 2016

As shown in Figure 15, most (57%) of university students live in flats or apartments, with only 29% living in separate houses. This reflects the location of many apartments near the Inner West train line, including in the Burwood Town Centre, providing easy access to universities.

By contrast, a much smaller proportion of the general population live in flats or apartments (40%) and a much greater proportion in separate houses (43%).

FIGURE 15: WHERE STUDENTS LIVE IN THE BURWOOD LGA, 2016



Source: ABS Census 2016

There are no large purpose-built student accommodation (PBSA) facilities in the Burwood LGA. These are usually concentrated in and near universities, for example in Haymarket or Ultimo in the City of Sydney. However, the Burwood Town Centre may be a reasonable prospect for PBSA development in the future. PBSA developments are considered synonymously with boarding houses in NSW planning instruments, and several of the boarding houses in the development pipeline discussed in Section 3.2 could cater to students.

There are already several boarding houses in the Burwood LGA, including both new generation and traditional boarding houses. New generation boarding houses are likely to house students, however new generation boarding houses are often recorded as flats and apartments in the Census (the source for the statistics in Figure 14 and Figure 15). As such, it is not possible to provide an accurate record of what proportion of people in boarding houses in the Burwood LGA are students, or of what proportion of students live in boarding houses.

3.4 Recent development

Recent dwelling development in the Burwood LGA and benchmark areas is shown in Table 6. The number of dwellings in the Burwood LGA increased by 16% between 2006-2016, an annual average growth rate of 1.5%. This is a similar dwelling growth rate to the Eastern City District between 2006-2016 (1.5% per year on average)., but slower than the growth rate of Greater Sydney (2.0% per year on average).

TABLE 6: DWELLING DEVELOPMENT BETWEEN 2006-2016

Precinct	2006	2011	2016	Change 2006-16	Annual growth rate (%)
Burwood Town Centre	1,616	1,881	3,082	1,466	6.7%
LGA North	6,385	6,334	6,469	84	0.1%
LGA South	3,632	3,679	3,877	245	0.7%
Burwood LGA	11,653	11,936	13,534	1,881	1.5%
Eastern City District	374,924	395,128	434,006	59,082	1.5%
Greater Sydney	1,406,584	1,582,824	1,713,928	307,344	2.0%

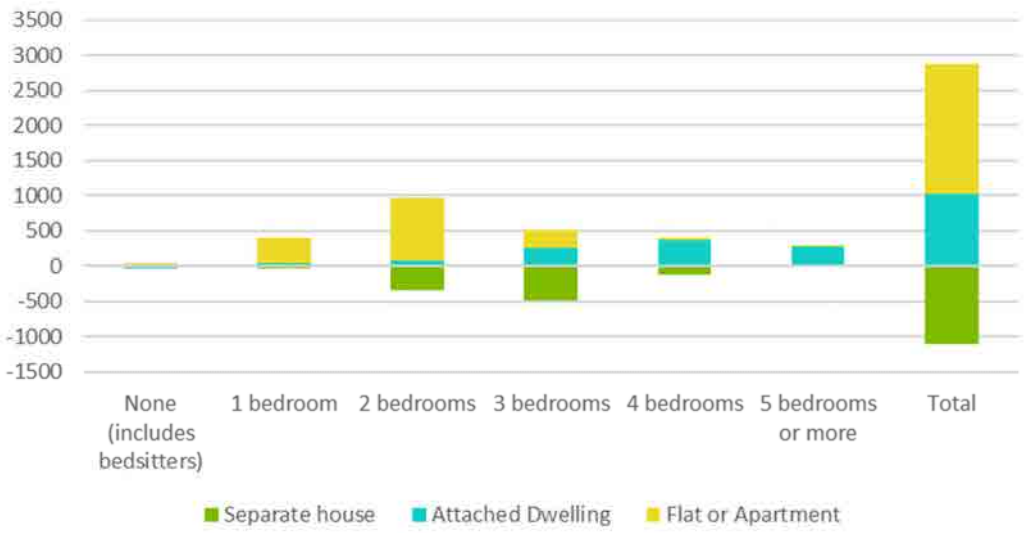
Source: ABS Census 2006, 2011, 2016

Most (78%) of growth in the Burwood LGA between 2006-2016 was in Burwood Town Centre, where the number of dwellings almost doubled between 2006 and 2016. The LGA North area had almost no growth between 2006 and 2016, while the LGA South area had a modest growth rate around half that of the Burwood LGA as a whole and of the Eastern City District over the same time period.

Size and type of new dwellings

Figure 16 illustrates the size and type of dwellings built recently in the Burwood LGA. Between 2006-2016, 64% of the new dwellings were apartments and 35% attached dwellings while the number of separate houses declined by 1,104 with many replaced by apartments and attached dwellings. Most (56%) new apartments had two bedrooms, with a large number of one bedroom apartments also constructed. New three bedroom dwellings were roughly evenly split between apartments and attached dwellings, while some new attached dwellings had four or more bedrooms.

FIGURE 16: CHANGE IN DWELLINGS BY SIZE IN THE BURWOOD LGA 2006-2016

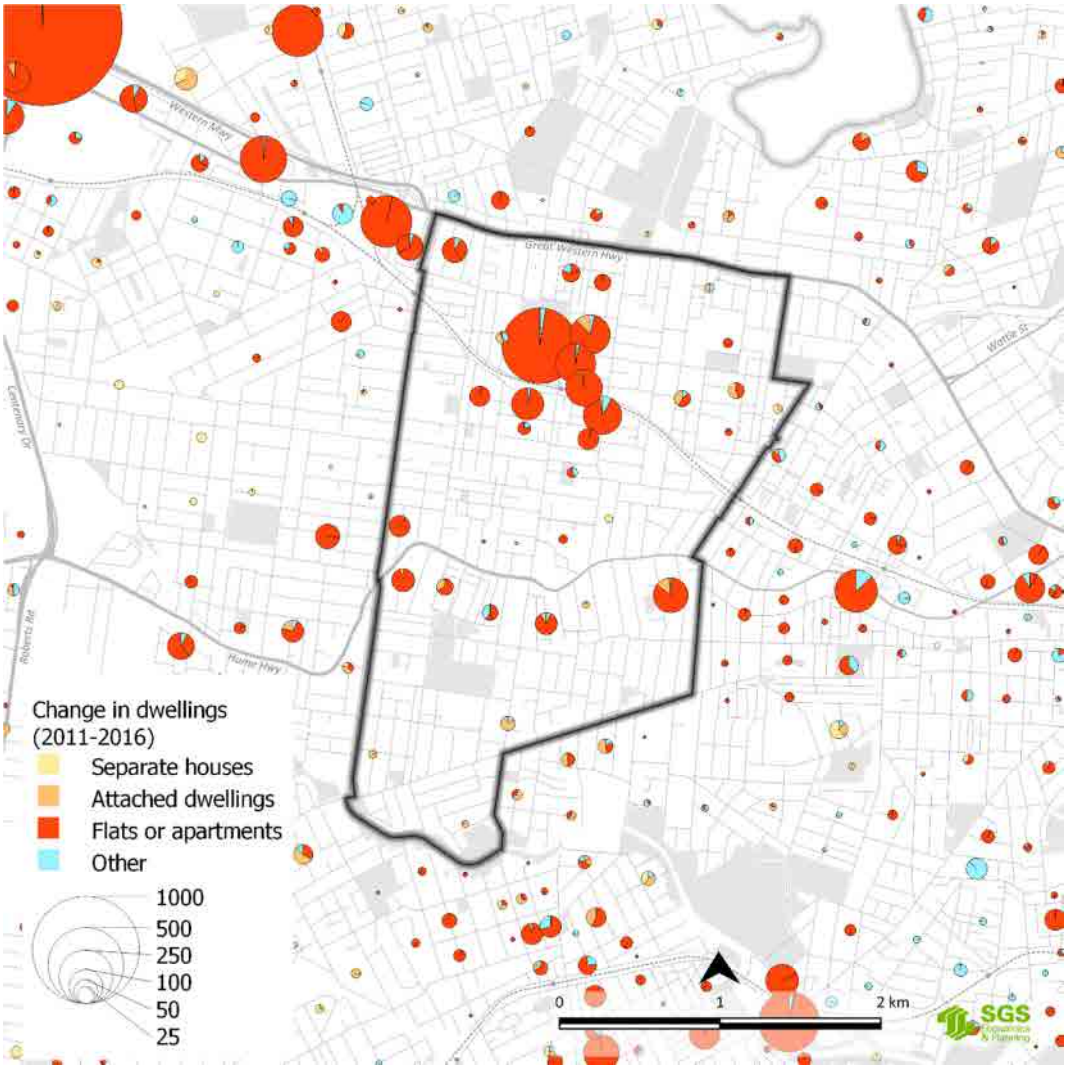


Source: ABS Census 2006, 2016

Spatial distribution of new dwellings

More information about the location of dwellings built recently in the Burwood LGA is shown in Figure 17. As noted above, the Burwood Town Centre had by far the largest amount of recent development and many apartments were constructed, particularly north of the Railway Line. There were smaller concentrations of apartments built along the Hume Highway. Attached dwelling developments were much rarer than apartment developments, but were more spread out throughout the LGA.

FIGURE 17: DISTRIBUTION OF DWELLING DEVELOPMENT BETWEEN 2011-2016



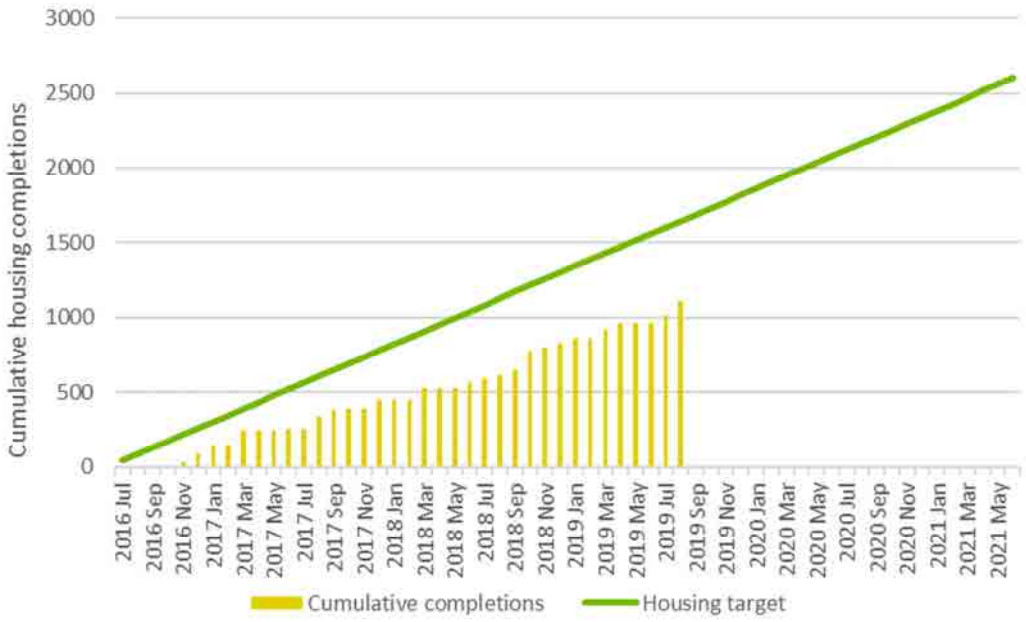
Source: ABS Census 2011, 2016

Progress towards meeting housing targets

The ECDP sets a dwelling target for the Burwood LGA of 2,600 additional dwellings between 2016 and 2021. Burwood's progress towards this target is shown in Figure 18.

Dwelling production within Burwood LGA is not on track to meet the 2016-2021 housing target. Between August 2016-August 2019, there were 1,108 dwellings completed in the Burwood LGA, of which 99% were multi-unit houses. 1,645 would have been required to be on track to meet the target of 2,600 dwellings. This means that only 42% of the target was completed in 63% of the timeframe.

FIGURE 18: BURWOOD'S PROGRESS TOWARDS MEETING THE 2016-2021 HOUSING TARGET

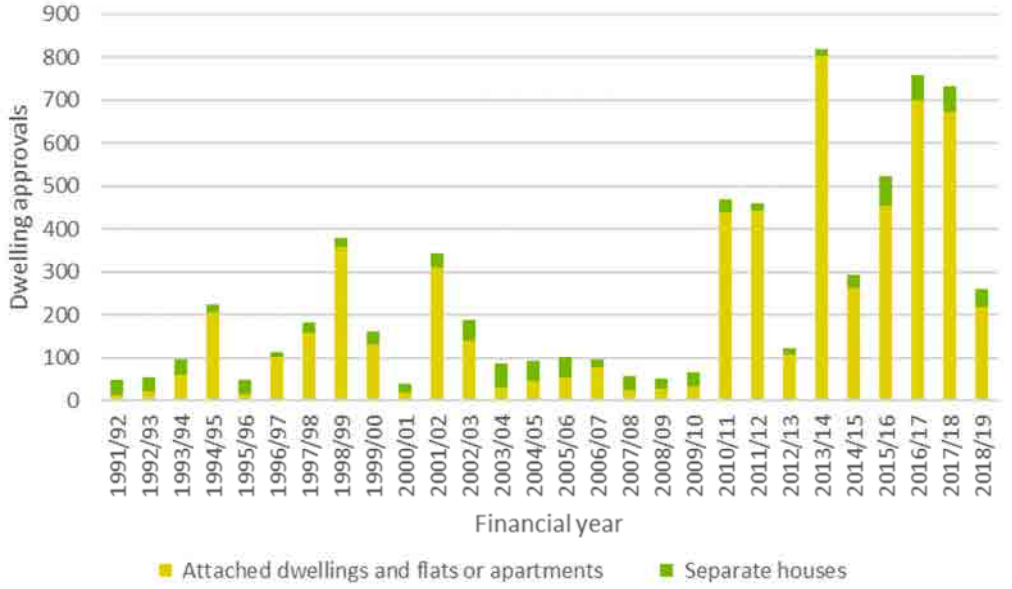


Source: SGS 2019, DPIE 2019, *Metropolitan Housing Monitor*.

Dwelling approvals and completions

Dwelling approval and completion data is released by the NSW Government and provides a picture of development on a smaller time-scale than the 5-yearly Census. Dwelling approvals for the Burwood LGA are shown in Figure 19, while completions are shown in Figure 20. From the 2013/14 financial year onwards, 282 separate houses and 3,165 attached dwellings, flats or apartments were approved in the Burwood LGA..

FIGURE 19: DWELLING APPROVALS IN THE BURWOOD LGA



Source: DPIE 2019, *Metropolitan Housing Monitor*.

FIGURE 20: DWELLING COMPLETIONS IN THE BURWOOD LGA

Source: DPIE 2019, *Metropolitan Housing Monitor*.

Dwelling approvals were consistently low in the Burwood LGA between 2004/05 and 2009/10, but have increased since then with a peak of 818 approvals in 2013/14. The vast majority of approvals are for multi-unit housing rather than separate housing, reflecting Burwood's nature as an established area with little turnover of separate houses.

The peak of approvals in 2013/14 along with high approvals in 2010/11 and 2011/12 translated to a peak in completions in 2015/16, with lower levels since then. High levels of approvals in 2016/17 and 2017/18 have not translated into completions in the available data, indicating a large number of dwellings in the development pipeline (which is discussed in Section 3.5). If all of the recent approvals were to be realised, completions would be much higher than recent levels and Burwood's housing target would be likely to be met.

3.5 Development pipeline

The current housing development pipeline in the Burwood LGA has been assessed based on the Cordell Connect development database, with manual checks applied where developments were expected to be completed in 2019 but in some cases have not been. The results are shown in Table 7 for private dwelling developments which would increase the total number of dwellings in the LGA (the replacement of separate houses is not shown), Table 8 for non-private dwellings and

Table 9 for abandoned or deferred developments.

TABLE 7: PRIVATE DWELLING DEVELOPMENT PIPELINE IN THE BURWOOD LGA BY EXPECTED COMPLETION YEAR
ONLY APARTMENTS AND ATTACHED DWELLINGS ARE SHOWN

Under construction	Apartment	4	708	81	91					884
	Attached dwelling	10	24	4						38
	Subtotal	*14*	*732*	*85*	*91*					*922*
Planning approval	Apartment		103	537	461					
	Attached dwelling		17	21	5					43
Proposed	Apartment			57	217	30	104	347	1,050	1,805
	Attached dwelling			61	11					72
	Subtotal			*118*	*228*	*30*	*104*	*347*	*1,050*	*1,877*
Total		**14**	**828**	**757**	**785**	**30**	**104**	**347**	**1,050**	**3,905**

Source: SGS 2019, Cordell Connect database

* Note that the 1,050 dwellings expected to be completed in 2027 are part of the Burwood Plaza planning proposal which is under assessment and could not be constructed under current planning controls. The total size of the development or the staging of its completion may be subject to change.

TABLE 8: NON-PRIVATE DWELLING DEVELOPMENT PIPELINE IN THE BURWOOD LGA BY EXPECTED COMPLETION YEAR

Pipeline status	Development type	2020	2021	2022	2023	Total
Under construction	Serviced Apartments	99	133	12		244
	Boarding house	39				39
	Subtotal	*138*	*133*	*12*		*283*
Planning approval	Boarding house	46	349			395
Proposed	Serviced Apartments			8		8
	Boarding house	39	40		107	186
	Subtotal	*39*	*40*	*8*	*107*	*194*
Total		**223**	**522**	**20**	**107**	**872**

Source: SGS 2019, Cordell Connect database

TABLE 9: DEVELOPMENT PIPELINE OF ABANDONED OR DEFERRED DEVELOPMENTS (ACTIVE SINCE 2014)

Development type	Apartment	Attached dwelling	Serviced apartment	Boarding house
Private or non-private dwellings	Private dwellings		Non-private dwellings	
Number of dwellings	222		56	115

Source: SGS 2019, Cordell Connect database

In comparison with recent development rates, there is a substantial development pipeline in the Burwood LGA. 1,881 dwellings were added to the Burwood LGA between 2006 and 2016 (as noted in Section 3.4), but around 2,066 have planning approval and are expected to be completed between December 2019 and the end of 2022. If expected developments do occur, Burwood will likely meet its 2016-2021 target, or if it does not, the shortfall may be made up between 2021-2026.

There is a total pipeline of 3,905 private dwellings and 872 non-private dwellings, but it is likely that not all these projects will proceed. A proportion of projects with planning approval are likely to be abandoned or deferred, especially if the property market performs poorly. A precise proportion cannot be given, but preliminary analysis of historical dwelling pipeline and completion data shows that between 5-20% of approved private dwellings may not translate to dwelling completions. Proposed developments may not be approved in their current state and as they are more preliminary, there is a greater chance that they may change in the future.

Nearly all of the private dwelling development pipeline in the Burwood LGA is for apartment development, with only a small pipeline of attached dwelling development. If the pipeline is realised, it will exacerbate recent trends in which development is dominated by apartments and diversity is not delivered in new housing.

There is a substantial development pipeline in the Burwood LGA for non-private dwellings, including many boarding house units. Most of these are in large developments, with only 108 of the proposed boarding house units in developments with less than 20 boarding house units. As such, the pipeline is likely to represent a substantial addition of new generation boarding houses or student accommodation rather than traditional boarding houses (new generation boarding house developments tend to be larger than traditional boarding house developments).

The size of the development pipeline in Burwood suggests that current population projections may underestimate likely future growth. In this case, future demand may exceed estimates, in which case a review of housing supply and demand would be necessary.

4. HOUSING AFFORDABILITY

4.1 Definitions

This chapter discusses housing affordability as well as the supply and demand of social and affordable housing. The terms housing affordability and affordable housing are often conflated but mean different things.

Housing affordability refers to the relationship between household income and the cost of housing. If housing costs rise faster than incomes, housing becomes less affordable. If households need to spend a large proportion of their incomes on housing or are unable to access housing due to high costs, it is considered to be unaffordable.

Affordable housing is different to the concept of housing affordability and is often used synonymously with *affordable rental housing*. Under the *Environmental Planning and Assessment Act 1979*, affordable rental housing means housing that is affordable and targeted to people on very low, low or moderate incomes (in total less than 120 per cent of Greater Sydney's median household income). It is generally subsidised or offered at below market rents.

Social Housing is rental housing provided by the government or a not-for-profit organisation for people on low incomes or with specific housing needs. It includes public housing, community housing and Aboriginal housing.

The Department of Communities and Justice (formerly Family and Community Services) is responsible for the resourcing of public housing in New South Wales. Non-Government Organisations also work with the Department to fund and to manage public housing estates across NSW.

4.2 Private market housing affordability

Dwelling prices

Dwelling prices in the Burwood LGA since 2004 are shown in Figure 21. House prices have increased markedly over this time period, with a particularly sharp rise during the housing boom from 2012-2017 and a slight decline between 2017-2018 (and more recently into 2019). Prices for separate houses, attached dwellings and apartments have all increased, although on average houses are more expensive than attached dwellings, which are more expensive than apartments.

The price difference between separate houses, attached dwellings and apartments has increased since 2004. This is likely to have the effect of differentiating the submarkets that these dwelling types serve, and so for example people who may have been able to choose between a well-located attached dwelling or a less well-located separate house in the past may now struggle to afford a separate house at all. This increases the importance of ensuring that there is a diverse supply of apartments and attached dwellings of different sizes to cater to households who cannot afford a more expensive dwelling type.

FIGURE 21: MEDIAN DWELLING PRICES IN THE BURWOOD LGA 2004-2018

Source: SGS 2019 based on Property NSW *Bulk Property Sales*

Recent changes in median dwelling prices and household incomes in the Burwood LGA are shown in Table 10. Dwelling prices grew dramatically between 2006 and 2016, particularly for separate houses (non-strata dwellings). These increases are much higher than the increases in median weekly household incomes over the same period, showing a severe deterioration in the affordability of dwellings to purchase.

TABLE 10: CHANGE IN HOUSEHOLD INCOME AND DWELLING PRICES IN THE BURWOOD LGA 2006-2016

	2006	2011	2016	% Increase
Median weekly household income	$1,071	$1,310	$1,569	46%
Median strata dwelling price	$400,000	$580,000	$808,000	102%
Median non-strata dwelling price	$625,000	$895,000	$1,574,000	152%

Source: ABS Census 2016, SGS 2019, Property NSW *Bulk Property Sales*

While lower interest rates mean that households are able to support larger mortgages now than they were in 2006, the increase in dwelling prices has made entry into the housing market increasingly difficult for first homeowners who need to save a large deposit. This means that people are staying in the private rental market for longer. A greater number of people in the private rental market can cause increases in rental prices.

