North Coast Region – What's Happening with Housing Supply and is it a good match?

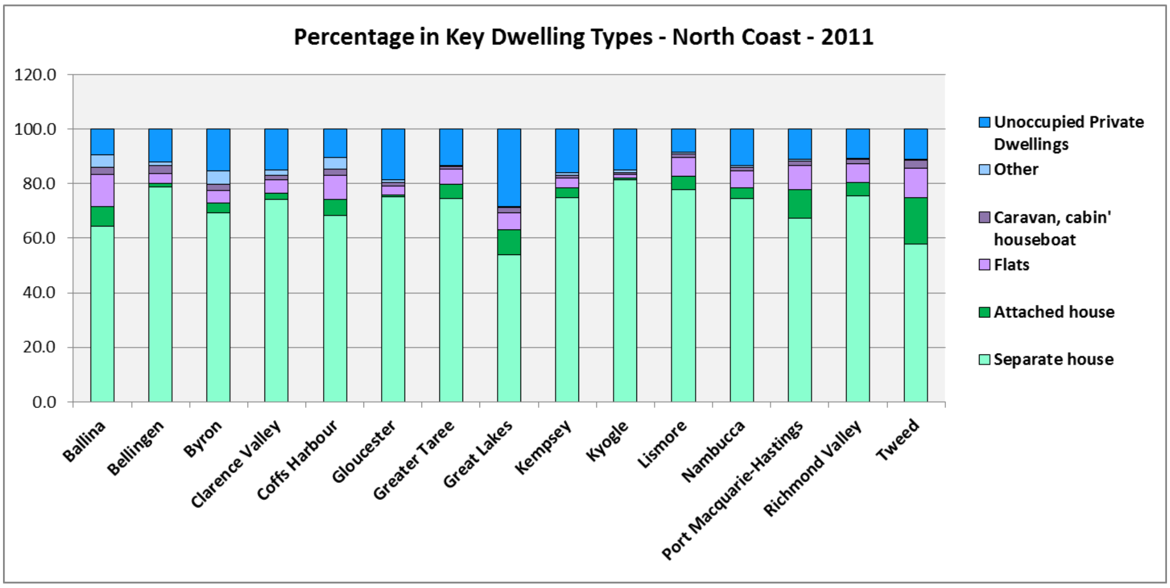
Despite variations in the age profile, household structure, income, tenure and housing market conditions in the LGAs of the North Coast Region, there is little difference within the region in dwelling type and bedroom mix. Much of the region's dwelling stock was built a long time ago to suit families but the majority of households now living in this region are couples or single person households.

Dwelling Supply

- At the 2011 Census, the number of dwellings in the North Coast region was 279,000. The Department of Planning and Environment have forecast growth in the number of dwellings required to meet population change to 2031 in every LGA in the region.

