

Housing Supply Expert Panel communiqué

1 October 2020

The draft findings of the 2020 Market Factors report and the Local Housing Choice for Everyone project were the focus of the Housing Supply Expert Panel (the panel) when they met for the eighth time on 1 October 2020.

The panel acknowledged that the Office of the Queensland Government Architect has released *Housing Matters: A QCompanion discussion paper on social housing*. It is anticipated the panel will review the discussion paper and provide advice to the Minister for Planning if required.

The panel raised interest in considering linkages between housing density and propensity to contract COVID-19. The panel noted other important considerations in light of the COVID-19 pandemic including housing form, household size and casualisation of the workforce. The panel discussed relevant research being undertaken and noted the importance of individual level data informing research. The panel will continue to monitor research being undertaken that considers the impact of housing form on the spread of COVID-19.

Malcom Aikman (Innovociti) presented to the panel on the draft findings of the 2020 Market Factors report. The Market Factors report was an initiative suggested by the panel in 2018. The 2020 Market Factors report is due for release within the 2020 Land Supply and Development Monitoring online report.

The 2020 Market Factors report gives consideration to COVID-19, although the 10 factors from the [2019 Market Factors report](#) remain the same, additional metrics have been included to provide further insights, such as Gross Domestic Product (GDP), SEQ population growth and lot registrations at the local government level. Key draft findings include:

- The residential development industry is likely to be substantially impacted by COVID-19

- The property industry is expected to have a quick turnaround, with a slight increase in employment growth anticipated, however a fall in building approvals, housing prices and lot registrations may be seen in future
- The mining sector growth can soften the economic downturn for Queensland and Australia
- The Reserve Bank of Australia currently has minimal ability to stimulate demand, however the HomeBuilder grant scheme has been effective in stimulating the construction sector and new home sales
- Investment and demand will be stimulated following the announcement of a COVID-19 vaccine, although there is still a risk of further 'waves' of the pandemic
- Increases to business insolvency may have flow on effects to reduced employment and reduced expenditure
- Changes to working, socialising and spending habits are also expected to change and reduce expenditure
- Queensland and SEQ could see migration from other states and territories.

The panel discussed the draft findings presented by Malcom Aikman. The panel raised key considerations relating to COVID-19, including:

- Federal and state governments have introduced measures to assist in managing mortgages during the economic downturn, however additional measures may be required, particularly as banks may begin reducing security for households at risk of experiencing housing stress
- Increasing social and affordable housing is important as significant social issues can arise

when a household's own home is sold, as a more affordable option needs to be available. Locally, vulnerable first home buyers are seen to be purchasing properties on the fringes of major cities

- Local governments will need to consider supply and planning as demand may be down and key influences will continue to oscillate.

The panel Chair affirmed the Market Factors report is even more important this year and the panel is interested in the next iteration of the report.

The panel received an update on the progress of the Regional Planning Committee and supporting Local Government Working Group's Local Housing Choice for Everyone project. The project aims to develop a practical 'toolbox' to assist a range of stakeholders, such as local government, to manage the change required to support the implementation of housing choices for everyone.

The panel has previously contributed to the Local Government Working Group's Local Housing Choice for Everyone project and took this opportunity to provide further insights for the project team to consider. Key matters raised by the panel included:

- Pilot projects in Victoria, such as Greening the Greyfields by the Maroondah City Council, seek to provide new ways for redevelopment of existing residential lots within traditional development street patterns. This is through amalgamation and incentivising property owners to take the initiative to redevelop existing housing to meet their needs
- On-street car parking is driving resistance to change, however these perceptions may not be accurate and evidence is required to inform discussion
- There is a developing perception during the COVID-19 pandemic that households are better off away from each other, and HomeBuilder is also speaking to this desire, however, this perception may be incorrect
- Secondary dwellings are a 'missing' element of the missing middle
- Public transport provision may be an underlying issue to delivery of the missing middle

- New ideas such as a social dividend rating for developments may assist in measuring the community dividend provided by growth and change. This could assist in building a shared understanding between the community and politicians
- Design and character are key issues to address by both planners and architects as there are examples of houses with poor liveability in our communities.

Under the SEQ Housing Supply Expert Panel Terms of Reference, there is also opportunity for the panel to generate research. The panel acknowledged that there is potential for strategic research to be undertaken to address emerging areas of interest.

The panel reflected on their engagement with officers from Sunshine Coast Council (SCC), as engagement with local governments is a key priority of the panel in 2020. The panel noted that SCC is faced with challenges meeting housing demand generated by COVID-19. The panel will continue meeting with local governments to discuss matters relevant to local governments.

The panel will receive a detailed briefing on the draft 2020 Land Supply and Development Monitoring (LSDM) Report at their next meeting. Review of the annual LSDM is a core role of the panel.

The next panel working session is to be held on 29 October 2020 and the next formal meeting is planned for 7 December 2020.