Dwelling rents

Recent median household incomes and dwelling rents in the Burwood LGA are shown in Table 11. Growth in the median weekly rent as recorded in the Census has slightly outpaced growth in median household incomes, showing a slight decline in affordability. However, median rents for apartments as recorded in new bonds lodged have increased much more quickly (35% between 2011-2016), dramatically outpacing increases in median weekly household income and almost reaching the median rents for new houses. As apartments have lower rents than houses and lower income households are more likely to live in apartments, this represents a substantial deterioration in rental affordability for lower income households between 2011-2016.

TABLE 11: CHANGE IN HOUSEHOLD INCOME AND DWELLING RENTS IN THE BURWOOD LGA 2006-2016

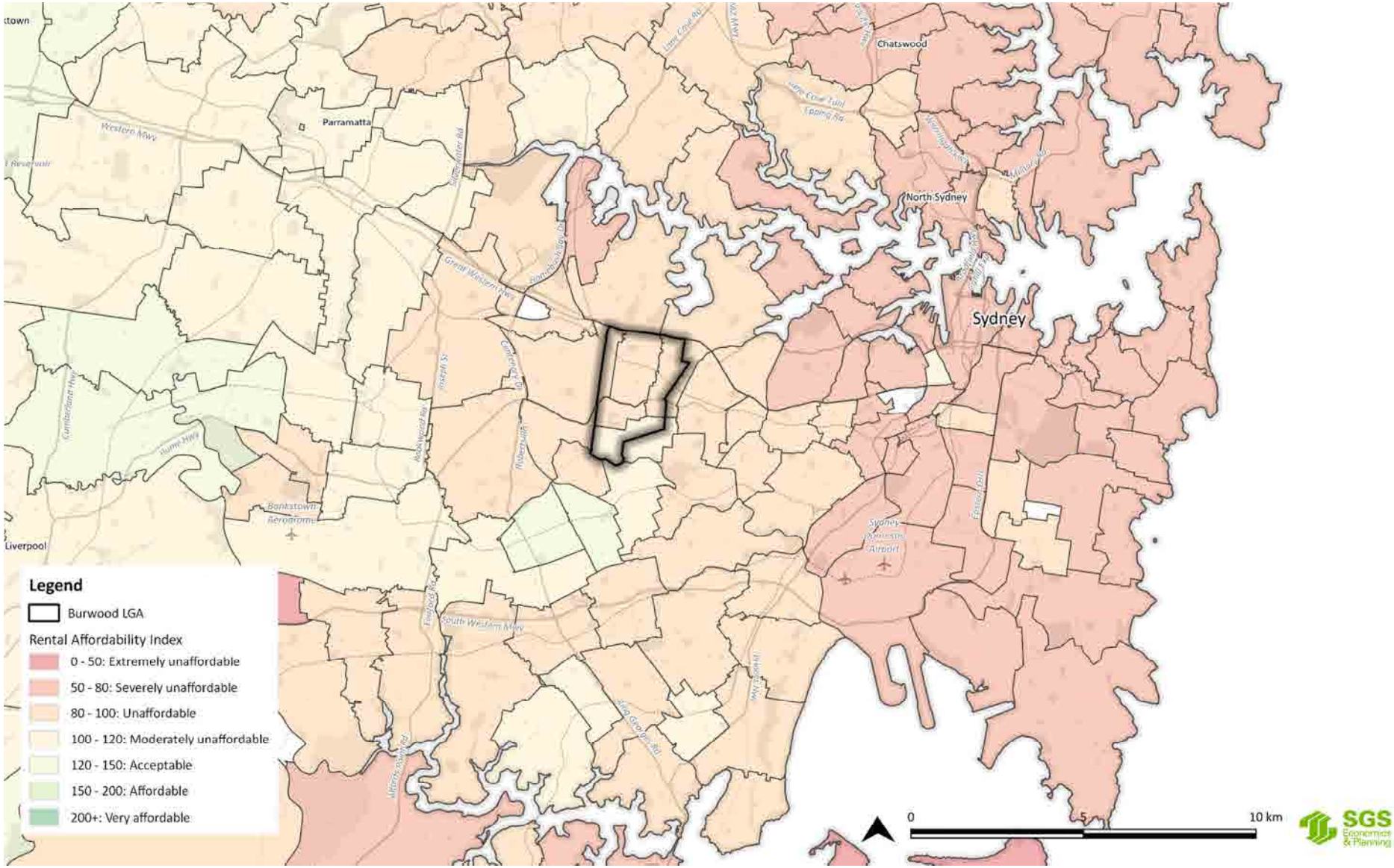
	2006	2011	2016	% Increase 2011-2016
Median weekly household income	$1,071	$1,310	$1,569	20%
Median weekly rent (Census)	$280	$400	$500	25%
Median weekly rent - three bedroom house (new bonds)		$550	$635	15%
Median weekly rent - two bedroom unit (new bonds)		$450	$610	35%

Source: ABS Census 2016, NSW Department of Communities and Justice *Rent and Sales Reports*
Note that data showing median rents in new bonds in 2006 by dwelling type is not available

Average housing affordability for an area can be measured by SGS's Rental Affordability Index. The Index for Burwood LGA and nearby parts of Greater Sydney is shown in Figure 22 for the second quarter of 2019. This shows that the average rental dwelling in each part of Burwood is either moderately unaffordable or unaffordable for a household on an average income. Rental affordability is better in the southern part of the LGA, but this is further from the train line and has worse access to employment and services.

Rental housing unaffordability is particularly acute for households who have less than the average income, such as single parents, retirees, younger people and households in which one of the adults has a disability. While social housing may be available to some of these households, long waiting lists mean that others in acute need will live in the private rental market. As these people have lower than average incomes, levels of rental affordability will be even lower than suggested by Figure 22, which shows affordability levels for households on the average income for the LGA.

FIGURE 22: RENTAL AFORDABILITY INDEX FOR HOUSEHOLDS WITH AN INCOME OF $80,000 PER YEAR IN THE SECOND QUARTER OF 2019



Source: SGS 2019

4.3 Social and affordable housing (SAH)

SAH supply and demand

Household financial stress drives demand for social and affordable housing and is influenced by a range of factors, from macroeconomic conditions (such as demographics, employment, and wages) to the operation of our cities and the housing market (supply and location of housing stock). It is important to have a clear understanding of the definition of *total demand* for social and affordable housing:

Households in need of social and affordable housing are those who, due to financial stress (and potentially other issues), are either:

- Unable to access market housing (including homeless persons), or
- Have low household incomes and spend a high proportion of this income on rent (i.e. are experiencing rental stress).

This definition excludes those who are homeowners, or households experiencing mortgage stress[6].

Once total demand is known, the quantum of unmet demand can be calculated by considering the existing stock of social and affordable housing along with expected changes in the policy landscape, such as investment in social or affordable housing stock.

Demand estimation method

SGS has estimated the demand for social and affordable housing. This estimate measures the number of households who may be in need of affordable housing based on their income status, segmented by demographic and spatial variables, and forecasts the evolution of this need subject to factors such as expected population growth, demographic shifts, changes in household incomes, and the evolution of rental rates.

The demand for social and affordable housing is classified by three key cohorts:

- Households who are in moderate rental stress (i.e. low income and spending between 30 per cent and 50 per cent of their income on rent) or severe rental stress (i.e. low income and spending greater than 50 per cent of their income on rent)
- Homeless households, who in 2016 (Census night), were outside the private market for dwellings[7]
- Households residing in social housing. These households are both in need of, and being provided with social and affordable housing, and therefore make up a component of total demand.

These cohorts are filtered using the income band definitions as set out in the *NSW Affordable Housing Ministerial Guidelines* for the 2016-17 year, the closest version to the 2016 Census. These guidelines set Household Income bands based on the number of persons living in a household by level of income (Very Low, Low, Moderate). Table 12 identifies these income bands.

[6] This cohort is typically excluded, as these households have the option of liquidating their asset and entering the rental market

[7] These households are clearly in need of SAH, but would not be identified as being in rental stress as they are homeless (i.e. 0% of income is spent on rent)

TABLE 12: NSW AFFORDABLE HOUSING GUIDELINES HOUSEHOLD INCOME BAND BY HOUSEHOLD SIZE

Household Members	Very Low	Low	Moderate
Single Adult	$25,000	$40,000	$59,900
Additional Adult (18+)	$12,500	$20,000	$30,000
Each Additional Child (Under 18)	$7,500	$12,000	$18,000

Source: NSW Affordable Housing Ministerial Guidelines 2016-17

The definitions have been distributed across Household and Family Types from the 2016 Census for the Burwood Region to identify Household Income Bands by Household Size and Family Composition, shown in Table 13 below.

TABLE 13: HOUSEHOLD INCOME BANDS BY HOUSEHOLD AND FAMILY COMPOSITION

Household and Family Composition	Very Low	Low	Moderate
Couple family with no children	$39,436	$63,098	$94,547
Couple family with children	$52,064	$83,302	$124,853
One parent family	$38,260	$61,216	$91,724
Other family	$78,587	$125,739	$188,508
Lone person household	$25,000	$40,000	$59,900
Group household	$43,186	$69,098	$103,547
Other household	$78,839	$126,143	$189,114

Source: SGS Economics and Planning, 2019

Using ABS Census data, the total demand for social and affordable housing in 2016 as defined above can be estimated. The Census attributes considered are presented in Table 14. The affordable housing demand model supplements these with data extracted from the 2016 estimate of homelessness (ABS cat. 2049.0). The ABS defines homelessness to include households living on the street and those in severely crowded dwellings and those in insecure forms of tenure such as boarding houses.

TABLE 14: CENSUS ATTRIBUTES

Variable	Use
Weekly rent	Weekly rent is used to identify households spending a large proportion of their income on rent.
Weekly household income	Weekly household income is used to identify households spending a large proportion of their income on rent.
Household type	Lone person, Group household, or several family sub-types. The appropriate housing response for households in need of SAH will vary based on household type.
Tenure type	Used to differentiate between home-owner households, rental households, social housing households, and households with no tenure types (includes homeless households).
Landlord type	Households who report the following landlord categories are assumed to reside in social housing: ▪ State or Territory Housing Authority ▪ Housing Co-operative/Community/Church Group

Source: SGS Economics and Planning, 2018

Following this, SGS forecasts the demand for Social and Affordable Housing from 2021 to 2036, incorporating the following assumptions:

- Growth in the number of households, by type and location, are assumed to follow the projections used in Chapter 5
- Unless otherwise stated, new households assume the 2016 distribution across all attributes. For example, newly formed lone person households (obtained from previous step) will assume the 2016 distribution across the attributes of equivalised income, tenure type, total income, and rent expenditure.

Detailed definitions and methodological details for the three cohorts can be found in Appendix 1.

SAH demand results

In 2016, the demand for social and affordable housing within the Burwood LGA was estimated to be 2,948 households out of the 12,173 households in the LGA in total. Compared to Greater Sydney, households in the Burwood LGA are more likely to demand social and affordable housing (24 per cent vs 17 per cent of 2016 households,).

Table 15 shows the composition of SAH demand disaggregated by current tenure and household type. Current demand in Burwood LGA is driven by the 1,862 households experiencing rental stress, of which 1,033 are experiencing severe rental stress. Lone person households also create the most demand for social and affordable housing, accounting for 1,182 of the households in need (or 40 per cent). Lone person households also had the highest proportion of households in rental stress (45%) followed by group households (38%).

TABLE 15: TOTAL DEMAND FOR SOCIAL & AFFORDABLE H0USING ASSISTANCE IN BURWOOD (A), BY COHORT

LGA	Homeless	Living in Social Housing	Severe Rental Stress[8]	Moderate Rental Stress	Total Demand for SAH	Total Households	% of Total households
Couple family with children	0	40	141	210	**391**	3,956	**10%**
Couple family with no children	0	46	260	223	**528**	2,766	**19%**
Group household	0	29	281	181	**491**	1,301	**38%**
Lone person household	707	197	186	92	**1,182**	2,618	**45%**
One parent family	0	65	127	90	**281**	1,244	**23%**
Other family	0	3	38	34	**75**	288	**26%**
Total	**707**	**379**	**1,033**	**829**	**2,948**	**12,173**	**24%**

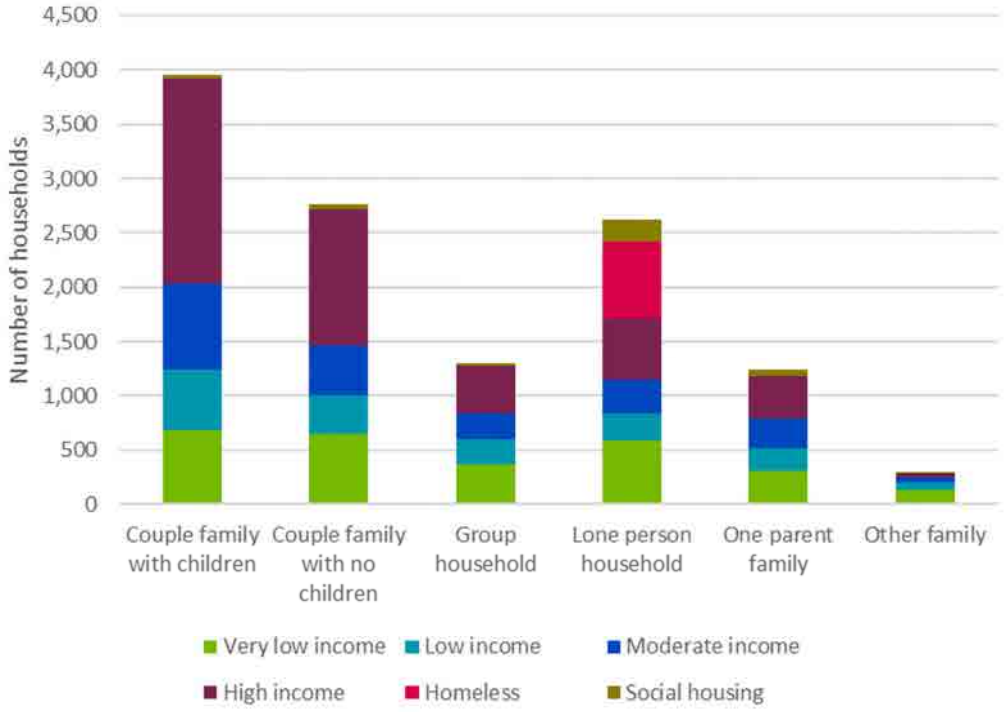
Source: ABS Census 2016, ABS Homelessness Estimate (Cat. 2049.0), SGS Economics & Planning 2018

Note that the values in this table have been rounded so the sum of the rows or columns may be different to the reported total. In these cases the reported total is more accurate.

Figure 23 shows the income classification distribution after applying the income definitions set out in Table 13 for the Burwood LGA. The household type with the highest proportion of very low income households is lone person households, followed by couples with children. The couple family with children cohort is the household type with the lowest proportion of low income households and the largest proportion of high income households.

[8] Moderate, Low or Very Low-Income Households only. Other higher income households may be in rental stress, but the relative levels of Household income would exceed Income eligibility criteria.

FIGURE 23: HOUSEHOLDS BY INCOME TYPE IN THE BURWOOD LGA, 2016



Source: ABS Census 2016, ABS Homelessness Estimate (Cat. 2049.0), SGS Economics & Planning 2019

Future SAH Demand

Over the 20-year period from 2016 to 2036, the Burwood LGA is expected to accommodate approximately 23,350 additional people. This will drive demand for social and affordable housing. As presented in Table 16, demand for social and affordable housing is expected to grow by approximately 1,415 households to 4,363 households in total. This represents an average annual growth rate of 2.0 per cent, compared to an annual growth of 1.8 per cent across Greater Sydney.

Table 16 disaggregates forecast demand by household type. One parent families and couples without children have the fastest growth rate of demand for social and affordable housing. In absolute terms, lone households show the greatest growth in demand and remain the largest group of households requiring social and affordable housing.

TABLE 16: BURWOOD (A) FORECAST DEMAND FOR SAH, BY HOUSEHOLD TYPE

Household Type	2016	2021	2026	2031	2036	Change	Annual growth rate
Couple family with children	391	460	508	550	586	195	2.0%
Couple family with no children	528	640	721	810	894	366	2.7%
Group household	491	553	562	577	599	108	1.0%
Lone person household	1182	1317	1436	1580	1738	556	1.9%
One parent family	281	347	391	437	481	200	2.7%
Other family	75	75	70	67	65	-10	-0.7%
Total	**2,948**	**3,392**	**3,688**	**4,022**	**4,363**	**1,415**	**2.0%**

Source: DPE Household Forecasts 2016, SGS Economics and Planning 2018

Note that the values in this table have been rounded so the sum of the rows or columns may be different to the reported total. In these cases the reported total is more accurate.

The above analysis presents a base case, which is the expected demand for social and affordable housing if the distributions of household incomes and rents remain constant relative to each other. In other words, it is assumed that rents do not grow faster than income, or vice versa.

However, the evolution of these variables will be influenced by a variety of factors ranging from macroeconomic conditions to housing policy and infrastructure investment[9]. Table 17 examines the forecast demand for social and affordable housing under two alternate scenarios, which are defined as follows:

- Affordability improves: Household incomes grow by 1.0 per cent per annum, relative to rents. Over a 20-year period (i.e. at 2036), incomes would have grown by 20 per cent relative to rents
- Affordability decreases: Household rents grow by 1.0 per cent per annum, relative to incomes. Over a 20-year period (i.e. at 2036), rents would have grown by 20 per cent relative to incomes

[9] E.g. Improving the accessibility of an area can significantly alter property values and rents

TABLE 17: BURWOOD (A) FORECAST DEMAND FOR SAH – SENSITIVITY TESTS

Scenario	2016	2021	2026	2031	2036	Change	Annual growth rate
Base	2,948	3,392	3,688	4,022	4,363	1,415	1.98%
Affordability improves	2,948	3,316	3,606	3,933	4,267	1,319	1.87%
Difference	0	-76	-82	-89	-96		
Affordability decreases	2,948	3,483	3,787	4,129	4,477	1,529	2.11%
Difference	0	91	98	107	115		

Source: DPE Household Forecasts 2016, SGS Economics and Planning 2018

SAH Supply

The existing supply of social and affordable housing in the Burwood LGA is estimated in Table 18 and is primarily composed of public housing and community housing. In 2016, the Burwood LGA had a stock of 562 social and affordable housing dwellings.

TABLE 18: EXISTING SOCIAL AND AFFORDABLE HOUSING SUPPLY (2016)

LGA	Public Housing	Community Housing	National rental affordability scheme	Total
Burwood (A)	369	191	2	562

Source: ABS Census 2016, NRAS Quarterly Performance Report Dec 2016, AIHW National Housing Assistance Data Repository 2017, SGS Economics and Planning, 2018

There are no publicly released plans for the supply of SAH to increase significantly in the future. As such, the current gap between SAH demand and supply (2,948 vs 562) will likely increase over time.

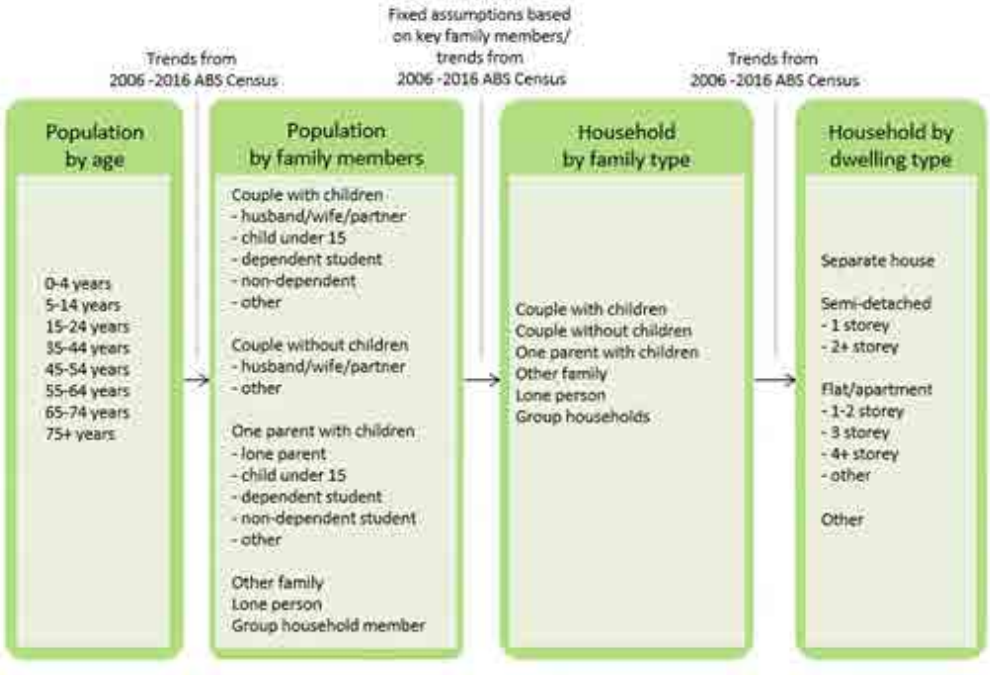
5. HOUSING DEMAND

5.1 Method

The analysis in this section draws a upon a range of datasets, including population growth projections and trends in population age, family and household types. Building upon these projections and demographic factors, SGS's Housing Demand Model determines how many new dwellings of each type will be required in the Burwood LGA.

The operation of SGS's housing demand model is shown in Figure 24. Projections for population growth by age in five-year periods are converted to number of households by type using demographic trends. Trends in revealed housing preferences are then used to convert these projections into requirements for number of dwellings in the future.

