



Summary

Australia is faced with a major affordable housing problem. Not only does unaffordable housing impact on society's ability to function, including impacting on family and community cohesiveness, but it also affects an individual's prosperity and ability to participate in the economy.

The architectural profession is a key player in the built environment, whose experience and skills can assist in addressing this issue, both in affordability of initial purchase and cost of occupation.

Background

The term 'Affordable Housing' is usually used to describe housing which is "appropriate for the needs of a range of low and moderate income households; and priced so that households are able to meet other essential basic living costs."¹

There have been recent calls by the Victorian Council of Social Service and the Australian Conservation Foundation to expand the definition of affordable housing to include a broader concept of 'affordable living'. Affordable living would take into account:

- indirect costs such as accessing employment areas, services and facilities
- household expenditure on electricity, gas and water
- costs of adaptable housing for older people or people with a disability²

The Institute is supportive of this broader definition and adopts it in this policy.

Affordable housing is a complex issue, with a number of economic, social and infrastructure factors determining housing affordability. "The substantive causes of the housing affordability problem have been identified in Australia as: escalating prices; labour market



change,...; demographic change... ; reduced supply of dwellings- for both rent and to buy; lack of innovation in the building industry; lack of acceptance of low cost housing in the community; and lack of diversity of house type.”³

With demographic changes such as; the ageing population, the growing number of single person households contrasted with the increasing number of young adults remaining at home with their parents, a corresponding increase in both the number of small houses and variety/flexibility of house types to accommodate these demographic changes is needed. Paradoxically, while “households sizes and house lots are becoming smaller, the houses are becoming larger.”⁴

Government Activity

Since the beginning of 2008, the Federal Government has undertaken a raft of additional activity. For instance, COAG has convened a Housing Working Group which has a number of initiatives under way to address housing affordability.

The Federal Government has announced its Housing Affordability strategy which includes:

- financial commitments to assist first time home buyers
- a Housing Affordability Fund which aims to streamline development approval processes and reduce developer and infrastructure costs to lower the cost of new housing
- the National Rental Affordability scheme which is designed to encourage investment in the provision of new affordable rental properties
- the development of a national action plan on homelessness

In addition, the Senate Select Committee on Housing Affordability reported in June 2008 and made a number of recommendations to address this issue.



Several State Governments have also produced Housing Affordability guidelines and/or undertaken activity in this area.

Sustainable design

In considering the affordability of housing, it is also important to think about long term affordability and the need to incorporate environmentally sustainable design techniques in the design of new homes and modification of existing homes.

Affordable housing should include sustainable design with the twin aims of reducing greenhouse gas emissions and reducing the cost of living for occupants. Although architects can and do play a significant role in sustainable design, the challenge is to produce sustainable design without a higher purchase cost.

Passive solar design integrated with an understanding of complementary building techniques are part of an architect's training, and provide fundamental, cost effective primary measures in this regard. Proper orientation, suitably sized eaves, effective insulation and energy-efficient high performance systems and products are relevant for all housing.

Flexible Housing

Australia's changing demographics entail a need to offer a diverse choice of housing forms to suit contemporary families and lifestyle choices.

The Institute believes that emphasis on new housing development of broadacre sites is not a sustainable or affordable solution to the increasing demand for housing. Instead, the solution needs to include flexible housing types that can accommodate a number of 'households' within the one physical structure.

"There is considerable potential to adapt both [single and double storey houses]... into multi-generational homes. In general, only minor, primarily interior physical modifications are needed to adapt



most of the existing plans, and by adopting some simple planning and construction principles from the outset, the adaptability would be further facilitated.”⁵

“However... [there are instances of] planning and building regulations [which] do not permit the adoption of ...dwellings to accommodate a number of ‘households’ within the one physical structure which could... ease the pressure for completely new structures. In particular, the prohibition of incorporating an additional kitchen by planning regulations means that existing houses cannot easily accommodate an extended family without them ‘living in each others pockets.’”⁶

Affordable Living

The Institute supports the view that affordable housing needs to be well located with “access to services and facilities, employment and education, preventing concentrations of low-moderate income earners in disadvantaged locations”⁷.

Expected increased energy and transport costs under the Federal Government’s proposed Carbon Pollution Reduction Scheme means the consideration of housing affordability must include transport as well as operating energy costs.

“People on low incomes forced to live in outer suburbs where rent or purchase price is lower, are extremely vulnerable to... [inadequate public transport, fuel costs] interest rates and inflation. Inadequate public transport forces car dependency and any savings gained through cheaper rent [or purchase price] are lost in travel costs for pursuing employment or education opportunities.”⁸

The Institute is encouraged by the work being undertaken in various states, on Transport Oriented Development (TODs), (including activity centres and transport corridors), the application of which could contribute to affordable living without continued unsustainable expansion of our cities boundaries.



Architectural contribution

The architecture profession is a key player in the development of the built environment, whose skills can deliver more affordable housing both in initial purchase and cost of occupation.