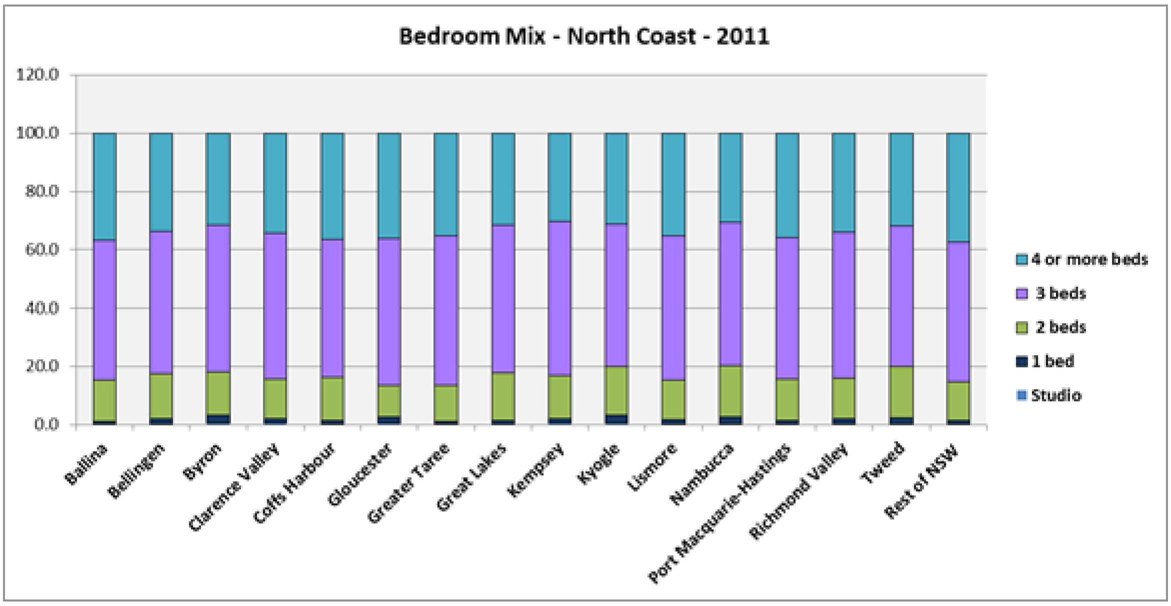
Dwelling Type

- The majority of dwellings in all LGAs in the North Coast region are separate houses, ranging between 81.4% of all dwellings in Kyogle and 53.8% in Great Lakes, compared to an average of 72.2% across the Rest of NSW.
- Six North Coast region LGAs had more diversity in housing type than the rest of NSW average, with lower proportions of separate dwellings (Great Lakes 53.8%, Tweed 57.8%, Ballina 64.3%, Port Macquarie Hastings 67.4%, Coffs Harbour 68.3% and Byron 69.4%).
- As in other regions outside of Sydney, there are also substantial proportions of unoccupied dwellings, particularly in Great Lakes (with 28.4% compared to the rest of NSW average of 13.4%).
- There are significant numbers of households living in caravan, cabin and houseboat accommodation in 2006 and 2011 in the North Coast, although there has been a substantial decline between the last two Census periods. At the 2011 Census, Tweed had the largest number with 1,081 households in this accommodation, followed by Port Macquarie Hastings with 796, Coffs Harbour with 780 and Clarence Valley with 529.   Caravan or residential parks are one of the few remaining affordable housing options for lower income earners and this decline is another indicator of the loss of affordable housing.
- The graph below shows the proportion of each of the key dwelling types in Ballina, Bellingen, Byron, Clarence Valley, Coffs Harbour, Gloucester, Great Lakes, Greater Taree, Kempsey, Kyogle, Lismore, Nambucca, Port-Macquarie Hastings, Richmond Valley and Tweed the Rest of NSW at the 2011 Census.



Bedroom Mix

- To test the suitability of existing dwelling stock to household types, a comparison of the number of bedrooms in dwellings with household types is useful. Given the forecast increase in older age groups in the population and the increased number of single person and couple only households, ideally there should be an increase in the number of studio, one and two bedroom dwellings.
- At the 2011 Census, the majority of dwellings in the North Coast region LGAs have three or more bedrooms ranging between 86.6% and 79.8% of the total dwelling stock, in spite of the fact that across the region lone person and couple households comprise between 63.5% and 46.8% of all households in every North Coast region LGA. Interestingly, in this region every LGA has a lower proportion of four bedroom dwellings than the rest of NSW average of 37.5%, but almost every LGA has a higher proportion of three bedroom dwellings than the rest of NSW average of 47.9%.
- Studio, one and two bedroom dwellings combined comprise 20% or less of bedroom types in all North Coast LGAs in 2011.
- Census data shows that between 2001 and 2011 there has been a significant increase in four or more bedroom dwellings across the region and an overall increase in three bedroom dwellings, but losses in every other bedroom type.
- Byron and Gloucester were the only North Coast LGAs to have an increase in the numbers of studios however this change was tiny. Byron, Gloucester, Lismore, Richmond Valley and Tweed have also had very small increases in one bedroom properties.
- Across the North Coast region, the diversity of number of bedrooms available has reduced. This is a trend that is common across the Rest of NSW with significant increases in four bedroom dwellings and generally losses in dwellings with fewer bedrooms.
- The graph below shows the proportion of studio, one, two, three and four or more bedroom dwellings at 2011 in the North Coast and the Rest of NSW. This clearly demonstrates the dominance of three and four bedroom stock across every LGA in the North Coast.



- The table below gives the change in the number of studio (0), one, two, three and four or more bedroom dwellings between 2001 and 2011.