FIGURE 24: SGS HOUSING DEMAND MODEL METHOD



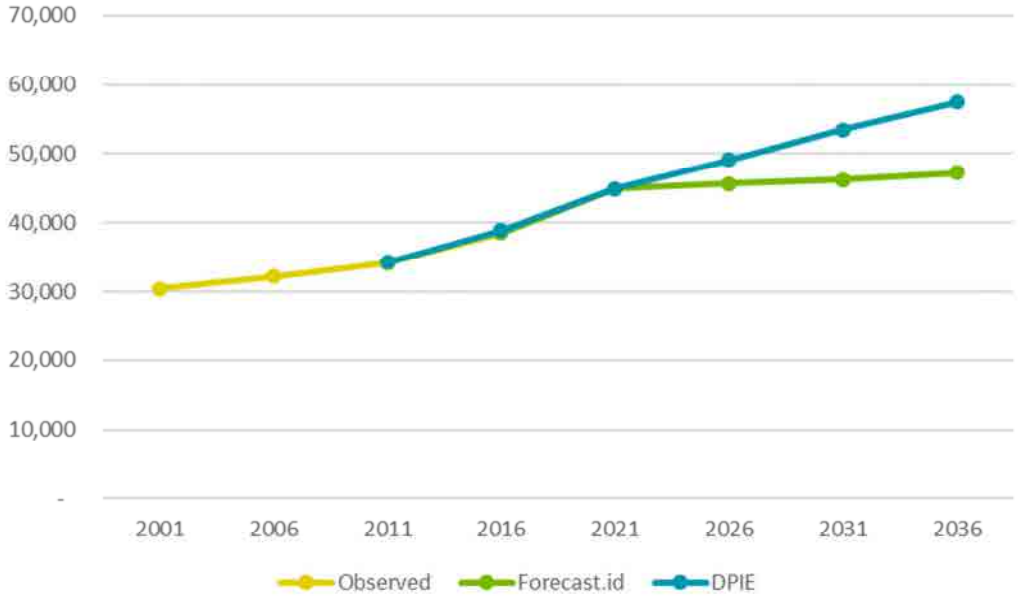
Source: SGS, 2019.

5.2 Population projections

There are two different population projections for the Burwood LGA, which are shown in Figure 25: one prepared by the Department of Planning, Industry and Environment (DPIE) in 2016 and the other by Forecast.id.

The DPIE projection is based on the 2011 Census but relatively accurately predicted the increase in population in the Burwood LGA between 2011 and 2016. The Forecast.id projection is more recent and includes a more detailed estimation of development capacity and local development trends than the DPIE projection. Both projections forecast the population to increase quickly between 2016 and 2021, after which Forecast.id predict population growth to slow dramatically while DPIE predict that it will continue at a similar rate.

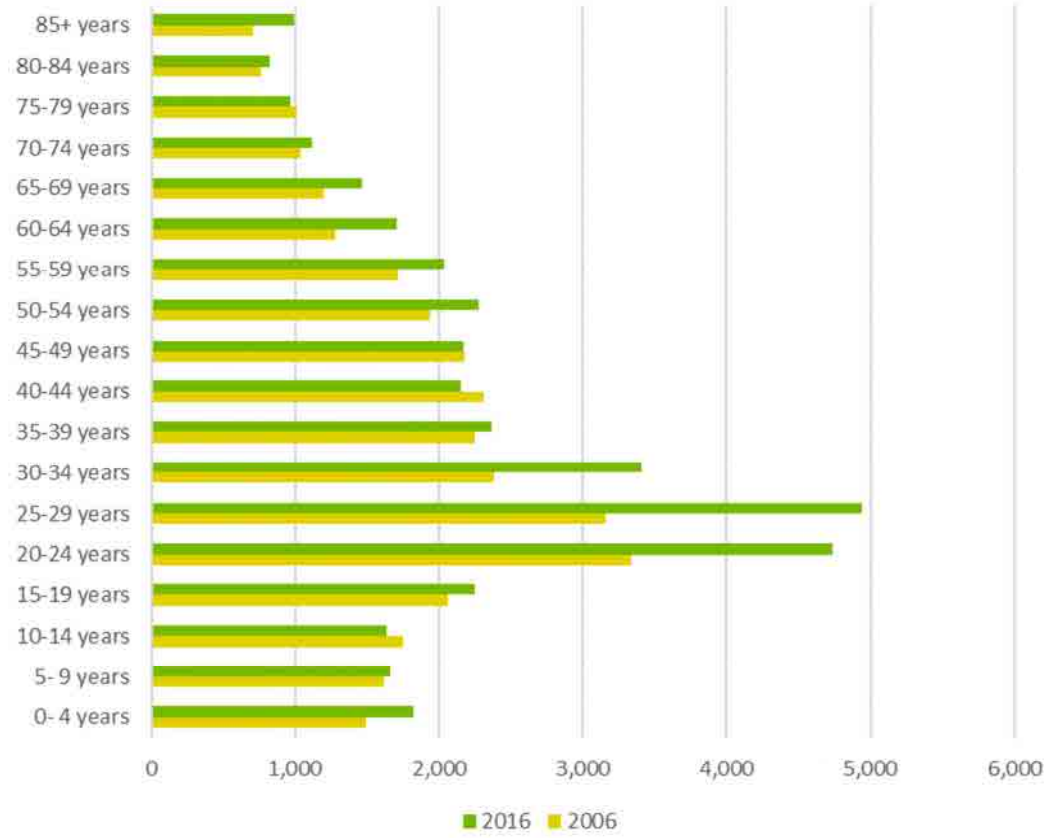
FIGURE 25: RECENT AND FORECAST POPULATION GROWTH IN THE BURWOOD LGA



Source: ABS Census 2001, 2006, 2011, 2016, DPIE 2016 *Population Projections*, Forecast.id 2019

The two population projections differ in how the Burwood LGA's age profile will change in the future. This difference can be considered in the light of recent demographic changes, which are shown in Figure 27 for the period 2006 to 2016. During that time the total population increased by 19.5% from 30,704 to 36,716 but growth was spread unevenly across age groups. The number of people aged between 20-34 increased by 47% while the population outside that age range increased by only 8%. Most dwellings which were constructed during this time were apartments, which are a housing typology popular with younger people (housing preferences are discussed in more detail in Section 5.4 below).

FIGURE 26: CHANGE IN THE AGE DISTRUBTION IN THE BURWOOD LGA 2006-2016



Source: ABS Census 2006, 2016

The forecast age distribution of the LGA under the two population projections is shown in Figure 27. The DPIE forecast did not anticipate the recent dramatic increase in residents aged 20-34 in the Burwood LGA between 2011 and 2016, with the result that the implied growth rate for this age group between 2016-2036 is relatively low. This problem is particularly acute for people aged 20-24, with DPIE predicting that there will be *less* people in this age range in Burwood LGA than were estimated to live in the LGA in 2036 than 2016. This is unlikely to be an accurate estimation of the future demographics given recent population trends, particularly if most new dwellings continue to be apartments.

The Forecast.id projection accounts for the connection between the type of dwelling development which occurs and the age distribution. As such, it provides a more accurate picture of future demographics. However, as noted above it estimates that much lower overall rates of growth will occur to 2036 than the DPIE projection. Planning for a higher overall quantum of growth as forecast by DPIE allows Burwood Council to ensure that they can take their fair share of Greater Sydney's housing development.

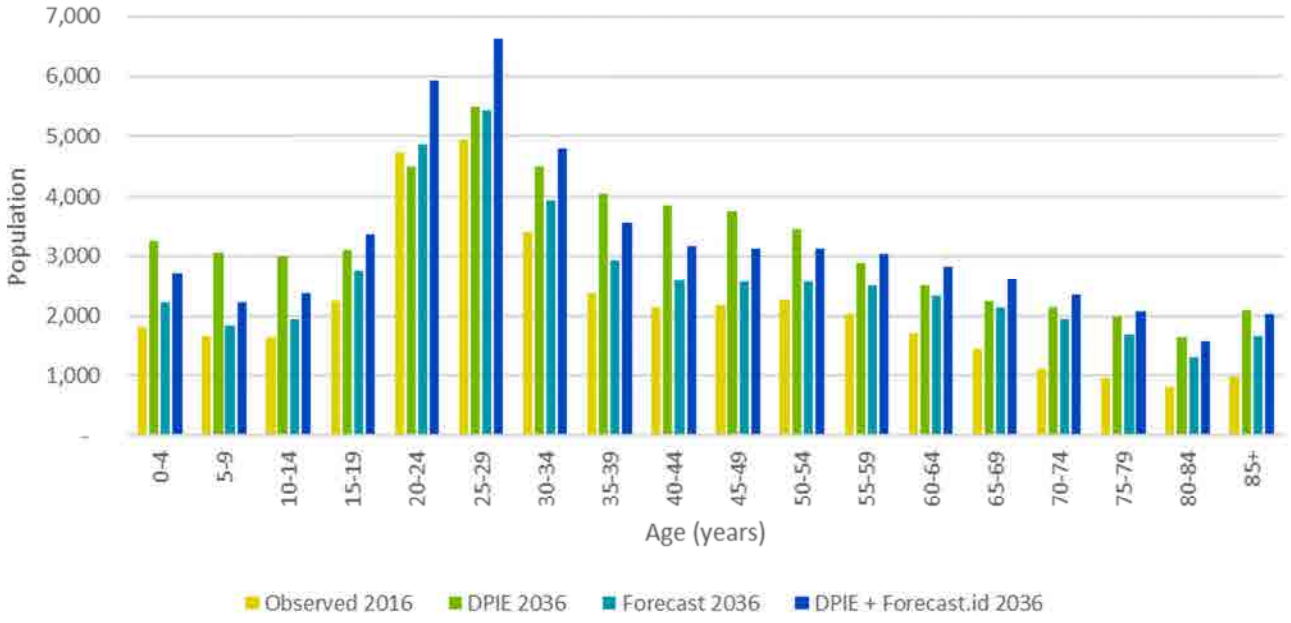
To correct for the problems with each forecast, a third forecast has been created and is shown in Figure 27 (labelled DPIE + Forecast.id). This forecast will be used in the modelling in the remainder of this chapter and assumes that:

- The total population growth predicted in the DPIE forecast will occur, and
- The future age distribution will be the same as predicted by Forecast.id.

Under the DPIE + Forecast.id population projection, the population is forecast to increase by 23% between 2016-2036 from around 38,500 to around 57,550, an annual average growth rate of 2.0%. This annual growth rate is similar to the average rate between 2006-2016, which was 1.8%. The population in all age groups is expected to increase, with the largest numerical

increases expected in people aged between 20-40 and the largest proportional increase in population expected for people aged 65 and older.

FIGURE 27: FORECAST AGE DISTRIBUTION IN THE BURWOOD LGA USING DIFFERENT POPULATON PROJECTIONS, 2016-2036



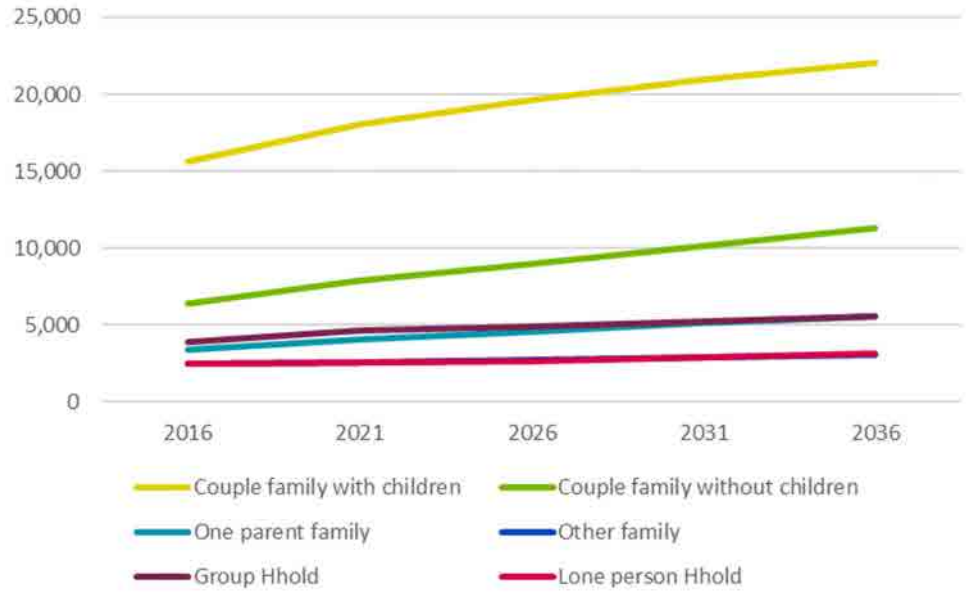
Source: SGS 2019, DPIE 2016 *Population Projections*, Forecast.id 2019

5.3 Household results

Population by family type

Figure 28 depicts the forecast population by family type from 2016 to 2036. Over this time the number of people in every household type is expected to grow.

FIGURE 28. POPULATION BY FAMILY TYPE 2016 TO 2036



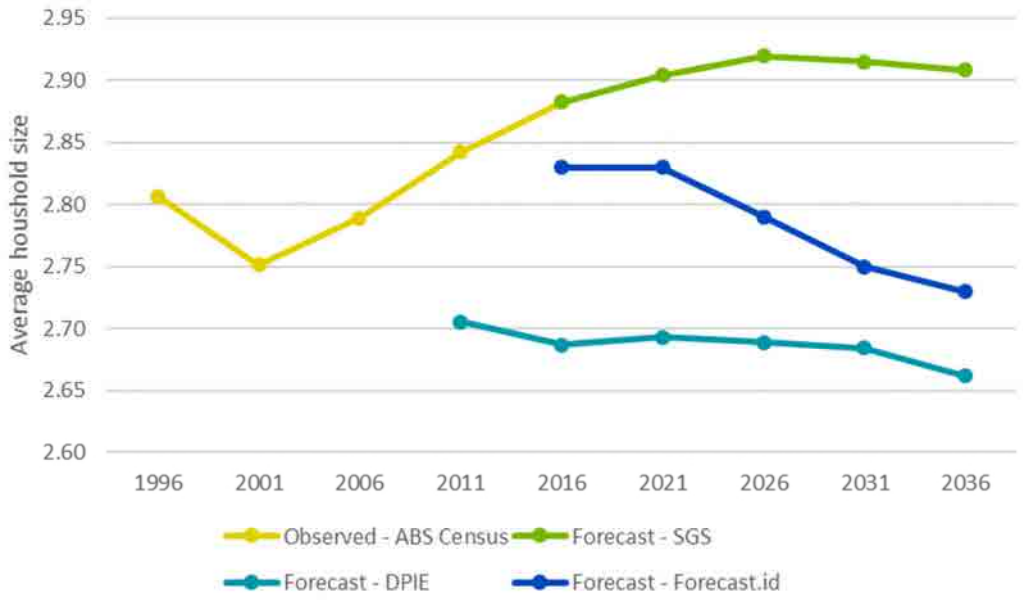
Source: SGS 2019

The highest numerical levels of growth are expected for people in couple families with children, increasing by around 6,400 or 41%. The highest proportional rates of growth are expected for people in couples without children (around 4,900 people or a 77% increase) and one parent families (around 2,200 people or a 67% increase).

Household size

Historic average household sizes in the Burwood LGA were calculated from the ABS Census, and are shown along with forecast sizes in Figure 29.

FIGURE 29: AVERAGE HOUSEHOLD SIZE PROJECTIONS FOR THE BURWOOD LGA



Source: SGS 2019, DPIE 2016 *Population Projections*, Forecast.id 2019

DPIE's household size forecasts are based on the 2011 Census and do not consider some LGA-specific demographic trends. This projection predicted that the household size would decrease between 2011 and 2016, and then to 2036, while household size in the Burwood LGA as estimated from the Census has been increasing since 2001. Based on Census results, it is likely that DPIE's forecast will underestimate household size in the future. This has the impact of overstating the number of dwellings likely to be needed.

Forecast.id also predicts a decline in household size from 2021 onwards, likely causing an overestimated implied dwelling demand.

SGS's prediction forms part of the housing demand model and incorporates demographic changes as shown in Figure 27 and Figure 28, as well as historical observations for the LGA as shown in Figure 29. The household size is expected to continue to increase slowly until 2026, after which it will decrease slightly until 2036. It is expected to be higher than forecast by either DPIE or Forecast.id.

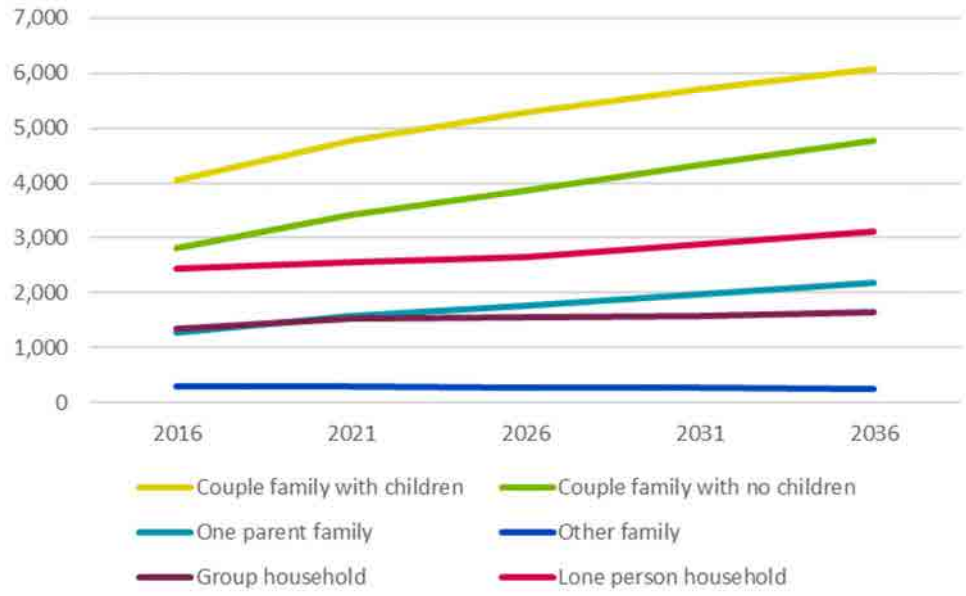
The population of the Burwood LGA is forecast to increase to 57,500 by 2036 (under both the DPIE projection and the DPIE + Forecast.id projection used in this section). While SGS predicts that the number of households will increase by 6,197 to accommodate this population growth, DPIE predicts that it will increase by around 6,800.

Number of households by family type

Figure 30 shows the forecast *number* of households by family type from 2016 to 2036 (this is calculated by dividing the population by the forecast household size). By 2036, couple families

with children are expected to remain the most common type of family in the LGA, followed by couple families with no children and lone person households.

FIGURE 30. HOUSEHOLD BY FAMILY TYPE 2016 TO 2036



Source: ABS, DPE 2016 with SGS 2019 calculations

The expected increase in the number of couple family with children households (around 2,000 additional households) underlines the need for new dwellings to be built which are suitable for families. Increasing dwelling diversity will be necessary, particularly the development of more attached dwellings. Additional large apartments may be suitable for families, providing that they have features like ground level access, private open space, additional storage space and effective noise-proofing families may need.

Increased housing diversity is also important to cater to other household types, all of which are smaller on average than couples with children. One parent families and other families may have similar housing requirements to couples with children. Smaller household types are less likely to require large dwellings with multiple bedrooms. Apartments, including smaller apartments, are the predominant type of dwelling being built in the Burwood LGA and more likely to be appropriate for many of these households. Nonetheless, increased dwelling diversity would provide more housing choices for a range of household types, increasing the opportunity for households to stay in the Burwood LGA if their circumstances change.

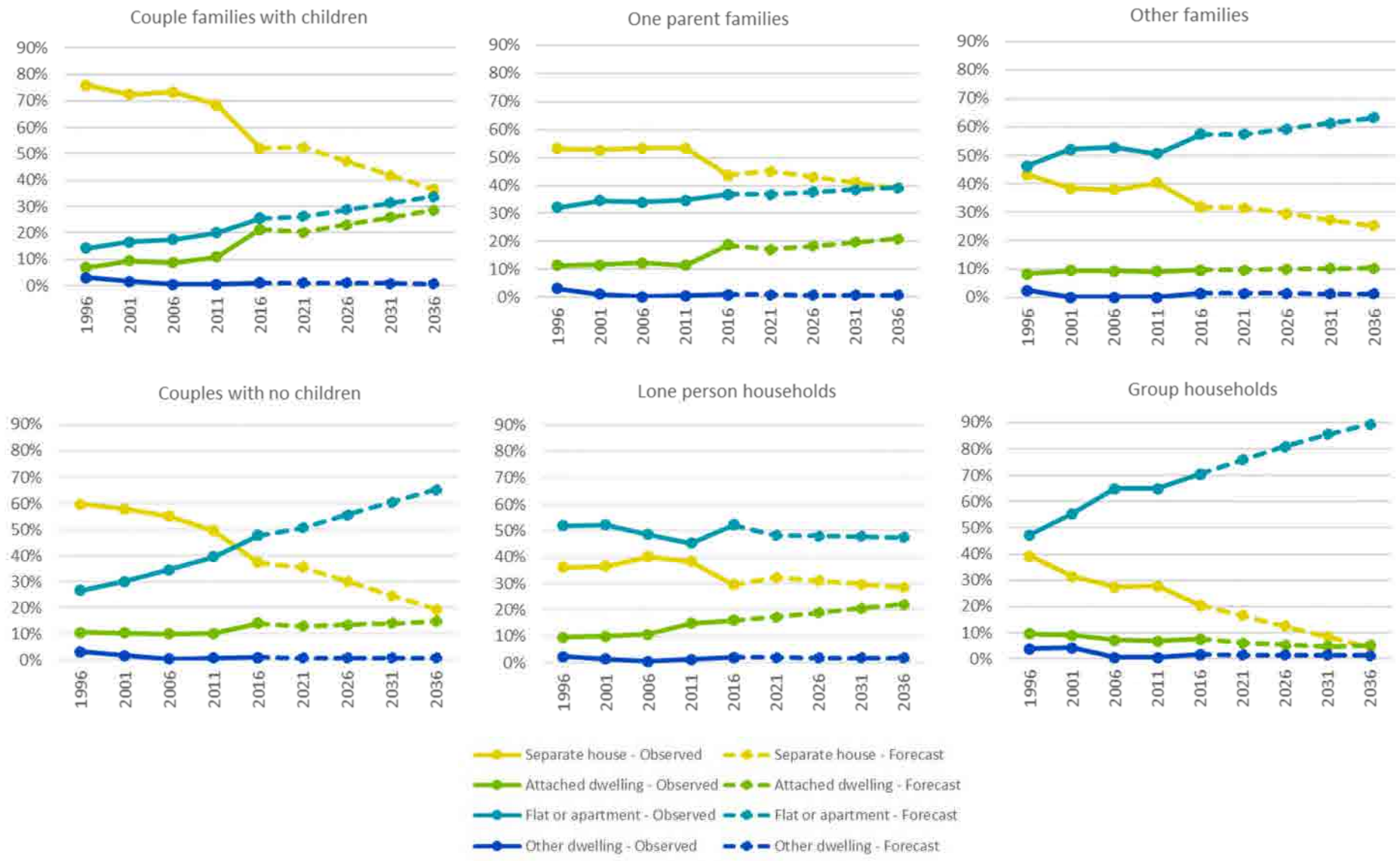
5.4 Dwelling demand results

Housing preferences

The proportion of each household type who lives in each dwelling type is commonly referred to as revealed housing preferences. It is influenced by what kinds of dwellings households would like to live in, as well as what kinds of dwellings are available and how affordable those dwellings are. Over time, revealed preferences evolve as the dwelling mix in the LGA shifts as a result of housing development, demographic change, changes in housing affordability, and changes in the kinds of dwellings people would like to live in.