The contribution which architects can make to housing affordability includes;

- designing smaller, energy efficient and more flexible houses, and more cost and energy efficiency mass housing schemes
- providing education programs for both the community and the professions
- finding ways to work with developers and builders on affordable housing
- developing more efficient techniques in construction
- design to work with system building and maximising off site construction
- proposing “housing that produces [net] income as well as providing accommodation.”⁹
- exploring options for adaptation of existing housing stock for both energy efficiency gains and to allow flexibility to accommodate multi generation/multiple families



What Governments need to do

- Government policies at all levels, including building and planning controls, need to address an appropriate mix of affordability and sustainability, including the whole of life cost of housing.
- Streamline planning approval processes to minimise development costs by implementing the Development Assessment Forum's (DAF) Leading Practice model. The Institute recognises that existing funding grants to state and territory governments, such as the Commonwealth's allocation for harmonisation and reduction of red tape (through the electronic development application system), have a part to play in planning system reform,
- Encourage densification of cities, with a focus on multi-residential developments and urban consolidation as a means of increasing affordable housing stock. However, it should be noted that densification does not necessarily mean excessive building height. Increased density can include low scale and also be achieved through adoption of existing housing stock for multi-generational living. The Institute supports the NSW SEPP 65 regulations which have improved the design quality of multi-unit residential flat developments,
- Introduce planning regulations to allow for flexible housing types, including multi-generational occupancy,
- Require design regulations to include sustainability with good links to local amenities, health, education, employment and public transport,
- Include sustainability criteria in eligibility assessment for housing incentive schemes,
- Surplus government land to be considered for affordable housing before being offered elsewhere.



What Institute members need to do

- Participate in green home inspections to help identify retrofitting options,
- Explore multi housing efficiency gains through communal facilities and resources in housing developments eg, shared parking, entertainment and recreation areas and shared infrastructure such as solar water heaters, solar power, rain water harvesting and introducing power cogeneration,
- Explore design options to allow houses to be easily adapted and extended or reduced to maximise flexibility of use,
- Research and test new building technologies, alternative construction techniques and materials to reduce construction budgets through efficiency and volume. For example, prefabrication techniques, that are locally based without the sustainability issues of long distance transport,
- Promote new housing types that address design innovation, diversity and flexibility, sustainability and affordability,
- Identify options in alterations and additions for affordable sustainability measures which will reduce energy costs and greenhouse gas emissions,
- Encourage less car parking spaces and include accommodation of bikes and showers.



Institute related initiatives and activities

- Take 7 – Housing Australia: How Architects can make a difference publication
- Archicentre and Institute CPD programs
- EDG Paper Des 65 'Design Strategies for Affordable and Sustainable Housing'
- Relevant Institute policies include Indigenous Housing policy, Sustainability policy and Urban Design policy.

Further Information and Links

- Australian Housing and Urban Research Institute (AHURI)
www.ahuri.edu.au
- City of Sydney's Affordable Housing project
www.cityofsydney.nsw.gov.au/2030/thedirections/projects/HousingDivProj.asp
- The Peabody Group www.peabody.org.uk
- Habitat for Humanity Australia www.habitat.org.au
- Victorian Council of Social Service and the Australian Conservation Foundation Housing Affordability: More than Rent and Mortgages" October 2008
www.vcross.org.au/pubs/reports.htm#Housing
- Affordable Housing National Leading Practice Guide and Toolkit
www.housing.nsw.gov.au/NR/rdonlyres/D3B288EA-6BDA-49C3-AA4E-E96CD35CDF49/0/AHNationalGuideandKitv2.pdf
- Take 7 Housing Australia <http://www.architecture.com.au/i-cms?page=1.24.2476.4121>



¹ Affordable Housing National Leading Practice Guide and Toolkit compiled by Associate Professor Nicole Gurrán, auspiced by the Local Government and Planning Ministers Council June 2008 p 25

² Victorian Council of Social Service and the Australian Conservation Foundation "*Housing Affordability: More than Rent and Mortgages*" October 2008

³ Take 7 – "Housing Australia: How Architects can make a difference" Edited by Geoffrey London and Simon Anderson October 2008, Introduction, P 12

⁴ Take 7 – "Housing Australia: How Architects can make a difference" Edited by Geoffrey London and Simon Anderson October 2008, Introduction p 13

⁵ Take 7 – Roderick Simpson and Christopher Kelly 'Allowing Adaptation' Chapter 17, p 146

⁶ Take 7 – Roderick Simpson and Christopher Kelly 'Allowing Adaptation' Chapter 17, p 140

⁷ Victorian Council of Social Service and the Australian Conservation Foundation "*Housing Affordability: More than Rent and Mortgages*" October 2008, p 8

⁸ Victorian Council of Social Service and the Australian Conservation Foundation "*Housing Affordability: More than Rent and Mortgages*" October 2008, p 4

⁹ Take 7 – "Housing Australia: How Architects can make a difference" Edited by Geoffrey London and Simon Anderson October 2008, Introduction p 13