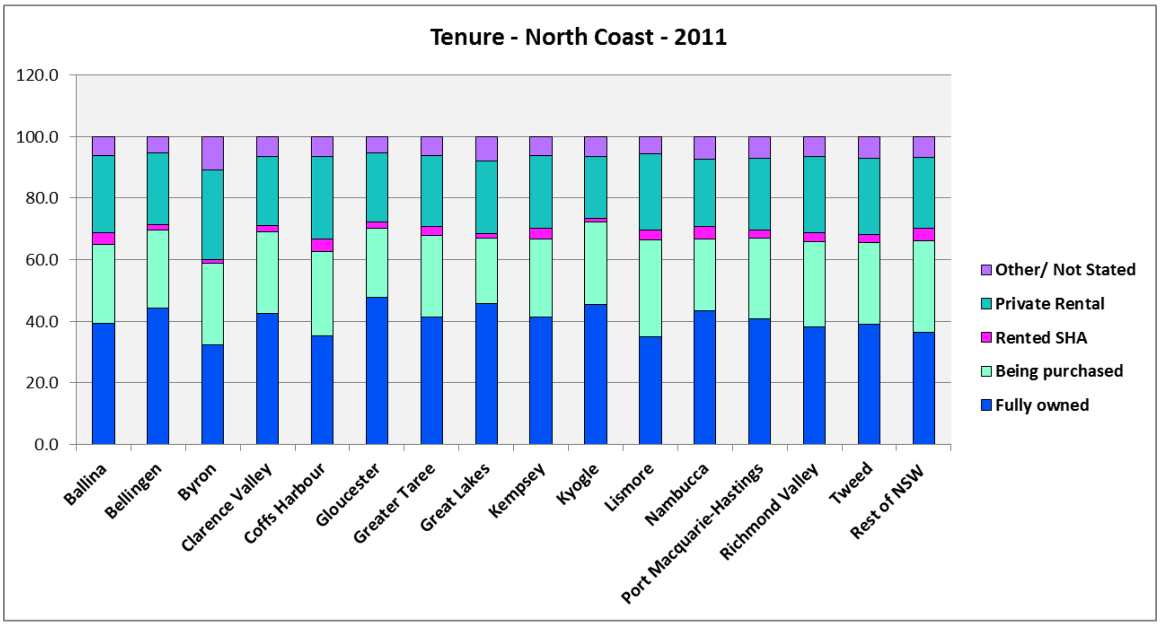
Family & Community Services

Change in number of bedrooms 2001 – 2011

Area	0 bedroom	1 bedroom	2 bedroom	3 bedroom	4 bedroom	total
Ballina	-10	-2	-117	105	782	758
Bellingen	-11	-15	-13	46	205	212
Byron	4	17	-79	-19	419	342
Clarence Valley	12	-24	-149	8	1,137	984
Coffs Harbour	-15	-59	-56	166	1,842	1,878
Gloucester	6	11	-28	-68	120	41
Greater Taree	-12	-41	-153	170	1,010	974
Great Lakes	-7	-12	-70	129	780	820
Kempsey	-9	-22	-201	-23	497	242
Kyogle	-6	-1	-14	-27	70	22
Lismore	-15	5	-65	-68	586	443
Nambucca	-8	4	-17	49	355	383
Port Macquarie-Hastings	-14	-104	-95	726	2,148	2,661
Richmond Valley	-11	29	22	-13	449	476
Tweed	-4	37	1	824	2,411	3,269
Rest of NSW	-268	-515	-7,180	-7,379	59,288	43,946

Tenure

- Between 2001 and 2011 there has been a significant decline in the proportion of households who own their home outright (ranging between 15.7% less in Byron and 0.8% lower in Bellingen). There has also been a corresponding major increase in the proportion of purchasers (ranging between 8.4% in Ballina and 4.0% in Bellingen). In the rest of NSW the trend has been the same, along with a slight increase in the proportion of private rental.
- In the North Coast region, eight of the fifteen LGAs had a proportional increase in private rental (Bellingen, Clarence Valley, Gloucester, Greater Taree, Great Lakes, Kempsey, Port Macquarie Hastings and Richmond Valley), Coffs Harbour was stable, while the remaining LGAs lost private rental. Ballina, Byron, Lismore, Tweed, Kyogle and Nambucca have seen decreases in private rental. Lismore had the greatest loss of private rental with 2.6%. This is a significant problem for Lismore in particular given the location of the university and its reliance on the private rental market to accommodate students.
- There are six LGAs that have lower percentages of private rental than the rest of NSW average (Clarence Valley, Gloucester, Greater Taree, Nambucca and Port Macquarie Hastings). The lower proportion of private rental means the local housing market is less flexible in meeting local housing needs.
- The graph below shows the proportion of households in the key tenure categories at the 2011 Census in the North Coast Region and the Rest of NSW.