Revealed preferences for the Burwood LGA are shown in Figure 31, along with forecasts for how they will evolve in the future based on recent trends.

FIGURE 31: OBSERVED AND FORECAST REVEALED DWELLING PREFERENCES, BURWOOD LGA



Source: SGS 2019, ABS Census 1996-2016

The following observations can be made:

- **Couple families with children** are the most likely household type to live in either a separate house or an attached dwelling, although almost 50% of couple families with children lived in either an apartment or an attached dwelling. In the future, the proportion of these households living in separate houses is forecast to decrease substantially.
- **One parent families** are the next most likely household type to live in a separate house, although by 2036 as many of these households will live in an apartment as a separate house. A significant proportion of one-parent families also live in attached dwellings, and this is forecast to increase modestly in the future.
- The proportion of **couples with no children** living in flats and apartments has been steadily increasing and is now greater than the proportion living in separate houses. This shift is expected to continue in the future, the proportion of couples with no children living in separate houses expected to almost halve.
- Most **lone person households** live in flats or apartments, and this is expected to remain relatively constant in the future. The proportion in attached dwellings is expected to increase as the proportion in separate houses decreases.
- **Group households** mostly live in flats and apartments, and if recent shifts in revealed preferences of this household type towards apartments continue, almost all group households (around 90%) will live in apartments by 2036.

Demand results

Combining shifts in revealed housing preferences with forecast growth by household type allows housing demand by dwelling type to be estimated. This is shown in Table 19 for the Burwood LGA.

TABLE 19: DWELLING DEMAND BY DWELLING TYPE, BURWOOD LGA, 2016-2036

Dwelling type	2016	2021	2026	2031	2036	Change 2016-2036	Average annual growth rate
Separate house or attached dwelling	7,402	8,673	9,059	9,429	9,682	2,279	1.4%
Flat, apartment or other dwelling	6,086	7,277	8,323	9,544	10,796	4,710	2.9%
Total Private Dwellings	**13,488**	**15,950**	**17,382**	**18,973**	**20,477**	**6,989**	**2.1%**

Source: SGS 2019

Note that the values in this table have been rounded so the sum of the rows or columns may be different to the reported total. In these cases the reported total is more accurate.

Between 2016 and 2036, around 7,000 additional dwellings are forecast to be needed in the Burwood LGA, an annual average growth rate of 2.11%. The majority of this demand (67%) is expected to be for high-density dwelling types (flats, apartments or other dwellings). There is also forecast to be a substantial increase in demand for low and medium density dwelling types (separate houses and attached dwellings). As Burwood is a developed LGA and there is no capacity for additional separate houses, the increasing demand for low and medium density dwellings is likely to translate predominately into increased demand for attached dwellings.

6. HOUSING CAPACITY

6.1 Profile areas

A development character area has been assigned to each property in the Burwood LGA. These development characters illustrate the intended future housing character of each part of the LGA. It is a translation of current planning controls and current and proposed policies, combined with a desktop review of current housing types.

Areas which share similar characteristics but which are not next to each other geographically are grouped together. This provides more detail about what is proposed than land use zones. For example, the development potential along Parramatta Road may be different to the Local Centres throughout the LGA given its different character, despite both being business zones.

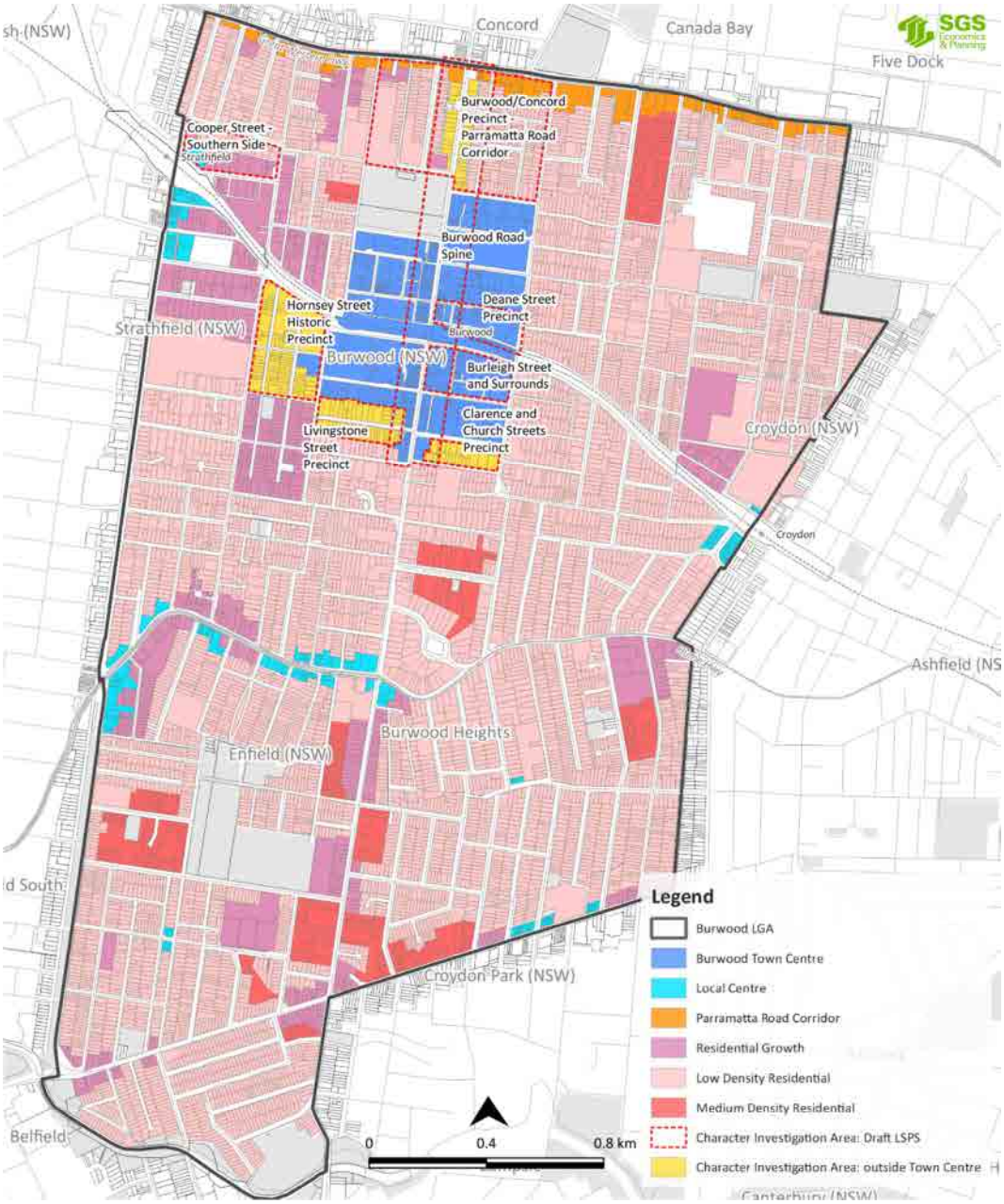
Development character areas are used to disaggregate housing capacity results, which are presented later in this chapter.

The following character areas have been identified and are shown in Figure 32:

- Burwood Town Centre: A mix of commercial, retail and residential uses of diverse scale and intensity underpinned by its proximity to Burwood Station and Burwood Road.
- Local Centre: Largely containing population-serving and light retail activity. These areas generally cater for residents by providing cafes, restaurants, and selling essential domestic goods.
- Parramatta Road Corridor: A strip of two-storey retail shops and industrial businesses fronting a heavily used arterial road corridor for private vehicles.
- Residential Growth: Land zones put in place to adapt to the local housing needs of the community. They provide for a variety of housing types and densities.
- Low Density Residential: Land zones that are largely separate or semi-detached housing. Their scale is also typically low.
- Medium Density Residential: Housing areas that are slightly more intense than low density areas. They may contain villas, townhouses and other forms of multi-dwelling housing.
- Character Investigation Area: Draft LSPS: These are areas identified by Burwood Council for further investigation. While the visions across them are diverse, they generally aim to enhance and cultivate local character towards greater vibrancy.
- Character Investigation Area: outside Town Centre: These are investigation areas on the fringe of the Burwood Town Centre. They may be treated as potential locations to expand the reach of the Town Centre.

Burwood Council has also identified a number of Character Investigation Areas in its draft LSPS. These are shown in Figure 32.

FIGURE 32:DEVELOPMENT CHARACTER AREAS IN THE BURWOOD LGA



Source: SGS 2019

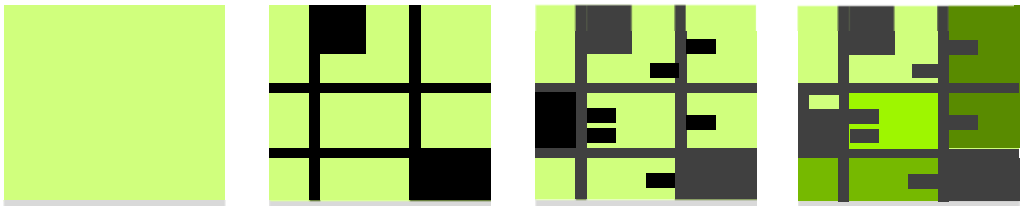
6.2 Method

Housing capacity is an estimate of the quantum of housing that could be accommodated in an area. It is based on existing planning controls, recent housing supply trends and planned future land-release precincts. It is a theoretical assessment of the maximum number of dwellings that could be developed under current planning controls and development conditions and in future precincts. It follows from a high-level analysis and is intended to be indicative rather than absolute.

Figure 33 charts the four-step process for determining dwelling capacity. The logical flow is to firstly identify current and future residential land before filtering out all the lots which are unlikely to be developed/redeveloped, and then calculating the potential development yield of each lot. Each step is discussed in more detail below.

Only a small portion of available lots are likely to be developed in any one year and some lots are likely to be withheld from development. For these reasons, greater capacity than (expected) demand is required to ensure that future development is not constrained. There are likely to be site-specific attributes which may affect the development potential of some sites, but which cannot be included in an LGA-wide capacity analysis.

FIGURE 33: HOUSING CAPACITY APPROACH OVERVIEW



Total Land

This represents the quantum of land where residential development is permitted.

Net Land Area

Some land cannot ever be developed for residential purposes. For example roads and footpaths.

The analysis has been completed using lot level data, which already excludes these types of uses and associated land area.

Available Land

Various lot/land attributes are used to further exclude sites which would not be able to yield additional housing beyond what is already there.

This includes attributes such as lot size, age of stock, and heritage status.

Potential Yield

Density and yield assumptions are applied to lots defined as available.

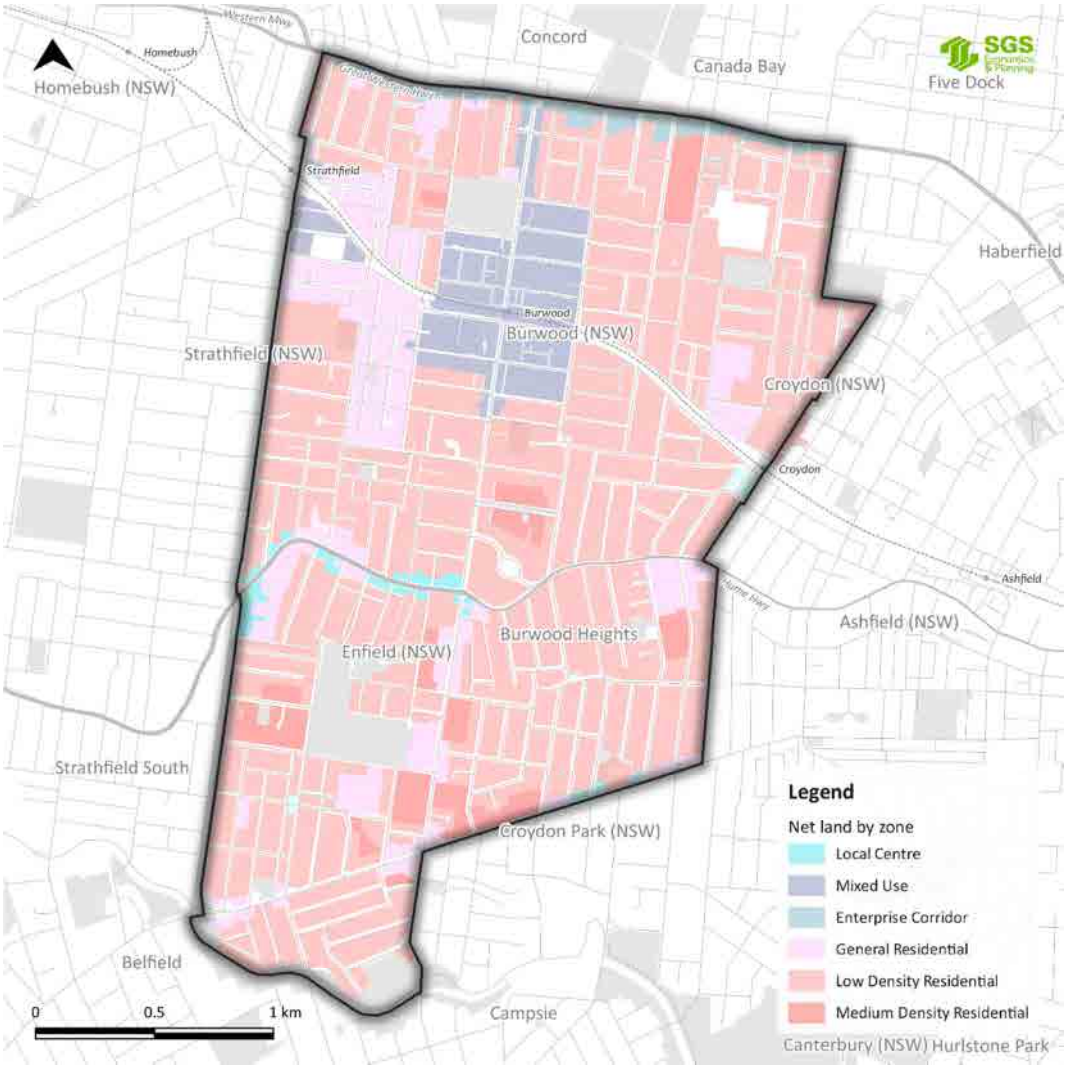
This is then compared to the current number of dwellings on each lot to determine the net capacity.

Source: SGS, 2018.

Step 1: Net land area identification

Net land refers to total land where residential development is permitted, minus the land that cannot be developed for residential purposes, such as roads and footpaths. The capacity calculation is conducted on a lot by lot basis, with only lots where residential development is permissible considered, and so parts of the public domain are automatically excluded. The net land for the Burwood LGA is shown in Figure 34.

FIGURE 34: NET LAND



Source: SGS 2019

Step 2: Available land assessment

Available land represents any land that is likely to be able to accommodate additional housing in the Burwood LGA. It is derived from the net land, from which lots unlikely to be developed are excluded.

Designation of a lot as available land does not mean that development is necessarily feasible or that property owners are ready or willing to develop these sites. Typically, only a small portion of available lots are likely to be developed in any one year. There are also likely to be site-specific attributes which may affect the development potential of some sites, but which cannot be included in an LGA-wide capacity analysis.

Land Exclusions

The following exclusions were used to determine which lots cannot or are unlikely to be developed:

Heritage

Heritage items and heritage conservation precincts identified in the Burwood LEP were excluded. While some of these properties may be able to be redeveloped, this is likely to be uncommon. Including heritage items or precincts without further study could risk over-estimating housing capacity.

Small lots

Sites with small lots are generally either not allowed to develop under the planning controls or are difficult to develop. The minimum lot size for development on each lot was assessed based on what kinds of development were permissible, and minimum lot areas and frontages for those kinds of development. These minima are shown in Table 20.

TABLE 20: LOT SIZE AND FRONTAGE REQUIREMENTS FOR CAPACITY ASSESSMENT

Development type	Zones where development is likely to occur	Minimum lot size and street frontage	Rationale
Residential flat building	R1	250 sqm, 10m	The Burwood DCP sets a minimum site area and frontage for residential flat buildings of 500sqm and 10 respectively. Assume that two sites can be amalgamated for development.
Shop top housing	B2, B4, B6	No minima	Assume that significant site amalgamation can occur to permit development.
Multi dwelling housing	R1, R3	400sqm, 15m	The Burwood DCP sets a frontage requirement of 15m. Site area requirement calculated based on an FSR of 0.55 and a assumption that a development must deliver at least 4 dwellings to be viable.
Dual occupancies	R1, R2, R3	500sqm, 15m	Clause 4.1A of the Burwood LEP 2012 sets a minimum site area for attached dual occupancies of 500sqm. The Burwood DCP sets a minimum frontage for duplex development of 15m.

Land use exclusions

Properties were manually excluded if they contain social infrastructure or other land uses which are likely to be in place over the next 20 years. These include schools, community centres, aged care facilities, private hospitals, large places of public worship and clubs.

Existing strata or apartment development

Strata developed lots are less likely to be redeveloped due to their distributed ownership structure. Properties with apartment and other multi-unit development are likely to have a high land price due to the number of dwellings they contain, and so redevelopment would need to deliver a greater return to be viable than development on other land. For these reasons, strata-subdivided lots and other apartment and multi-unit housing developments were excluded from comprehensive redevelopment.

Substantial commercial development

Large commercial developments are likely to have high land values which would discourage redevelopment. For this reason, properties were excluded if they already contained commercial developments with at least 4,000 sqm of gross floor area.

Step 3: Potential yield assessment

Potential yields were calculated for the available land using a series of yield assumptions depending upon each lot's zone, size, frontage, location, development standards and constraints. This assessment was conducted for development types in the *Burwood LEP 2012*. Where possible assumptions used developed from Burwood's planning controls or local development data. These assumptions are also shown in Table 21.

TABLE 21: DEVELOPMENT YIELD ASSUMPTIONS FOR CAPACITY ASSESSMENT

Development type	Zones where development is likely to occur	Yield calculation method	Rationale
Residential flat building	R1	FSR x Site area / 75 (unrounded)	75sqm is the average floor area per dwelling in the available BASIX data for developments predominately composed of one or two bedrooms in the Burwood LGA (excluding likely boarding house and student accommodation developments).
Shop top housing	B2, B4, B6	Maximum residential FSR x Site area / 75 (unrounded).	
Multi dwelling housing	R1, R3	FSR x Site area / 104 (unrounded)	104 sqm is the average floor area per dwelling in the available BASIX data for developments predominately composed of three or four bedrooms in the Burwood LGA.
Dual occupancies	R1, R2, R3	2	

Step 4: Net capacity

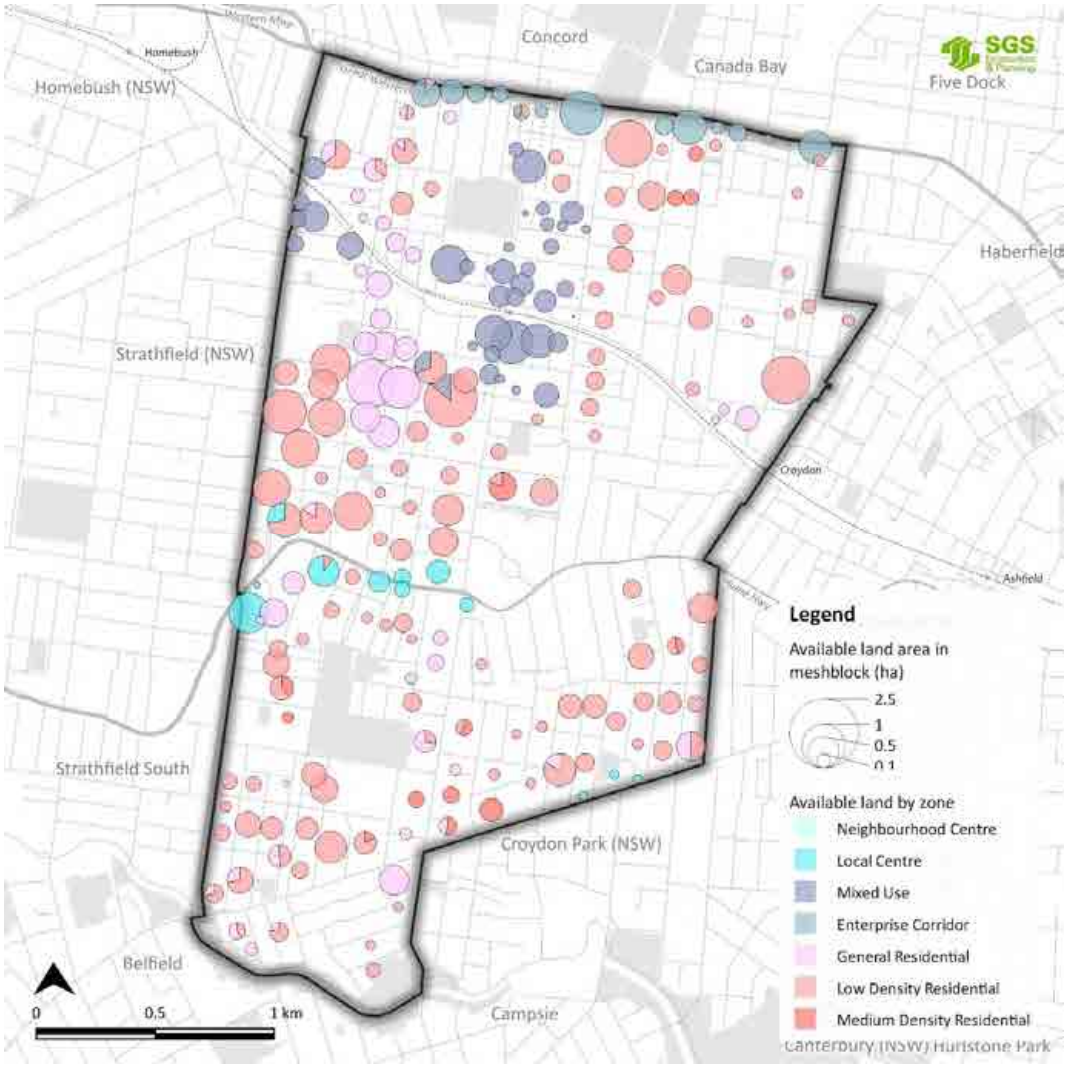
Net housing capacity is calculated by subtracting the number of existing dwellings on each site from the potential yield. The current number of dwellings was estimated for every lot based upon the number of dwellings recorded in the associated meshblock (MB) in the 2016 Census, the number of addresses on the site, the land zone, and the number of strata lots.