Public Housing

- The table below shows the number of public housing properties in the North Coast region as at December 2014. Please note that Census data on public housing is not particularly accurate, as public housing tenure is under reported in the Census. The figures below do not include community housing properties.
- According to the 2011 Census Coffs Harbour was the only LGA in the region with a higher proportion of social housing than the Rest of NSW average of 4.0%.

Area	Public Housing stock December 2014
Ballina	598
Bellingen	103
Byron	22
Clarence Valley	333
Coffs Harbour	975
Gloucester	35
Greater Taree	488
Great Lakes	222
Kempsey	212
Kyogle	30
Lismore	492
Nambucca	255
Port Macquarie-Hastings	889
Richmond Valley	205
Tweed	911
Rest of NSW	36,388

- The table below shows the expected waiting times for general housing approved social housing applicants (not for priority housing applicants) by bedroom category in the North Coast region.
- In the entire North Coast region, waiting times for general housing are more than 2 years in all bedroom categories, with the exception of 4 bedroom dwellings in Wauchope and 3 bedroom dwellings in Evans Head.

Expected Waiting Time by Table

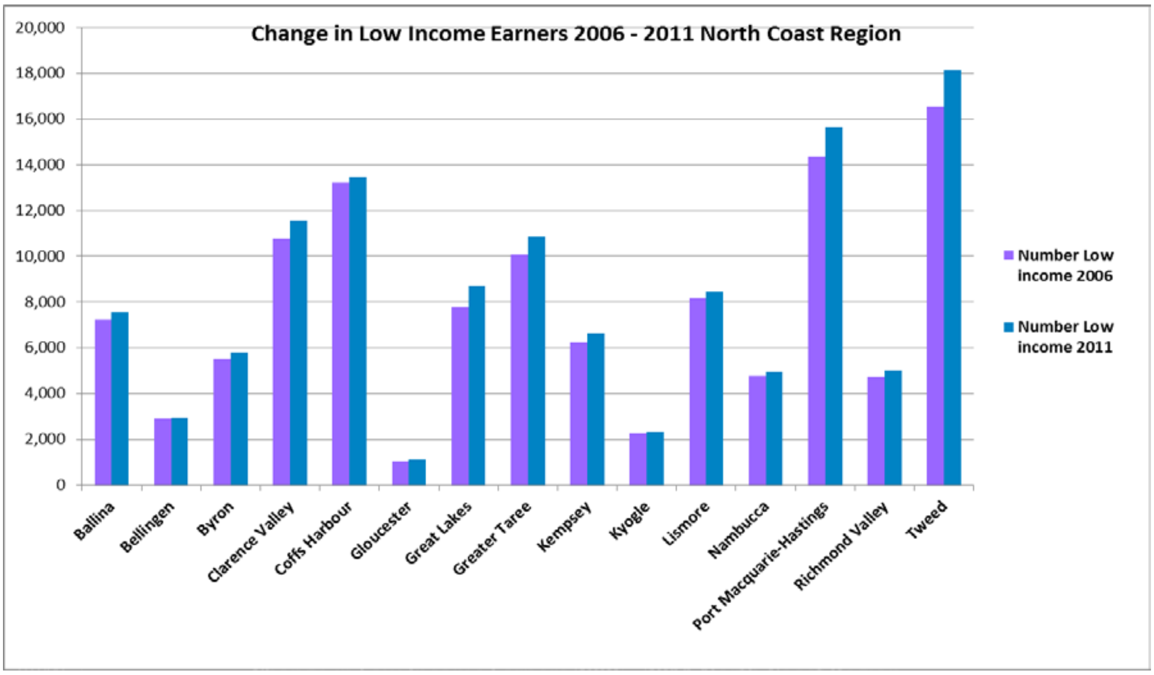
ALLOCATION ZONE	1 bed	2 bed	3 bed	4 bed
Mid North Coast				
NN22 PORT MACQUARIE	5 to 10 years	5 to 10 years	10 + years	10 + years
NN23 KEMPSEY	5 to 10 years	2 to 5 years	10 + years	2 to 5 years
NN24 MACKSVILLE	10 + years	2 to 5 years	5 to 10 years	5 to 10 years
NN25 BELLINGEN	10 + years	2 to 5 years	2 to 5 years	5 to 10 years
NN26 DORRIGO	2 to 5 years	5 to 10 years	2 to 5 years	10 + years
NN27 COFFS HARBOUR	5 to 10 years	5 to 10 years	10 + years	5 to 10 years
NN38 LAURIETON	10 + years	10 + years	5 to 10 years	5 to 10 years
NN39 WAUCHOPE	2 to 5 years	2 to 5 years	2 to 5 years	Up to 2 years
NN40 WOOLGOOLGA	5 to 10 years	10 + years	10 + years	2 to 5 years
NN41 CRESCENT HEAD	2 to 5 years	2 to 5 years	10 + years	No properties
NN72 NAMBUCCA	5 to 10 years	5 to 10 years	5 to 10 years	10 + years
NN73 URUNGA	2 to 5 years	5 to 10 years	5 to 10 years	2 to 5 years
Northern NSW				
NN28 GRAFTON	5 to 10 years	2 to 5 years	10 + years	5 to 10 years
NN29 LOWER CLARENCE	10 + years	5 to 10 years	10 + years	5 to 10 years
NN30 EVANS HEAD	10 + years	10 + years	Up to 2 years	2 to 5 years
NN31 BALLINA	5 to 10 years	10 + years	10 + years	5 to 10 years
NN32 LISMORE	5 to 10 years	10 + years	2 to 5 years	5 to 10 years
NN33 CASINO	10 + years	2 to 5 years	2 to 5 years	2 to 5 years
NN34 KYOGLE	No properties	10 + years	2 to 5 years	2 to 5 years
NN35 BONALBO	No properties	No properties	No properties	No properties
NN36 BYRON BAY	10 + years	10 + years	10 + years	10 + years
NN37 TWEED HEADS	10 + years	10 + years	10 + years	5 to 10 years
NN42 MURWILLUMBAH	10 + years	10 + years	10 + years	10 + years
NN74 ALSTONVILLE	10 + years	10 + years	2 to 5 years	10 + years
NN75 BRUNSWICK HEADS	10 + years	10 + years	10 + years	2 to 5 years
NN76 MULLUMBIMBY	10 + years	10 + years	10 + years	2 to 5 years
Hunter New England				
NN71 WINGHAM	2 to 5 years	10 + years	10 + years	10 + years
NN77 GLOUCESTER	No properties	10 + years	2 to 5 years	5 to 10 years
NN78 FORSTER/TUNCURRY	5 to 10 years	10 + years	10 + years	5 to 10 years

Legend for Expected Wait Time Bands	
	Up to 2 years
	2 to 5 years
	5 to 10 years
	10 + years
	No properties

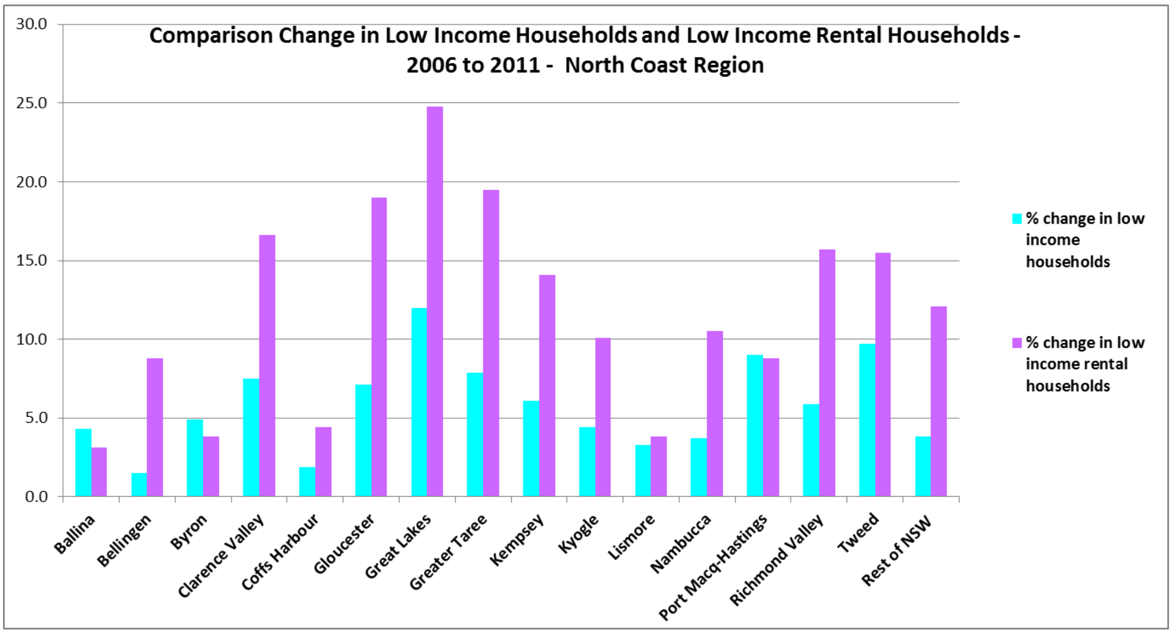
NOTE: Expected Waiting Time data is as at June 2014.