6.3 Results

The available land in the Burwood LGA for residential development is shown in Figure 35. The majority of properties in the low density residential zone are excluded due to lot size requirements or their location in heritage precincts, although there are clusters of available lots north of the Hume Highway in Strathfield and north of Georges River Road.

While some lots have been excluded, there are lots on which residential flat building and shop top housing development is possible throughout the LGA, including in the Burwood Town Centre, in the R1 zone, along Parramatta Road and in local centres.

FIGURE 35: AVAILABLE LAND FOR RESIDENTIAL DEVLOPMENT



Source: SGS 2019

Dwelling capacity is shown in Table 22 disaggregated by land use zone and in Table 23 disaggregated by development character area. Capacity is broken down by development type, as defined in the *Burwood LEP 2012*.

These results show that there is a total capacity for 8,109 additional dwellings in the Burwood LGA under current planning controls. The majority of this capacity is provided by shop top housing (a residential apartment development with retail uses on the ground floor), with significant capacity also available for residential flat buildings. There are fewer opportunities for capacity to be realised through the medium density development types of dual occupancies and multi dwelling housing.

TABLE 22: NEW DWELLING CAPACITY BY LAND ZONE

Shop top housing	B2	452
	B6	106
Residential flat buildings	R1	2,952
	R3	143
Dual occupancies	R2	1,076
Total		**8,109**

Source: SGS 2019

Table 23 shows that the majority of capacity is centred around the northern part of the Burwood LGA in the Burwood and Strathfield centres, as well as in the general residential zone in between the two.

TABLE 23:NET DWELLING CAPACITY BY DEVELOPMENT CHARACTER AREA

Precinct	Shop top housing	Residential flat buildings	Multi dwelling housing	Dual occupancies	Total
Burwood Town Centre	2,742				**2,742**
Strathfield Town Centre	249				**249**
Enfield Local Centre	422				**422**
Croydon Park Local Centre	30				**30**
Parramatta Road Corridor	106				**106**
Upper Burwood Spine Precinct	248				**248**
Residential Growth	140	2,502			**2,643**
Hornsey Street Historic Precinct		450			**450**
Medium density residential			143		**143**
Low density residential				1,053	**1,053**
Livingstone Street Precinct				20	**20**
Clarence and Church Streets Precinct				3	**3**
Total	**3,937**	**2,952**	**143**	**1,076**	**8,109**

Source: SGS 2019

Note that the values in this table have been rounded so the sum of the rows or columns may be different to the reported total. In these cases the reported total is more accurate.

The residential growth precinct also covers general residential zones and local centres along Burwood, Liverpool, and Parramatta Roads. There is some development capacity in these

areas, but the allowable floor space ratio is lower than it is closer to the Burwood Town Centre.

The local centre with the most development capacity is Enfield, due to its extent along the Hume Highway. Croydon Park has a much lower capacity.

6.4 Gap analysis

Comparing housing capacity with likely demand provides an indication of whether there are any shortfalls in the capacity created by current planning controls. This comparison is shown in Table 24, where separate houses and attached dwellings (including dual occupancies and multi-dwelling housing) is grouped under low-medium density, and apartment developments (including residential flat buildings and shop-top housing) is grouped under high density. The gap shown in this table is calculated from housing capacity – housing supply, and positive numbers show an excess of capacity while negative numbers show a shortfall.

Housing capacity results in this table are slightly different to those provided in Section 6.3, as sites which were included in the capacity analysis but which are currently under construction were removed from the capacity total and included in the housing construction pipeline.

TABLE 24: HOUSING CAPACITY-DEMAND GAP

	Low – Medium density	High density	Total
Capacity			
Housing capacity under current controls	1,192	6,575	7,766
Housing demand			
Modelled demand (2016-2036)	2,279	4,710	6,989
Housing completions (2016-August 2019)	45	1,055	1,100
Housing construction pipeline (August 2019+)	38	884	922
Remaining demand	2,196	2,771	4,967
Capacity-demand gap			
Housing capacity - housing demand	-1,004	+3,803	+2,799

Source: SGS 2019

Note that the values in this table have been rounded so the sum of the rows or columns may be different to the reported total. In these cases the reported total is more accurate.

There is sufficient capacity for apartments under current planning controls to accommodate forecast demand, assuming that allowable development is feasible and that current projections provide a good picture of likely demand. This does not mean that there is certain to be a surplus of capacity remaining in 2036 or that apartment development will exceed demand. Rather, it provides a baseline guide for planning on the basis of population projections.

There is not enough capacity for medium density development under current planning controls, and much of the capacity which does exist may not be feasible to develop. This suggests that additional capacity for diverse housing types, in particular medium density housing, should be created in the Burwood LGA.

7. OPPORTUNITIES & CONSTRAINTS

7.1 Proximity analysis

Best locations for additional housing

Housing intensification should be concentrated in places that are the most accessible and liveable, and that have good access to social infrastructure.

There are many ways that liveability and accessibility can be measured. There are also many different destinations that people may want to live near, and how important these different destinations are considered will vary from person to person.

SGS has assessed the suitability of each part of the Burwood LGA for housing intensification based on the proximity of each area to the following destinations and facilities, using the road network:

- Train stations
- Other public transport stops (i.e. bus stops) – only stops with a service frequency of 15 minutes have been considered
- Supermarkets
- Open space
- Primary schools
- Secondary schools, and
- Libraries and community facilities.

Proximity to most of these elements is required or encouraged under NSW Government planning policy for land to be zoned for high density residential development.

Method for analysis

Each Mesh Block (MB) in the Burwood LGA has been given a score for proximity to each destination, based upon whether it fell within a primary or secondary catchment along the existing road network. These catchments are defined in Table 25.

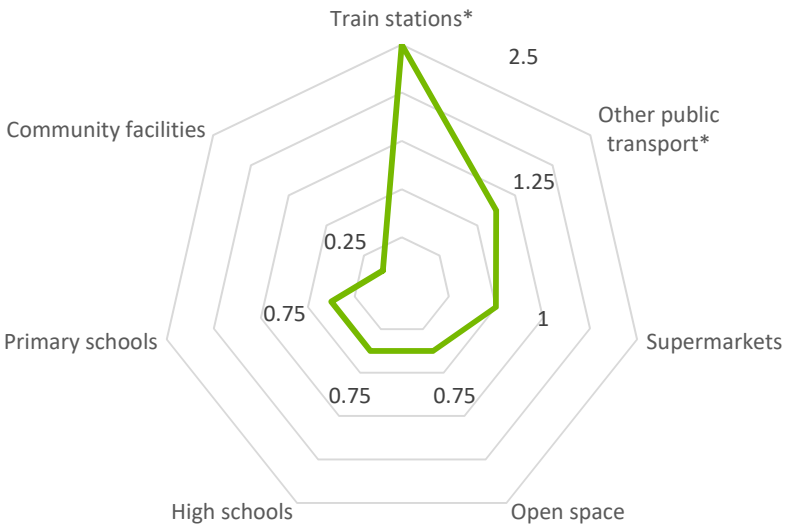
TABLE 25: CATCHMENTS USED IN PROXIMITY ANALYSIS

Destination	Primary catchment size (m)	Secondary catchment size (m)
Train stations	800	1,200
Other public transport	250	500
Supermarkets	800	1,200
Open space	200	400
Primary schools	800	1,200
High schools	1,200	2,400
Libraries and community facilities	1,200	2,400

Source: SGS, 2019.

By weighting and combining each attribute, an overall proximity score was produced reflecting suitability for housing intensification. The weightings are illustrated below in Figure 36. A low weight was used for open space, despite its importance, to reflect that it is very accessible from most of the LGA and so open space accessibility mapping at a coarse scale (to meshblocks) does not differentiate well between different areas.

FIGURE 36: ACCESSIBILITY SCORE WEIGHTS FOR DIFFERENT ATTRIBUTES



*Note that train station and other PT scores are combined to produce an overall PT score before being added to other scores

Source: SGS, 2019.

This proximity score measures high level opportunities for housing intensification. However, this needs to be combined with a detailed understanding of local market conditions and development contexts. Increasing public transport accessibility or the size of a retail centre, for example, could dramatically change suitability for development. Urban design considerations and other development constraints could also mean that somewhere that is assessed as having high suitability of additional housing may be inappropriate for additional development.

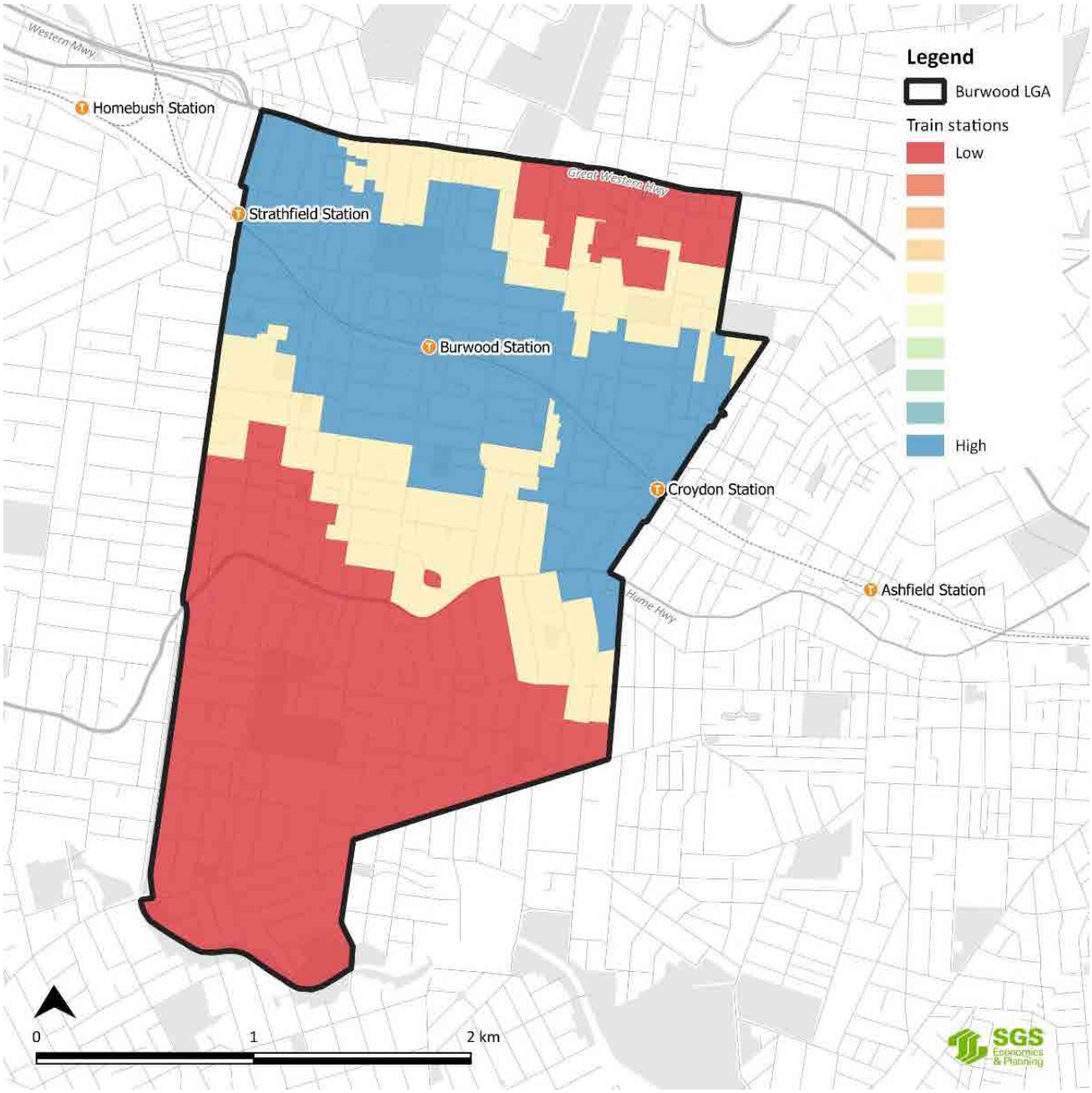
Results

The maps shown in the following pages illustrate the relative proximity of different parts of the LGA to the features identified above.

Proximity to train stations

A substantial portion of the LGA is within good proximity to rail stations, with Burwood, Croydon and Strathfield within or on the boundary of the LGA on the T2 line. Suburbs in the south of the LGA are much less well-serviced in terms of access to train stations, with the T3 line further south and not within walking distance of these areas.

FIGURE 37: PROXIMITY TO TRAIN STATIONS

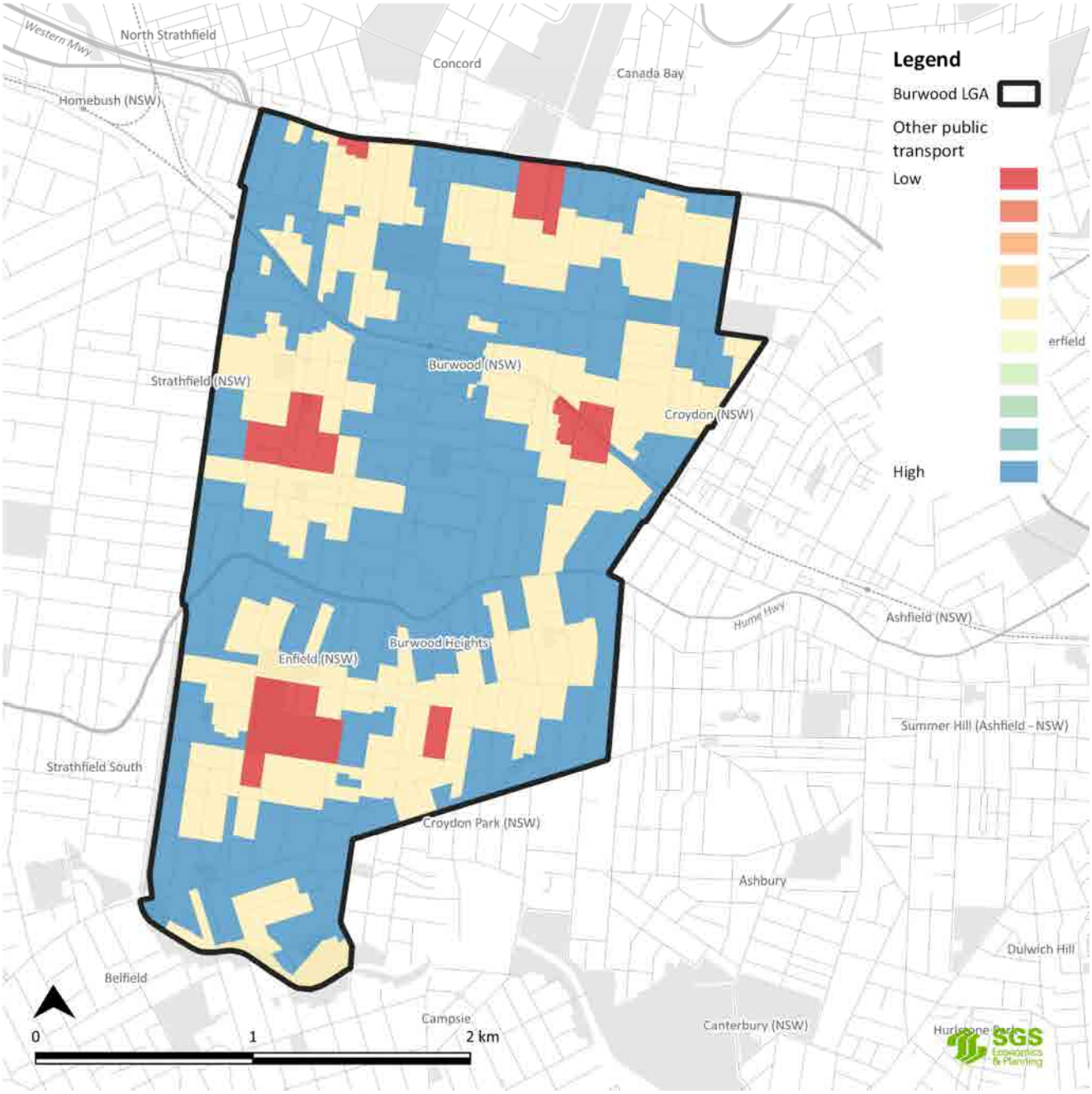


Source: SGS, 2019.

Proximity to other public transport

Most of the LGA is in good proximity to bus stops, however, services are less frequent and direct compared to train services. There are also some pockets with comparatively poor access to public transport between Burwood Road and The Boulevard and between the Hume Highway and Georges River Road.

FIGURE 38: PROXIMITY TO OTHER PUBLIC TRANSPORT



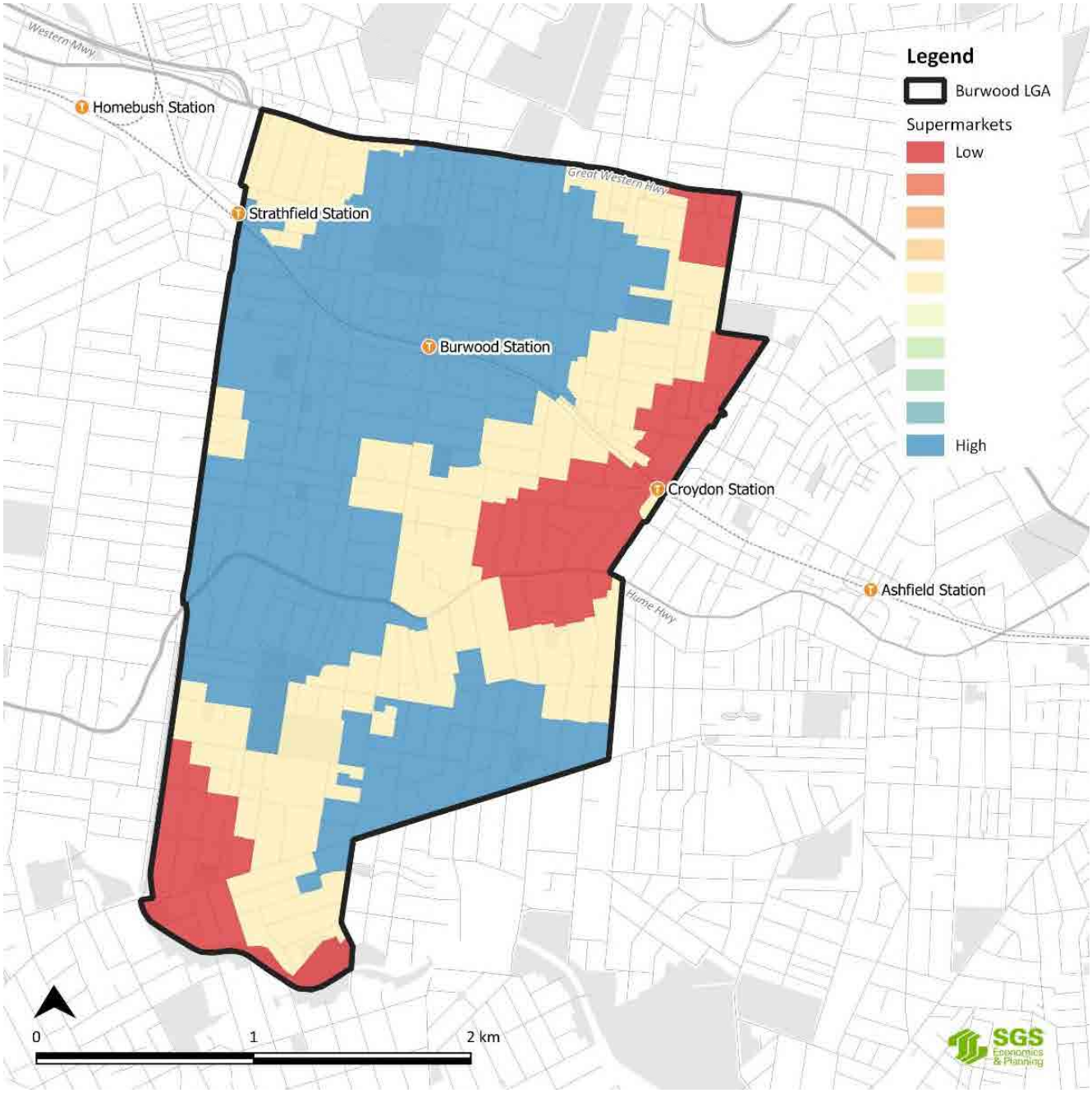
Source: SGS, 2019.

Supermarkets

Most of the LGA is in moderate to close proximity of a supermarket, with the Burwood suburb home to a number of stores, reflective of its role as a strategic centre. The very south of the LGA and the east around Croydon have fewer supermarkets within walking distance.

Only relatively large supermarkets were included in this analysis (for example the Croydon Friendly Grocer was excluded because of its small size), and supermarkets outside of the LGA were included.