The Gap

- Housing in this region is highly priced compared to much of the rest of NSW, for both renters and purchasers. Yet low income households predominate and are increasing. Low income rental households are increasing even more rapidly than low income households generally, and at the same time there has been a significant decline in the availability of affordable rental housing.
- The graph below shows the change in the number of low income households in each North Coast LGA between 2006 and 2011.

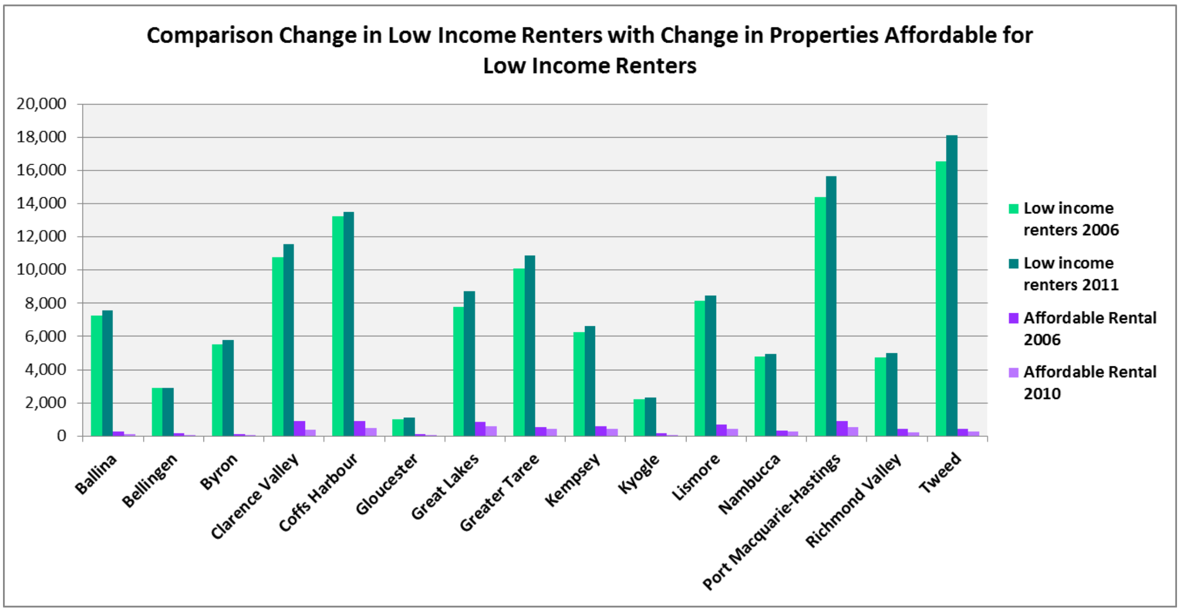


- The graph below compares the percentage change in low income households with the percentage change in low income renters between 2006 and 2011. The graph demonstrates the rapid increase in low income rental households across the region.

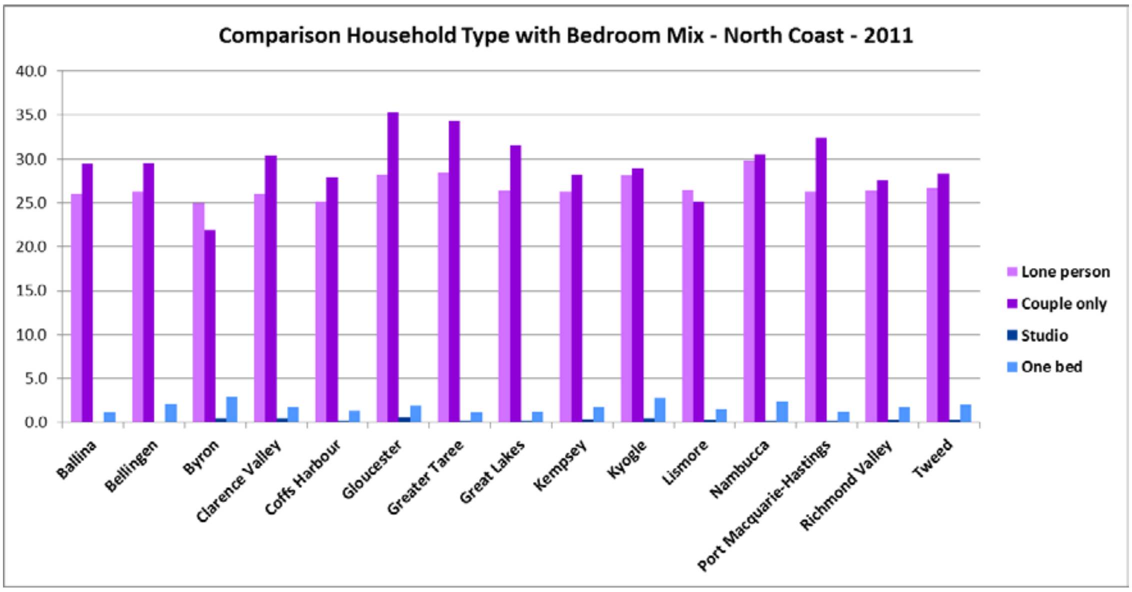


- There is some evidence of movement from higher cost North Coast locations such as Byron and Ballina to somewhat more affordable hinterland locations such as Lismore. Would be purchasers are moving inland in search of more affordable housing for purchase. This is having a knock on effect, with, for example, Lismore losing private rental properties and experiencing increased demand for affordable rental and purchase.
- Another indicator of the strong demand for affordable housing in this region is the very high numbers of CRA recipients in housing stress. The fact that a third of all the CRA recipients in housing stress in the rest of NSW are in this region is significant. Tweed has more CRA recipients in housing stress than any other LGA in the North Coast. This points to a strong demand for affordable rental housing across the region and in Tweed particularly.
- Further, Tweed is home to the largest number of long term residents of caravan/ residential parks, with 1,081 such dwellings at the 2011 Census. Coffs Harbour (724) and Port Macquarie Hastings (600) also have significant numbers, with the biggest losses (between 2006 and 2011) occurring in Nambucca (-216), Ballina (-149) and Clarence Valley (-90). The loss of this stock, which represents one of the few remaining affordable housing options for lower income households, further suggests the need for proactive measures to increase the supply of affordable housing.
- Tweed, Coffs Harbour and Port Macquarie Hastings are the most populous LGAs with the biggest regional centres in the North Coast. It would be reasonable to expect that they would have the greatest diversity of housing in terms of tenure, price point, dwelling type and bedroom mix to meet the needs not only of their local communities but to fulfil their broader regional role:
    - On tenure, Tweed actually lost a proportion of private rental between 2006 and 2011, while Coffs Harbour remained stable and Port Macquarie Hastings had an increase – suggesting Tweed needs to take measures to boost the amount of private rental accommodation. Port Macquarie Hastings has a lower proportion of private rental housing than the rest of NSW average, so any increase is welcome – regional centres generally have a higher proportion of private rental than the rest of NSW average.
    - On price point for rental, Coffs Harbour and Port Macquarie Hastings have had relatively strong increases in median rents across all bedroom categories over the last six years while increases in Tweed have been more moderate. Rental affordability for very low income earners is well below the rest of NSW average in all three, and of the three is tightest in Tweed. Similarly all three are below the rest of NSW average affordability for low income households, with Coffs Harbour having the lowest proportion of affordable housing for low income households of the three. Coffs Harbour and Port Macquarie Hastings have had substantial losses of affordable rental housing (55%) between 2006 and 2013, while for Tweed it was somewhat lower (although still significant) with 31%. The presence of the university in Coffs Harbour also increases demand for affordable rental accommodation there. All three clearly need more affordable rental housing.
    - On price point for purchase, at December 2014 Tweed had the highest median house price in the region after Byron and Ballina. Coffs Harbour and Port Macquarie Hastings followed. Purchase affordability for very low income households is 0% in Tweed and Port Macquarie Hastings, with 2.5% in Coffs Harbour. For low income households it is 7.8% in Tweed, 9.5% in Port Macquarie Hastings and 14.9% in Coffs Harbour – all well below the rest of NSW average.
    - On dwelling type, all three have a better mix of dwelling types than the rest of NSW average.
    - On bedroom mix, Tweed has only 20% of stock being studio, one and two bedrooms compared to 55.0% lone person and couple households, Port Macquarie Hastings has 15.7% studio, one and two bedrooms compared to 58.7% lone person and couple households, and Coffs Harbour 16.2% studio, one and two bedroom dwellings compared to 53.0% lone person and couple households. All have had significant increases in four bedroom dwellings. Tweed is the only one of the three that has managed a small increase in one and two bedroom stock. None have a particularly good mix and given the projected growth in lone person and couple households, something proactive needs to be done to improve the bedroom mix.