FIGURE 39: PROXIMITY TO SUPERMARKETS

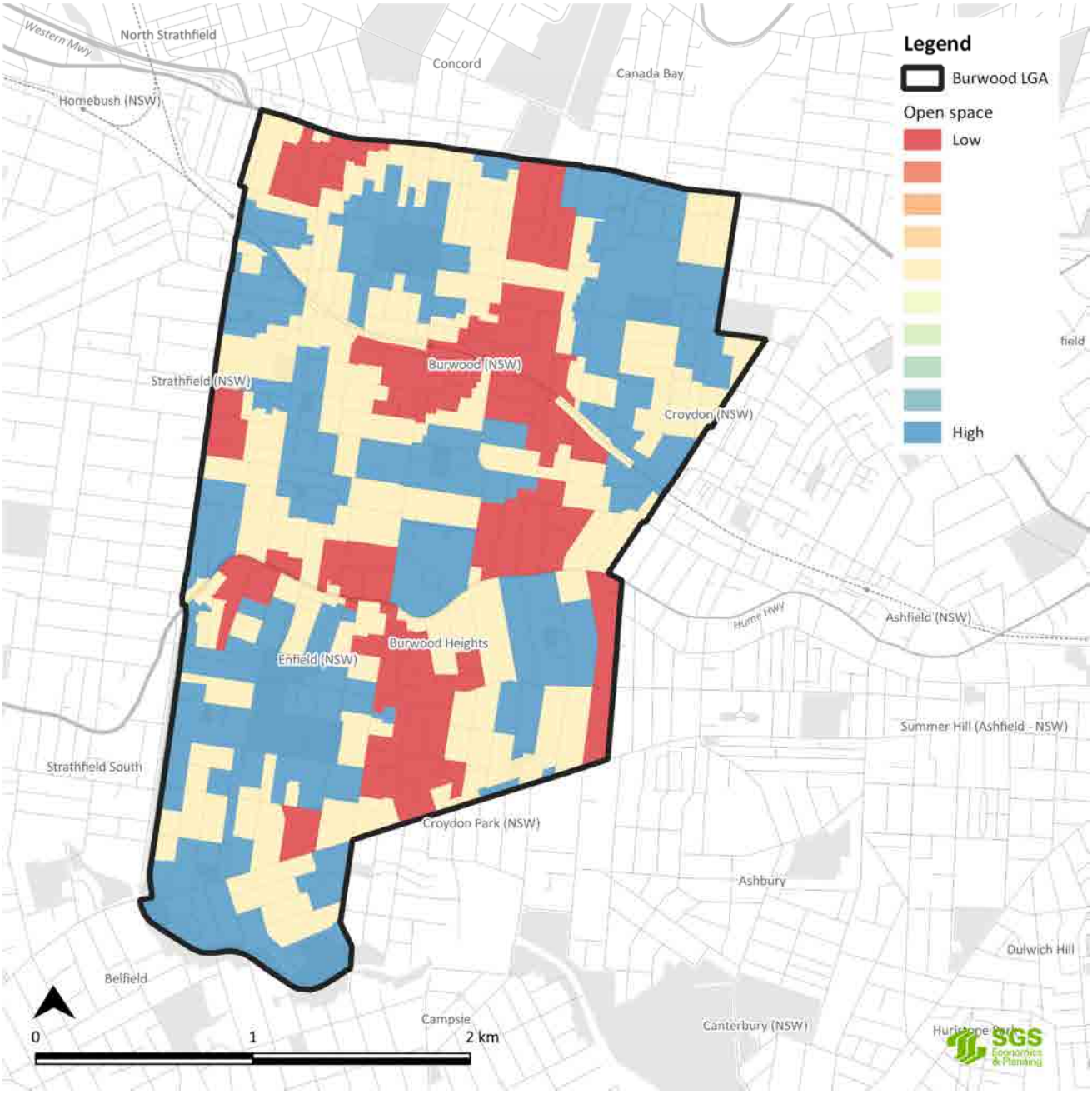


Source: SGS, 2019.

Proximity to open space

There are large parts of the LGA which are relatively distant from open space. This includes parts of Burwood Town Centre and the immediate surrounds, the Enfield Local Centre and other parts of the LGA with low density housing. This analysis considers proximity to any open space, and so some of the mapped access may be to small parks.

FIGURE 40: PROXIMITY TO OPEN SPACE

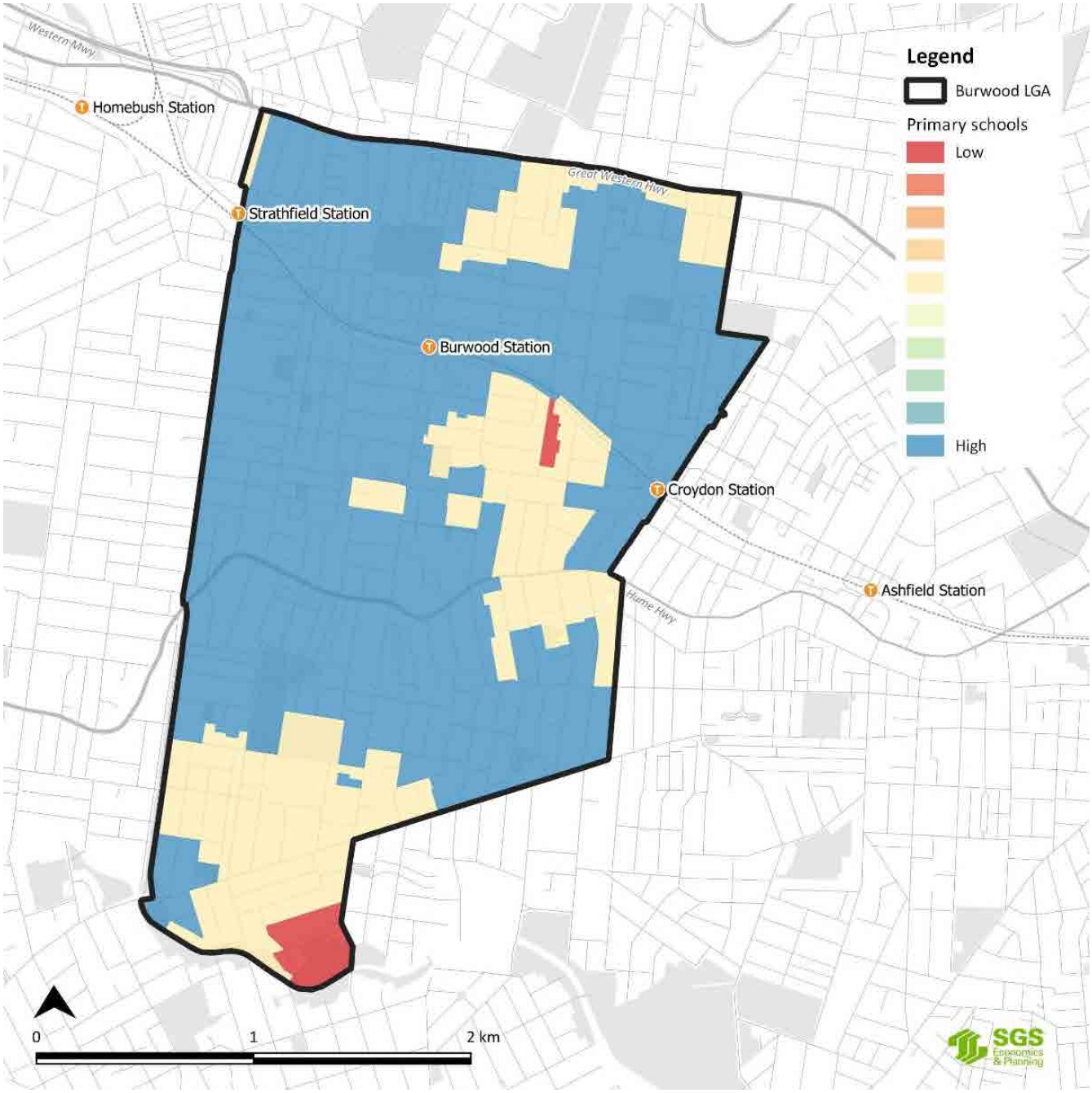


Source: SGS, 2019.

Proximity to primary schools

Most of the LGA is in good proximity to a public primary school. Less proximate locations include south of the train line between Croydon and Burwood Stations, and south of Mitchell Street in Enfield and Croydon Park.

FIGURE 41: PROXIMITY TO PRIMARY SCHOOLS

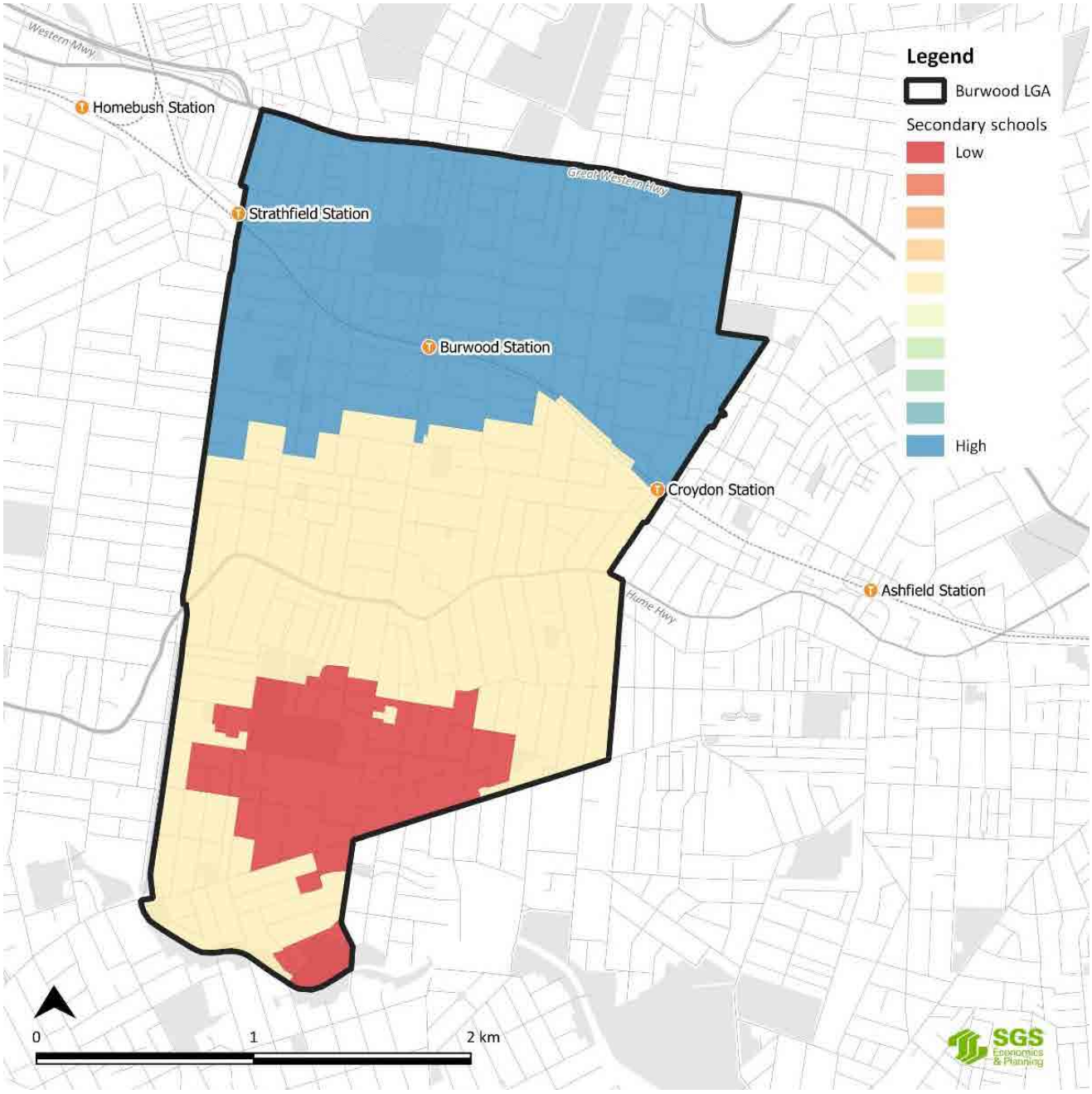


Source: SGS, 2019.

Proximity to secondary schools

There is a much clearer pattern of proximity for public secondary schools, which are largely concentrated to the north of the train line. Consequently, areas to the south are outside of walking distance to a high school, particularly in Enfield and Croydon Park.

FIGURE 42: PROXIMITY TO SECONDARY SCHOOLS

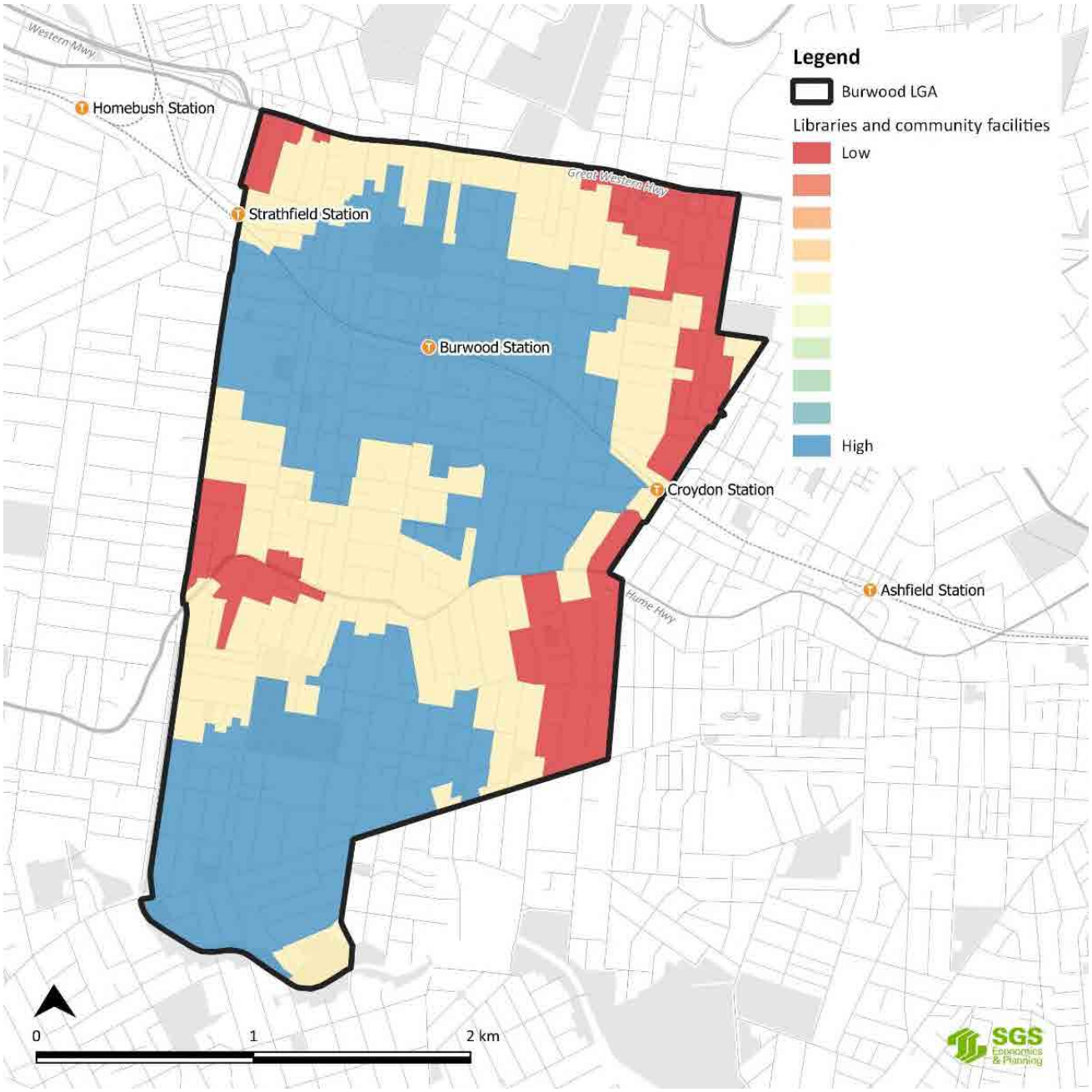


Source: SGS, 2019.

Proximity to libraries and community facilities

These types of facilities are typically located in town centres, which is reflected in the pattern of proximity. For example, there is a concentration of such uses in the Burwood Town Centre. There are generally fewer community facilities located at the edge of the LGA's boundary, with these peripheral locations not able to access facilities within walking distance.

FIGURE 43: PROXIMITY TO LIBRARIES AND COMMUNITY FACILITIES



Source: SGS, 2019.

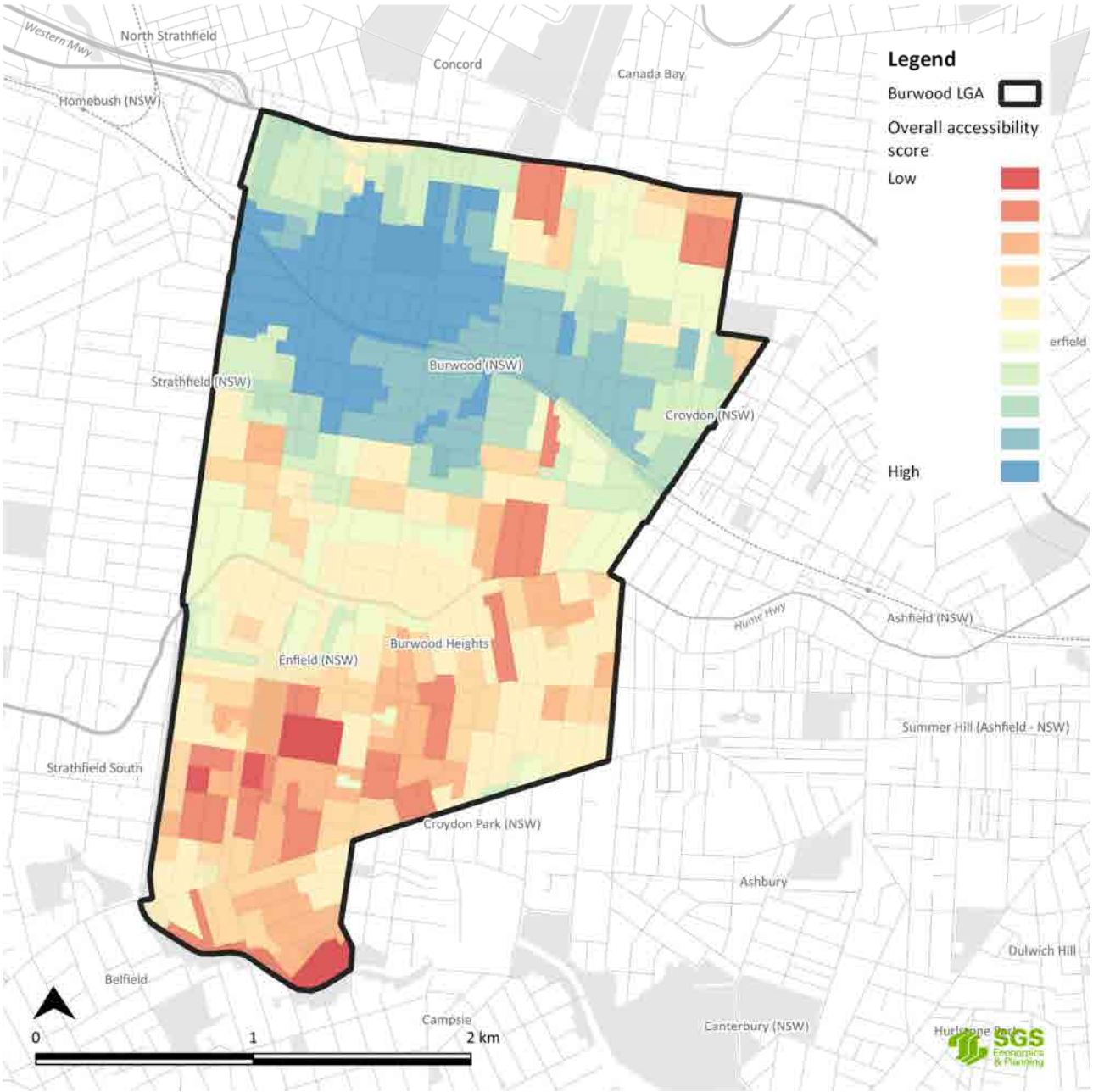
Overall suitability for housing

The scores calculated for overall suitability are strongly linked to proximity to public transport. This is reflected by the Burwood Town Centre and immediate surrounds having the highest scores. Locations around the other stations also have relatively high suitability.

Conversely, more moderate and low scoring areas are in the south of the LGA, where public transport accessibility is more limited, and where is comparatively lower proximity to facilities such as schools. The area surrounding the Enfield and Croydon Park local centres are shown as having higher suitability than the surrounding suburbs, though this is tempered by limited pubic transport access.

An increase in mass transit availability, for example at Burwood North, would change this picture and dramatically improve the suitability of housing intensification. A picture of suitability if public transport is improved can be gained by considering each attribute shown on the previous pages individually.

FIGURE 44: OVERALL SUITABILITY FOR HOUSING



Source: SGS, 2019.

The mapped scores for each attribute in Figure 37 - Figure 43 also provide an illustration of what kinds of services and facilities that would need to be delivered to make each part of the Burwood LGA more suitable for housing intensification. For example:

- Improved public transport access, either through a train line or other form of mass transit, would be necessary if the southern part of the LGA to host much higher housing densities.
- Increased open space access is important for multiple parts of the Burwood LGA including around the Enfield Centre and parts of the Burwood Town Centre.
- The area around the Croydon Neighbourhood Centre is not within a typical walking catchment of a moderately sized or large supermarket.
- There is no public secondary school in the southern part of the Burwood LGA, and so it would be important to ensure that public secondary schools elsewhere are easily accessible, including through public and active transport.

7.2 Constraints

The analysis in Section 7.1 considers housing suitability on the basis of proximity, but does not include constraints which limit future development potential. These constraints include:

- Heritage and character constraints,
- Infrastructure capacity limitations, and
- An inability of sites to be redeveloped due to their size or current use

Some of these constraints are profiled below.