- The graph below compares the change in low income renters with the change in properties affordable for low income renters in each LGA in the North Coast. The graph demonstrates the decline in affordable rental at the same time that low income renters are increasing across the region.



- There is also very limited opportunity for low income households to purchase in much of the region.
- Although there is more diversity in bedroom mix in many of the LGAs in the North Coast region in comparison with the rest of NSW, the average for the rest of NSW is a poor match with household type and lacking in choice. The majority of these LGAs do not have a good match of bedroom mix to household type and the fit between household type and bedroom number is actually worsening over time. Positive action is required to increase the number of studio, one and two bedroom dwellings suitable for single and couple only households. This would provide greater flexibility in the dwelling stock to meet the range of housing needs in the local community, including for older age groups. This also has the potential of assisting in affordability. Secondary dwellings can suit older residents and people with a disability, enabling them to age in place and/or reside with their families for support. New generation boarding houses (which are essentially studio dwellings with some communal facilities) can suit students and single workers. Both secondary dwellings and new generation boarding houses must be rental and can therefore improve the tenure mix.
- The significant proportion of lone person and couple households, and the fact that these household types are forecast to grow most strongly in the North Coast to 2031, further underlines the issue of the diminishing suitability of housing stock to meet local need.
- Significant and increasing proportions of seniors and frail aged will impact on the housing needs of the region and appropriate housing responses. In 2012, 90% of older Australians lived in private dwellings, 5.5% were in cared-accommodation and 4.0% lived in 'other non-private dwellings' such as caravan parks and self-care units in retirement villages. Most older residents prefer as far as possible to age in place, within their existing communities, close to services and their social and support networks. There is therefore a need for more adaptable, accessible dwellings, well located in relation to services, secure, low maintenance and affordable to meet the needs of seniors and frail aged in particular, within their communities. Those most in need are households in the private rental market, who struggle to afford housing on an Aged Pension or inadequate superannuation.
- The graph below compares household type with bedroom mix in each of the North Coast LGAs at 2011. It shows the high proportions of small households and the very low proportions of studio and one bedroom dwellings across the region.



- Taking into account the fact that generally new housing supply only adds around one to two per cent of stock to the total dwelling supply each year, it will take a long time to turn this mismatch around, especially if no proactive measures are taken to increase housing choice.

Additional Data

More detailed housing data and tables used in this Snapshot are available from the Local Government Housing Kit Database on the Housing NSW website at:
http://www.housing.nsw.gov.au/Centre+For+Affordable+Housing/NSW+Local+Government+Housing+Kit/Local+Government+Housing+Kit+Database/

More information on Expected Waiting Times for Public Housing is available on the Housing NSW website by region at:
http://www.housingpathways.nsw.gov.au/How+to+Apply/Expected+Waiting+Times/