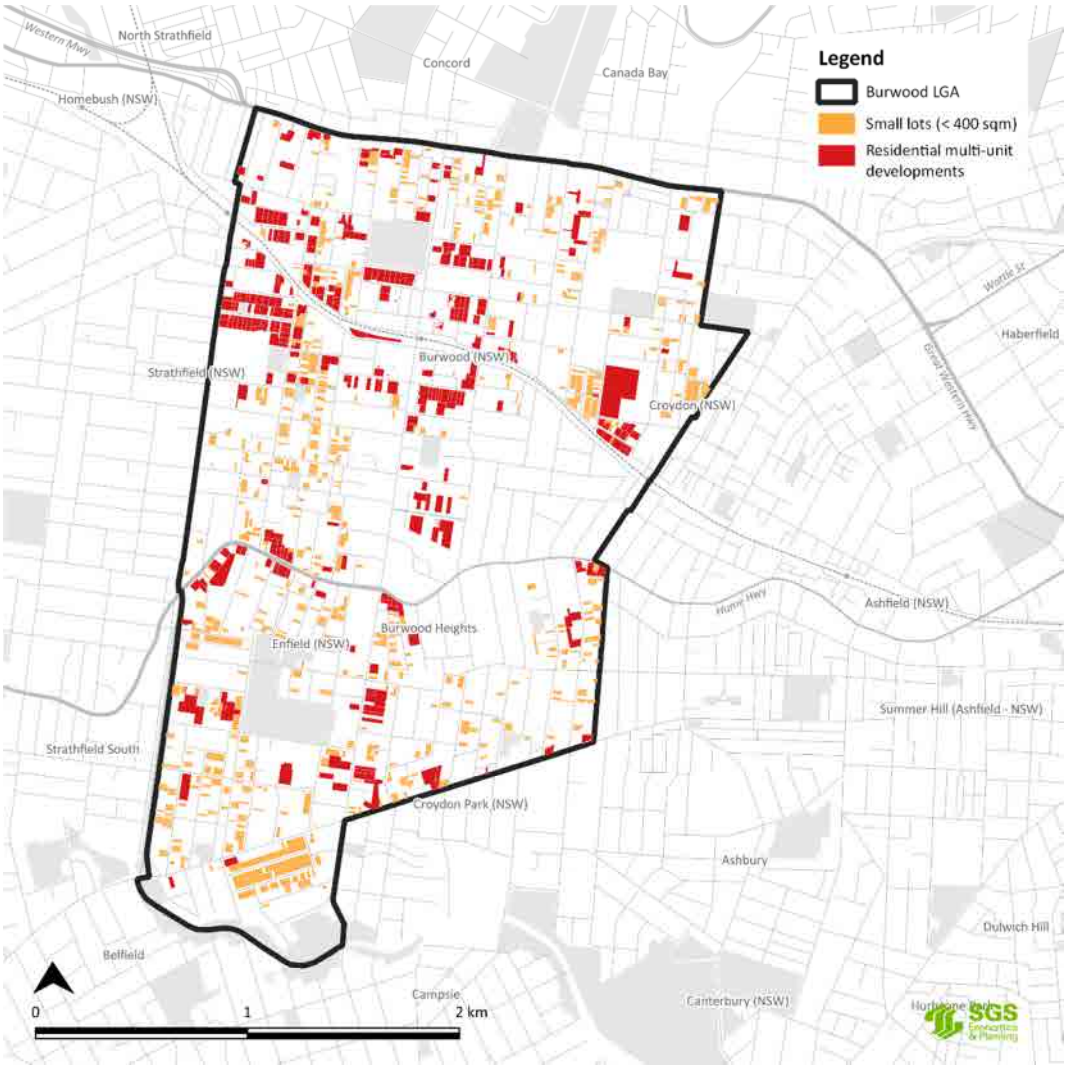
Size or existing residential development

Small lots are difficult to develop for the purpose of medium density development without significant site amalgamation. A site area of at least 600sqm is generally needed to create opportunities for a variety of infill housing developments, but there are few properties of this size in the Burwood LGA. Properties of at least 400sqm have some opportunities for dual occupancy development or for more intensive development if they have large site frontages or site amalgamation is feasible. A property area of 400sqm was used in Section 6.2 as the minimum size for multi-dwelling housing development if amalgamation occurs, while 500sqm is the minimum property area for dual occupancy development under the Burwood LEP 2012.

As noted in Section 6.2, redevelopment is unlikely to occur on properties which are strata subdivided or which have other multi-unit residential developments. This is due to the high land value created by multi-unit development and the distributed ownership structure of strata developments. This does not mean that redevelopment could not occur, only that it would be less likely and that a significant uplift in yield would be needed.

Figure 45 shows properties with residential zones in the Burwood LGA where redevelopment is likely to be hampered by small lot sizes, strata subdivision or existing multi-unit residential development.

FIGURE 45: RESIDENTIAL SITES WHICH ARE CONSTRAINED FROM REDEVELOPMENT DUE TO SIZE OR EXISTING RESIDENTIAL DEVELOPMENT

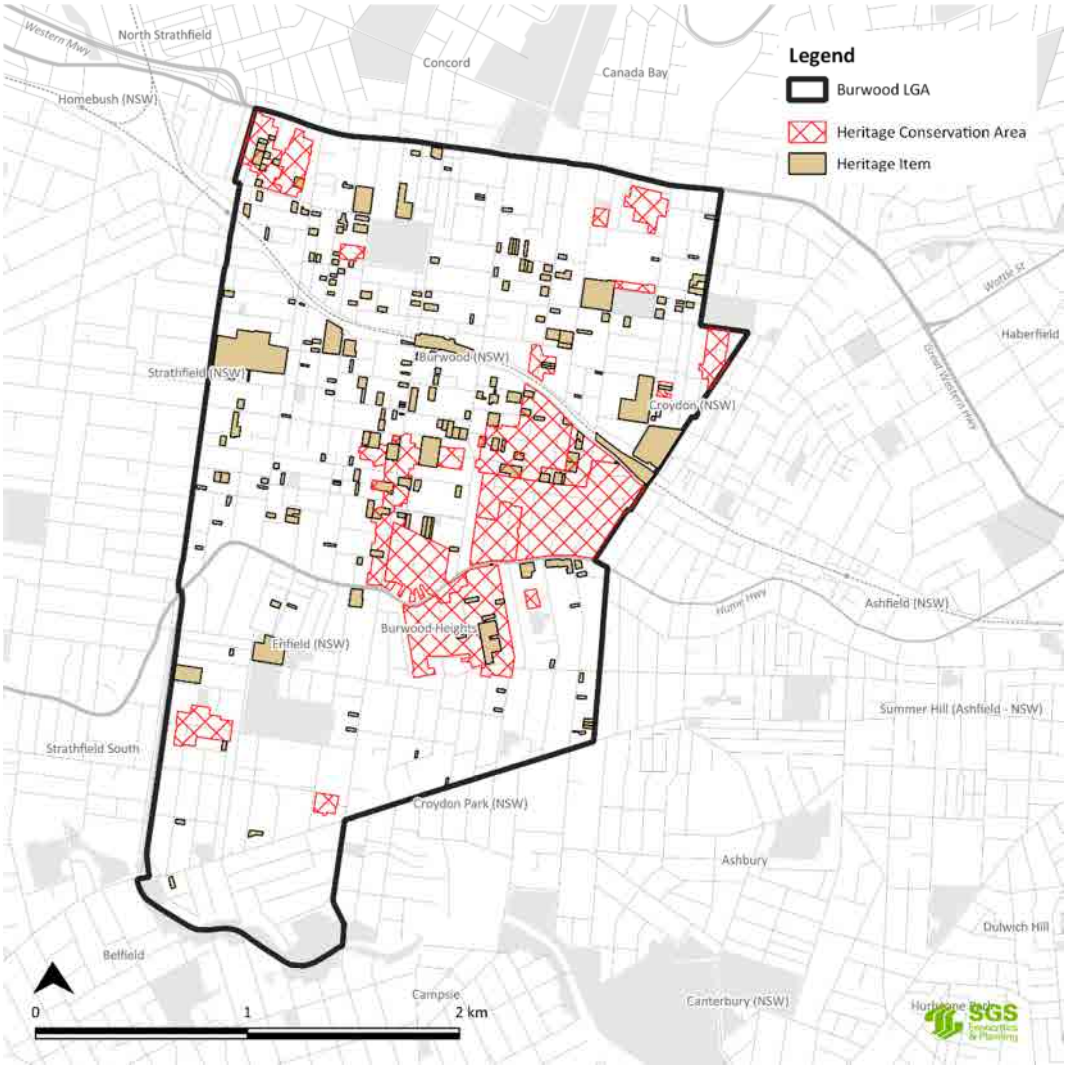


Source: SGS 2019

Heritage

Heritage affectation is likely to limit redevelopment prospects, both on properties containing heritage items and in heritage conservation areas in which infill development would be unsympathetic with the predominant character and age of development. Some redevelopment may be possible if it does not impact on heritage significance, but moderate intensification is less likely in areas with heritage affectation, which are shown in Figure 46 as recorded in current planning controls.

FIGURE 46: AREAS WHICH ARE CONSTRAINED FROM REDEVELOPMENT DUE TO THEIR HERITAGE LISTING



Source: Burwood LEP 2012

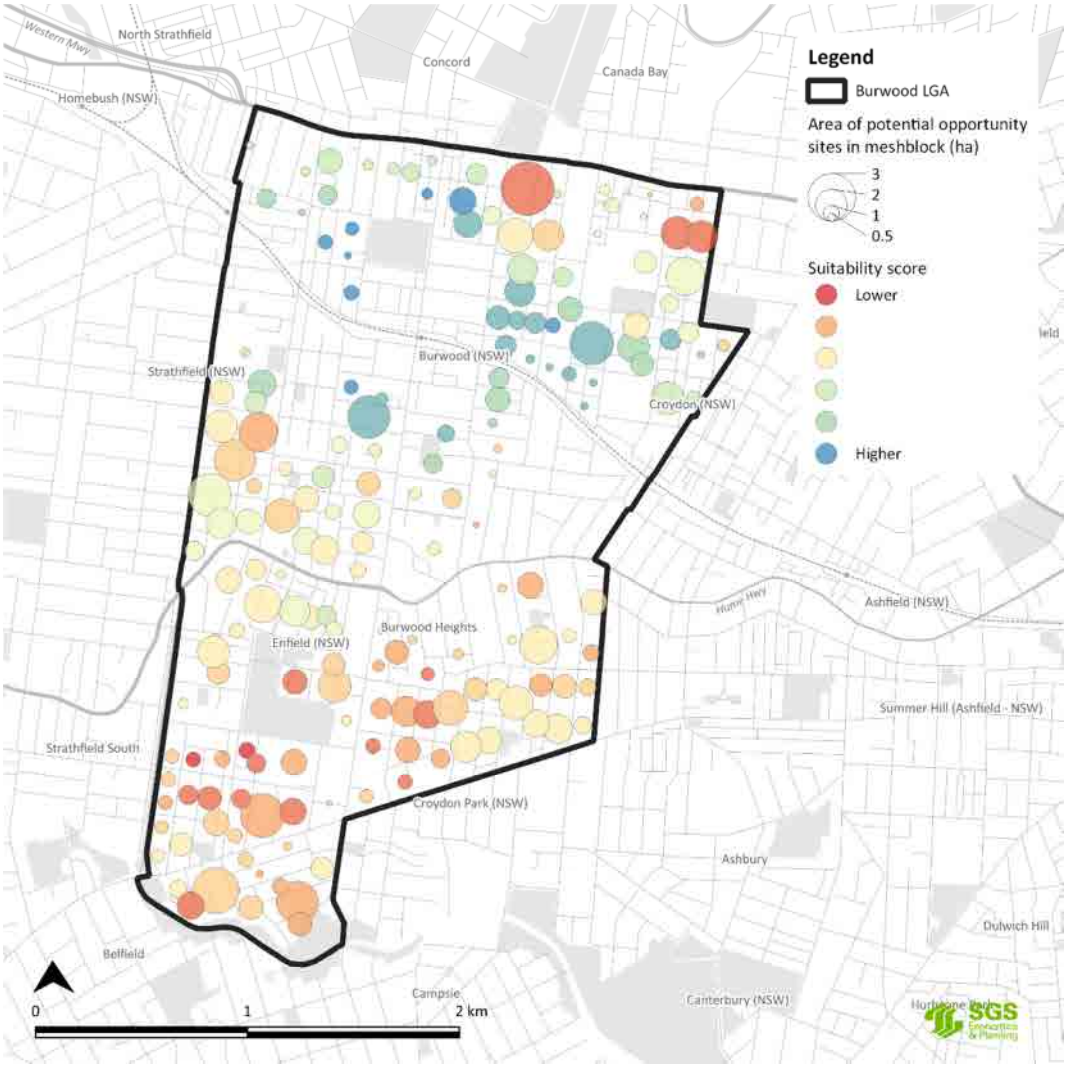
Potential opportunity sites

Combining the above development constraints provides an indication of the places in which additional medium density infill development may be possible. These are sites which:

- Are zoned R2 medium density residential and so are not already intended to be developed for the purpose of medium or high density residential accommodation,
- Which have a land area of at least 400sqm,
- Which do not house multi-unit residential development,
- Which do not contain social infrastructure or other land uses which are likely to remain in place over the next 20 years, and
- Which are not listed as having heritage significance under current planning controls.

The total area of properties in each meshblock in the Burwood LGA which meets these criteria is shown in Figure 47, along with each meshblock's suitability score for housing intensification as determined in Section 7.1.

FIGURE 47: HOUSING SUITABILITY FOR POTENTIALLY DEVELOPABLE PROPERTIES ZONED R2 WHICH ARE AT LEAST 400SQM IN AREA



Source: SGS 2019

Figure 47 shows several areas which may be appropriate for rezoning to R3 to accommodate additional medium density housing:

- The immediate surrounds of the Burwood Town Centre, particularly to the east
- The area between the Croydon and Burwood centres
- Low density residential areas immediately north and south of the Hume Highway at Enfield
- North of Georges River Road in Croydon Park

7.3 Feasibility

Methodology

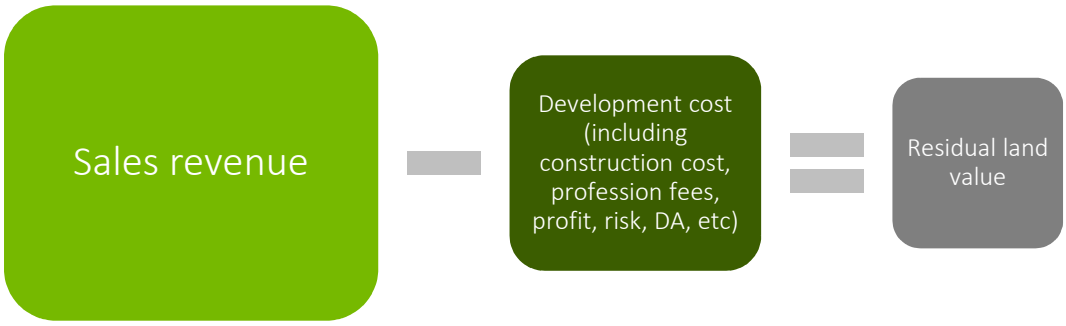
The feasibility of residential development on target sites has been tested with a residual land value (RLV) model. The RLV is the maximum amount that a rational developer could pay for a site for redevelopment while still making a profit.

The RLV is calculated by deducting all the costs of a development from the sales revenues in the current market. The development costs include construction costs and contingencies, external works and other site works, professional fees, a developer's profit margin,

infrastructure levies or contributions and other council fees. This calculation is illustrated in Figure 48.

If the RLV is much greater than a site's current value including existing improvements such as dwellings, a developer could afford to pay more than the current market value for a site. In this case development is likely to be feasible. If the RLV is much less than a site's value, a developer would not be able to make a sufficient profit from a development to cover the cost of site acquisition, and development would be unfeasible.

FIGURE 48: RESIDUAL LAND VALUE CALCULATION



Source: SGS Economics and Planning, 2019

Feasibility under an RLV model is usually reported with a ratio of RLV to current land value. If this ratio is 1.25 or greater, a developer could afford to pay a 25% premium on the existing land value to acquire a site for development. This premium could entice a landowner to sell a site for development and would facilitate the amalgamation of sites for development. In this case, development is reported to be feasible.

A feasibility ratio of between 1 - 1.25 indicates that development may be feasible. In this range a developer would be able to make enough profit from a development to cover the cost of acquisition of the land if a landowner is willing to sell their land for a smaller price margin than 25%. However, as there is less room for a price premium in the event of an increase in land value, development may become unfeasible in the future. Developers may also be unable to acquire multiple sites for amalgamation. In this case, development is reported to be marginally feasible.

A feasibility ratio of less than 1 indicates that a developer would not make enough profit to make development viable.

Feasibility testing sites

Development feasibility was tested on three example sites to determine whether feasibility is likely to limit the development of attached dwellings. Site selection was based on development permissibility and whether there have been recent sales nearby to ensure the acquisition cost is accurate.

The following parameters were considered when selecting the site for a dual occupancy development:

- Minimum site area of 600 sqm for a detached dual occupancy
- Minimum site area of 500 sqm for an attached dual occupancy, and a minimum site frontage of 15 metres
- Maximum built area: 67 per cent
- 50 sqm of private open space for each dwelling
- 1 parking space for each dwelling

The following requirements from the Burwood DCP were taken into consideration when selecting example sites for a townhouse (multi-dwelling housing) development:

- Minimum site frontage of 17 metres for two storey townhouses
- Maximum floor space ratio (FSR): 0.55:1 in the R3 zone
- 25 sqm of private open space for each dwelling

For the dual occupancy development, two sites were tested to determine whether there was a price point difference between the suburb of Burwood and other locations within the Burwood LGA, since the acquisition cost for the site in Burwood was much higher than other suburbs and may be related to expectations of future development given the site's proximity to the Burwood Town Centre and Train Station.

A summary of the sites tested is shown in Table 26.

TABLE 26: SUMMARY OF FEASIBILITY INVESTIGATION

Address	Example 1, Burwood	Example 2, Croydon Park	Example 3, Croydon
Zoning	R2	R2	R3
Development type	Dual occupancy	Dual occupancy	Townhouse
Current FSR control	0.55:1	0.55:1	0.55:1
Current height of building control	8.5m	8.5m	8.5m
Site area (sqm)	900	650	1,250
Current use	4 bedroom separate house	3 bedroom separate house	6 bedroom separate house

Feasibility assumptions

Table 27 below shows the cost inputs and assumptions used in the feasibility modelling. Site acquisition costs have been estimated based on recent sales prices for each site and surrounding sites with similar development and use. Expected development revenues have been estimated from reported recent sales prices for comparable dwellings in nearby areas.

TABLE 27: COST INPUTS AND ASSUMPTIONS

Input	Source	Value
Construction and demolition costs	Rawlinson's Construction Handbook 2018	Varies
Acquisition costs	Market assessment	Example 1, Burwood: $3,010,000 Example 2, Croydon Park: $1,290,000 Example 3, Croydon: $2,300,000
Construction contingency	Various sources using industry standards	10% of base construction costs
Professional fees	Various sources using industry standards	9.2% of base construction costs and contingency
Development contributions	Burwood s.7.12 contributions plan	1% of construction costs
DA Fees	EP&A regulations (marginal fee only – does not account for other fees and charges)	Varies
Finance costs	Various sources using industry standards	6% of construction costs, land costs and fees & charges

Developer profit and risk	Various sources using industry standards	20% of all other development costs
Median residential sales values	Market assessment	Burwood dual occupancy: $1,700,000 Croydon Park dual occupancy: $1,430,000 Croydon townhouse: $1,210,000
Sales commission, marketing and legal fees	Various sources using industry standards	4% of sales revenues

Feasibility results

Dual occupancy development

Based on the acquisition cost and development sale price assumed, Dual occupancy is not feasible in **Example 1 (Burwood).** This is due to the high acquisition cost of the property already on the site.

To achieve a feasibility ratio of 1 (just feasible), there needs to be a 44 per cent increase in the sale price or a 48 per cent decrease in acquisition cost, see Table 28 for the feasibility result.

TABLE 28: FEASIBILITY RESULT FOR DUAL OCCUPANCY DEVELOPMENT IN BURWOOD

Total development costs	$ 1,540,323
Net sales revenue	$ 2,937,600
Residual land value (sales revenue – total development costs)	$ 1,397,277
Estimated land cost	$ 3,161,190
Feasibility ratio (residual land value / estimated land cost)	**0.44**

Dual occupancy development at **Example 2 (Croydon Park)** is also estimated to be unfeasible, but closer to being feasible than development in Burwood due to the lower site acquisition price (although there is also a lower expected revenue).

TABLE 29: FEASIBILITY RESULT FOR DUAL OCCUPANYCY DEVELOPMENT IN CROYDON PARK

Total development costs	**$1,364,949**
Net sales revenue	$2,471,040
Residual land value (sales revenue – total development costs)	$1,106,091
Estimated land cost	$1,346,440
Feasibility ratio (residual land value / estimated land cost)	**0.82**

Townhouse development

The site at **Example 3 (Croydon)** could allow for a maximum of six townhouses. The feasibility of different townhouse numbers was tested from six townhouses to three townhouses. The site is feasible for constructing five or more townhouses, see Table 30.

TABLE 30: FEASIBILITY RESULT FOR TOWNHOUSES IN CROYDON

Number of townhouses (yield)	6
Total development costs	$3,228,875
Net sales revenue	$7,198,900
Residual land value (sales revenue – total development costs)	$3,970,025
Estimated land cost	$2,411,990
Feasibility ratio (residual land value / estimated land cost)	1.65

Summary of feasibility results

The feasibility results reflect the observed market movement. Given the high acquisition costs, dual occupancy development does not provide enough dwelling uplift to be a feasible development type. There is no recent dual occupancy development in Burwood LGA. Dwelling types that could produce a higher dwelling uplift such as townhouses and manor houses are more viable development options. There have been several townhouse developments proposed or approved in Burwood, Croydon and Croydon Park in 2019.

Different price points at Burwood, Croydon and Croydon Park have been observed, with Burwood having the highest price point. A dual occupancy development in Croydon Park is more feasible than the same development in Burwood due to the relatively lower acquisition cost at Croydon Park.

7.4 Ways of meeting housing demand

It will be necessary to create capacity for additional medium density housing development in the Burwood LGA to increase housing diversity and address the current capacity-demand gap. There are different densities at which this development can occur, primarily associated with dual occupancy, attached dwelling and multi-dwelling housing development.

Figures Figure 49 - Figure 52 to below show examples of different kinds of townhouse, villa and terrace developments at 30-120 dwellings per hectare. Most of Burwood's low density suburbia could be retained if redevelopment occurs at moderate densities in places with good access to public transport, shops, services and jobs. Medium density dwellings, as illustrated in Figures Figure 49 - Figure 52 , reflect the scale of suburban houses and would not disrupt the local character as much as high density apartment development.

FIGURE 49: ATTACHED DUAL OCCUPANCY DEVELOPMENT (TWO DWELLINGS ON WHAT USED TO BE ONE LOT) AT 27 DWELLINGS PER HECTARE

FIGURE 50: TOWNHOUSE STYLE DEVELOPMENT AT 30 DWELLINGS PER HECTARE

FIGURE 51: TERRACE STYLE DEVELOPMENT WITH A COMMON DRIVEWAY AT 55 DWELLINGS PER HECTARE

FIGURE 52: THREE STOREY TERRACED DEVELOPMENT AT 120 DWELLINGS PER HECTARE

Table 31 shows the amount of land that would need to be rezoned to create capacity to meet the identified demand for medium density dwellings in the Burwood LGA. The land needed would depend on the intended density of development. There is enough land around the Burwood Town Centre, between Burwood and Croydon and around the local centres of Enfield and Georges River to accommodate these land requirements.

TABLE 31: LAND REQUIREMENTS TO CREATE CAPACITY FOR 1,011 ADDITIONAL MEDIUM DENSITY DWELLINGS

Development density (dwellings/ha)	Land area per dwelling	Area needed for additional capacity (ha)
40	250	25
50	200	20
67	150	15
100	100	10

Source: SGS 2019

At the current FSR of 0.55 for the R3 zone, densities of between 40-60 dwellings/ha should be achievable for infill development, requiring floorspace of between 92sqm – 148sqm per dwelling on average. An increased FSR would permit slightly higher densities, requiring less land to be redeveloped and retaining more land for either future development or with the current suburban character.

8. LOCAL HOUSING STRATEGY

8.1 Key findings from evidence base

A. While there is enough capacity under current planning controls to accommodate likely housing demand (implied by population projections) until at least 2036, there is a shortfall of capacity for attached dwellings, and some of the attached dwelling capacity is not likely to be feasible to develop.

Policy Direction: Create additional medium density housing capacity to increase housing diversity and choice and facilitate increased attached dwelling development feasibility, while only rezoning to allow additional apartments is other public benefits are provided.

B. There is a large pipeline of proposed development in Burwood, which if delivered will cause development rates to be much higher in the short-term than those recently recorded. This raises the prospect of future dwelling supply-demand interaction deviating from estimates used in this strategy.

Policy Direction: Commit to an ongoing periodic review housing supply and demand to ensure that enough capacity is maintained and retain long-term housing development opportunities, including increased housing supply north and west of the Burwood Town Centre.

C. New dwelling development is dominated by apartments, most of which have two bedrooms. This is driving demographic change with many young people moving into the area, but it is not increasing housing diversity to encourage young people to stay in the area as they age nor is it catering to the needs of Burwood's diverse and changing community.

Policy Direction: Ensure that apartments cater to a diverse demographic, including through the creation of an apartment diversity clause (requiring a set proportion of larger apartments in apartment developments) and ensure that there is sufficient capacity for attached dwelling development.

D. Housing in the Burwood LGA and surrounds is becoming less affordable, with a large and increasing gap between the supply and demand for social and affordable housing.

Policy Direction: Work with community housing providers, and investigate requiring the provision of affordable housing as part of major housing development, including through a SEPP 70 contribution.

E. Additional housing development should be directed to locations with good access to public transport, jobs, services, open space, social infrastructure and shops. The catchments of local centres throughout Burwood meet this definition.

Policy Direction: Plan for additional medium density infill housing development around the Burwood Town Centre, in the catchments of local centres, and the area between Burwood Town Centre and Croydon which is highly accessible.

8.2 Vision and key priorities

> The Burwood LGA will provide a wider variety of housing choices to cater to the evolving needs of the diverse community. These will include high density apartments in vibrant centres, larger apartments, medium density dwellings and the separate houses that give much of Burwood its valued suburban character. Increased housing choice will allow people of all ages to stay in the LGA as their life circumstances change.
>
> Medium density housing development will be focused on the LGA's centres, supporting their vibrancy and providing people with great places to live that are highly accessible. This will be supplemented by the continued development of well-designed high-density housing around the Burwood and Strathfield Town Centres. Redevelopment at Burwood North will occur in the longer term, taking advantage of the new Metro Station to extend the Burwood Town Centre to the north.
>
> Much of the LGA will continue to have a high amenity suburban character. Only limited amounts of development will occur outside of identified areas for redevelopment and the impacts of development will be carefully managed.
>
> Housing in the LGA will be more affordable, with increased housing diversity providing affordable options for a variety of people. There will be a greater supply of affordable housing for people on lower incomes, and the LGA will be easily accessed by those who live elsewhere.

The following are the key objectives for housing in Burwood which implement this vision:

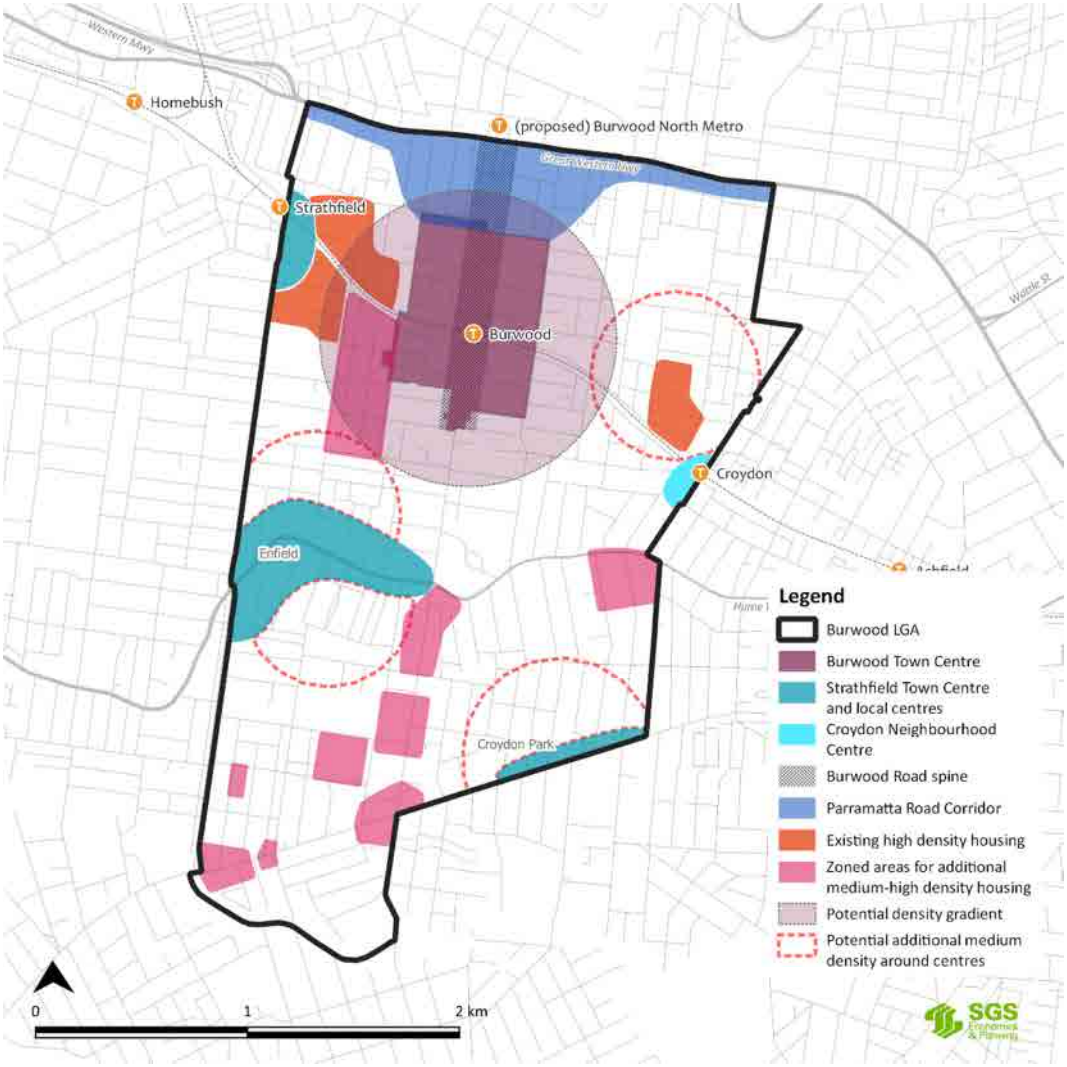
- Increase **housing diversity** and choice to meet the community's changing needs
- **Make housing more affordable**, including through development contributions, advocacy and partnerships
- Preserve **local character** by preventing extensive redevelopment in those parts of the LGA which have heritage significance or a significant local character
- Plan for **longer term housing needs**, preserving opportunities for medium and high density housing development beyond 2036 near centres and public transport
- Support the **vibrancy, vitality and activity of centres**, including the Burwood Town Centre, local centres and neighbourhood centres

These objectives are expanded and implemented through actions in Section 8.5 as well as through the housing structure plan in Section 8.3.

8.3 Spatial housing directions

A structure map illustrating Burwood Council's housing development strategy is shown in Figure 53.

FIGURE 53: HOUSING STRUCTURE PLAN



This structure plan has the following elements:

- **Burwood Town Centre** has capacity for over 2,700 additional dwellings, and this is likely to take at least 10 years to build out. This will continue to be the primary high-density housing destination in the LGA and a complete centre with a mix of uses supporting Burwood's vibrancy, diversity and economy.
- The **Parramatta Road Corridor** is proposed to be redeveloped and will benefit from the Burwood North Metro Station. This area will host additional medium and high density housing, with rezoning to occur shortly before the completion of Sydney Metro West.
- The **potential density gradient** area around Burwood Town Centre will be reviewed to increase medium density housing capacity and create a density transition to the low density suburbs around the Burwood Town Centre. Some land will be preserved from redevelopment to leave capacity to meet longer-term housing needs.
- The **Burwood Road Spine** links the Burwood Train Station to the future Burwood North Metro Station and Parramatta Road Corridor, all of which will have good access to retail and services along Burwood Road. It forms the beating heart of the Burwood Town Centre, and its vitality and vibrancy will be enhanced by surrounding housing development.

- **Zoned areas for additional medium-high density housing** comprise the current R1 General Residential zones (except for those within local centres). Together with the Burwood Town Centre, these areas already provide enough capacity for apartment development until at least 2036.
- Additional high density housing development will continue to occur in **Strathfield Town Centre and Local Centres** within the current zoning framework. This will create opportunities to improve the urban design and public domain of local centres.
- **Potential additional medium density capacity around centres** will be created by rezoning land to permit medium density development (subject to further investigation). This will create greater housing diversity and support the operation of local centres. The boundaries of this rezoning and exact mechanisms to facilitate development will be determined through the implementation of this housing strategy complemented by the Burwood Masterplan.
- **Low density residential areas** not shown in Figure 53 will continue to have a suburban character, with only limited amounts of infill development occurring. Rezoning of these areas is not necessary to provide enough housing capacity to meet likely demand in the Burwood LGA to 2036.
- Minimal development will occur in the **Croydon Neighbourhood Centre**, preserving its valued and high-amenity local character.

Why this plan?

There are several possible approaches that Burwood Council could take to planning for housing, including:

- Do nothing – no changes to current planning controls,
- Permit additional high density housing in the short and medium term, most likely around the Burwood Town Centre, or
- The proposed plan shown in Figure 53 and outlined in the actions below.

An assessment of each option against the housing objectives for Burwood is shown in Table 32. The proposed plan is the most consistent with the objectives, which responds to the key findings from the evidence base which are shown in Section 8.1.

TABLE 32: ALIGNMENT OF POSSIBLE HOUSING APPROACHES WITH OBJECTIVES

Objective	Do nothing	More high density	Proposed plan	Explanation
Increase **housing diversity**	-	-	✓✓✓	The proposed plan is the only option which increases housing diversity.
Increase **housing affordability**	✓	✓	✓✓	The proposed plan has actions to leverage medium and long term redevelopment to increase affordable housing.
Preserve **local character**	✓✓✓	✓✓	✓✓	While redevelopment in existing suburbs is proposed, medium density can be designed sympathetically with existing character.
Plan for **longer term housing needs**	✓✓✓	✓✓	✓✓✓	The proposed plan would preserve some land from short-term development, leaving more scope for future development to respond to the community's evolving needs than short-term rezoning for high density.
Support the **vibrancy, vitality and activity of centres**	✓	✓✓	✓✓✓	Planning for additional medium density housing development around all local centres provides more support than more concentrated high density development

8.4 Housing targets

Setting housing targets

Housing targets are calculated by assuming that the high development rates indicated by the 2016-2021 housing target will decline in a roughly linear way, with total targets from 2016-2036 set to match the implied dwelling requirement for around 7,000 additional dwellings modelled in this Strategy:

- 2016-2021: 2,600 dwellings
- 2021-2026: 2,030 dwellings (in additional to any shortfall between 2016-2021)
- 2026-2036: 2,370 dwellings

The completion of the Burwood North Metro Station may create additional housing demand and opportunities for increased high density housing delivery to provide public benefits like increased affordable housing supply. In this case, housing targets should be reviewed prior to 2026 and may need to be increased.

Meeting housing targets

Dwelling production within the Burwood LGA is not on track to meet the 2016-2021 housing target, with only 42% of the target met in 63% of the timeframe between July 2016 and August 2019. If development rates do not increase by 2021, the LGA may fail to reach its 2016-2021 target.

There is a substantial housing development pipeline comprising enough dwellings to meet both the 2016-2021 and 2021-2026 targets, and there is enough capacity under current planning controls to meet all of the targets. As such, any shortfall between 2016-2021 is likely to be made up by 2026 and no planning intervention is required to meet the targets.

8.5 Objectives and actions

Increase housing diversity and choice to meet the community's changing needs

The Burwood LGA has a diverse community including people of a wide variety of ages, backgrounds and circumstances. It is important that as the community's housing needs change in the future, housing development in the LGA changes with them.

Dwelling development in the Burwood LGA is currently dominated by the construction of apartments in the Burwood Town Centre, most of which have two bedrooms. This caters to small households and the many younger people moving to Burwood. However, the people attracted to these relatively small dwellings will need choices of moderately sized dwellings to move into as their circumstances change to allow them to stay in the area. For example, providing more housing choice would allow:

- Young people to move into dwellings larger than apartments but more affordable than separate houses if they start families or want more space as they get older,
- Older people to downsize to a moderately sized dwelling from a large separate house when their children move out or their mobility changes while staying in the same area,
- Existing families to move into new dwellings near Burwood's vibrant centres, ensuring Burwood's centres continue to be visited by from a broad range of demographic groups.

Modelling has identified that there is not enough capacity for attached dwellings under current planning controls. Increasing the amount of land on which attached dwellings are permitted and ensuring that development is feasible will facilitate development. Focusing development around existing centres will support their vibrancy and activity as well as allowing people to meet some of their daily needs without needing to drive their car.

Actions:

- Investigate rezoning land in the density gradient area around the Burwood Town Centre to the R3 zone
- Investigate the creation of variable floor space ratio and development height controls in the R3 zone with allowable floor space and height dependent on development type and lot size, with the aim of encouraging site amalgamation and providing a small increase on current floor space ratio controls for low rise (1-3 storeys) attached dwelling types.
  Urban design work testing building envelopes would be required to develop these controls. An example of this approach is provided in the design criteria in DPIE's *Low Rise Medium Density Design Guide.*
- Investigate rezoning land around the following centres to create additional capacity for medium density development
  - Croydon, north of the Railway Line
  - Enfield
  - Croydon Park
- Investigate selective rezoning of sites with frontages to parks to facilitate medium density development which would improve the interface with the public domain
- Require a proportion of all apartments to have three or more bedrooms to cater to larger household sizes (with the specific percentage subject to further investigation)

Increase housing affordability

Housing in the Burwood LGA is becoming increasingly unaffordable, with rises in dwelling prices outpacing increases in household incomes and rents broadly unaffordable for the average household. Modelling shows that there is a significant segment of Burwood's households who need social or affordable housing, including those who are homeless or are paying a high proportion of low-moderate incomes on rent. SAH demand currently outstrips supply, with this gap likely to widen over time.

There are a wide variety of potential social and economic impacts of housing unaffordability. A high proportion of people in two bedroom apartments in the Burwood LGA live with more people than their housing is suitable to accommodate. People spending high proportions of their income on renting housing may have to cut back spending in other areas and are vulnerable to economic shocks and changes in their circumstances. For Burwood's economy to function and grow, businesses need access to a labour pool of key workers. These are people who are paid very low, low or moderate incomes but who provide important services for local productivity and liveability (commonly discussed examples include nurses, aged care workers, emergency service workers, retail workers, cleaners and hospitality staff). A lack of housing affordability will make it increasingly difficult for these people to live near Burwood, even if they are employed in Burwood.

Burwood Council is unlikely to be able to address the gap between affordably housing demand and supply by itself. However, there are actions that Burwood Council can take to increase the supply of affordable housing, including requiring major developments to contribute and collaborating with the community housing sector. Along with these actions, it will be important to ensure that the Burwood LGA is accessible from other parts of Sydney in which housing is more affordable to ensure that key workers can travel to the LGA.

Actions:

- Investigate the creation of a density bonus scheme which would allow increased floor area in apartment developments if affordable housing is provided
- Use SEPP 70 to require affordable housing contributions in any future rezoning along Parramatta Road and near the Burwood North Metro Station which allows additional housing density

- Continue to liaise with community housing providers to facilitating housing development, potentially through the provision of increased development rights linked to the long-term affordability of the housing delivered
- Seek the provision of affordable housing through planning agreements as part of proponent-led rezoning of development sites (where rezoning is deemed to be appropriate)

Protect local character

The Burwood LGA contains a variety of dwelling types, each of which contribute to Burwood's local character. While high density apartments increase vibrancy in Burwood's centres, much of the land area of the LGA is occupied by separate houses, creating a suburban character that is valued by Burwood's community. Heritage items and precincts contribute to this character and must continue to be protected.

As housing development continues to occur in the Burwood LGA, it will be important to protect the valued local character where possible. Focusing housing redevelopment around local centres will ensure that other parts of the LGA remain relatively undisturbed. Reviewing development standards will allow Burwood Council to minimise the impacts of any development which does occur.

Actions:

- Review minimum site frontage and lot size controls for dual occupancy and multi-dwelling housing development, with the intention of placing minimum standards in the LEP.
- Protect identified areas with heritage significance or significant local characters from rezoning to facilitate increased housing density

Plan for longer term housing needs

While this housing strategy plans for housing development until 2036, it is also important to consider potential housing needs in the longer term. Population projections more than 20 years in the future are not very reliable, but it is likely that people will want to continue to come to Greater Sydney and to the Burwood LGA, and that the housing needs of Burwood's diverse community will continue to evolve.

Given that population growth in the Burwood LGA is likely to continue past 2036, it will be important to not all of the land around the LGA's centres is developed, and so opportunities remain for additional medium and high density housing development in the future. Large properties which have not been strata subdivided are much easier to develop than other properties, and so retaining some well located low density residential zones is important.

As well as the uncertainty in housing need in the long term (after 2036), it is important to recognise the uncertainty in housing need over a shorter timeframe. An increase in the rate of population growth or changes in the housing market could lead to increases in the rate of housing development, meaning that housing capacity in the Burwood LGA is exhausted earlier than expected. As a result, the alignment of housing capacity and demand should be reviewed periodically to ensure that enough development capacity remains.

Another factor which could increase the rate of housing development is the completion of major transport infrastructure. The planned Metro Station at Burwood North will create opportunities for both housing and employment related development which are still being considered. Development along Parramatta Road and near Burwood North could contribute to longer term housing need.

Actions:

- Rezone land near the Burwood North Metro Station to facilitate higher-density housing development, including large apartments and ground floor apartments which cater to families and larger households
- Retain some land between the Train Line and Parramatta Road with a low density residential zone, providing capacity for future redevelopment after 2036
- Review housing capacity and likely demand every five years to ensure that sufficient housing capacity remains to meet likely demand

8.6 Action table

	Action	Short-term	Medium-term	Long-term
Action 1	Investigate rezoning land in the density gradient area around the Burwood Town Centre to the R3 zone			
Action 2	Investigate the creation of variable floor space ratio and development height controls in the R3 zone with allowable floor space and height dependent on development type and lot size, with the aim of encouraging site amalgamation and providing a small increase on current floor space ratio controls for low rise (1-3 storeys) attached dwelling types.			
Action 3	Investigate rezoning land around the following centres to create additional capacity for medium density development ▪ Croydon, north of the Railway Line ▪ Enfield ▪ Croydon Park			
Action 4	Investigate selective rezoning of sites with frontages to parks to facilitate medium density development which would improve the interface with the public domain			
Action 5	Require a proportion of all apartments to have three or more bedrooms to cater to larger household sizes (with the specific percentage subject to further investigation)			
Action 6	Investigate the creation of a density bonus scheme which would allow increased floor area in apartment developments if affordable housing is provided			
Action 7	Use SEPP 70 to require affordable housing contributions in any future rezoning along Parramatta Road and near the Burwood North Metro Station which allows additional housing density			
Action 8	Continue to liaise with community housing providers to facilitating housing development, potentially through the provision of increased development rights linked to the long-term affordability of the housing delivered			
Action 9	Seek the provision of affordable housing through planning agreements as part of proponent-led rezoning of development sites (where rezoning is deemed to be appropriate)			
Action 10	Review minimum site frontage and lot size controls for dual occupancy and multi-dwelling housing development, with the intention of placing minimum standards in the LEP			
Action 11	Protect identified areas with heritage significance or significant local character from rezoning to facilitate increased housing density			
Action 12	Rezone land near the Burwood North Metro Station to facilitate higher-density housing development, including large apartments and ground floor apartments which cater to families and larger households			
Action 13	Retain some land between the Train Line and Parramatta Road with a low density residential zone, providing capacity for future redevelopment after 2036			
Action 14	Review housing capacity and likely demand every five years to ensure that sufficient housing capacity remains to meet likely demand.			

SGS Economics & Planning

Contact us

CANBERRA
Level 2, 28-36 Ainslie Place
Canberra ACT 2601
+61 2 6257 4525
sgsact@sgsep.com.au

HOBART
PO Box 123
Franklin TAS 7113
+61 421 372 940
sgstas@sgsep.com.au

MELBOURNE
Level 14, 222 Exhibition St
Melbourne VIC 3000
+61 3 8616 0331
sgsvic@sgsep.com.au

SYDNEY
209/50 Holt St
Surry Hills NSW 2010
+61 2 8307 0121
sgsnsw@sgsep.com.au