
Strategic Planning: Geelong Settlement Strategy

Amendment C395

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**Expert Evidence Statement
Amendment C395**

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Instructed by Harwood Andrews Lawyers



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1.0 Summary of Findings

In my professional opinion the Settlement Strategy and PSA C395, provide a sound basis for future management of Geelong's residential growth over the period covered by the Settlement Strategy and beyond.

The Settlement Strategy was based upon a detailed and thorough analysis of future population growth and housing requirements and a realistic assessment of Geelong's current and potential land supply. It adopts a strategic and sustainable longer-term approach to managing future rather than just continuing 'incrementalist' planning policies.

The Settlement Strategy and Amendment more than comply with State policy requirements to provide for at least a fifteen-year residential land supply and provides for future residents of Geelong to have an ongoing choice of housing. It does so in a way that recognises and helps protect the State significant character and environmental assets of the Bellarine Peninsula. It therefore complements the State Government's decision to declare the Bellarine a Distinctive Area and Landscape.

The Settlement Strategy is robust and designed to be able to cope with a range of population growth rates. As part of the Settlement Strategy Council has committed to regularly monitor and report on population and housing trends, local development activity and land supplies. This monitoring, together with the incorporation into the Geelong Planning Scheme of the framework plans for the northern and western growth areas will ensure that Council is well placed to respond promptly to any currently unexpected upturn in housing demand.

The Settlement Strategy:

- responds effectively to changing household structures and housing needs by providing for a diversity of housing types. The Strategy will enable the development industry to provide future residents of Geelong with the choice of housing types and locations.
- encourages, but does not force, urban consolidation especially in locations close to the Geelong city centre, other key activity centres and rail stations. It also provides for a mix of housing types and densities in Geelong's growth areas.
- focusses 'greenfield' housing development into well planned growth areas with high-level framework plans that, in addition to providing for a mix of housing, set land aside for employment, public uses, open space and environmental protection.
- takes timely and effective action to protect the environment and landscape character of the Bellarine Peninsula from the pressures of increasing urban growth. What evidence
- provides for the definition of clear urban boundaries to protect other key environmental and landscape features of Geelong, including the important inter-urban breaks between Geelong and Melbourne and Geelong and the Surf Coast townships.
- ensures that future residential development will not impinge on key employment areas.



2.0 Introduction

I have been instructed by Harwood Andrews Lawyers to provide evidence on the strategic merits of the Settlement Strategy adopted by Council as proposed to be implemented through Amendment C395 to the Greater Geelong Planning Scheme (the Amendment). In particular I was requested to address:

- a. My role in preparing the Settlement Strategy and PSA C395;
- b. The merits of the Settlement Strategy; and
- c. Issues raised in submissions to the PSA related to the Settlement Strategy.

3.0 Spatial Economics role in preparing the Geelong Settlement Strategy

Spatial Economics Pty Ltd was engaged in late 2016 by Council to provide professional analysis and advice as an input to preparation of a Settlement Strategy for Geelong.

The Settlement Strategy was intended to provide for the City's housing needs to 2036. In practice, as a result of the State requirement for Councils to maintain at least a minimum 15 year land supply, the Strategy needed to look well beyond this date

This statement briefly outlines the overall scope of the input provided by Spatial Economics, and the approach adopted in providing that input, and then deals more specifically with those aspects of the project and the Settlement Strategy to which my expertise most directly relates.

3.1 The scope of Spatial Economics brief and the team involved in providing advice on preparation of the Settlement Strategy

The scope of Spatial Economics engagement covered four key areas of work:

- i. Review of population and housing demand forecasts for the City of Greater Geelong (including an analysis of the drivers of housing demand);
- ii. Review of recent residential development trends and of the adequacy of the planned residential land supply within the City;
- iii. Identification of key issues and constraints that should influence the options available to Council regarding the location of future housing growth; and
- iv. Making recommendations regarding a suitable policy framework to guide residential development in the City. This task involved Spatial Economics preparing a first draft of a settlement strategy for Geelong.

The scope of tasks (i). and (ii). are outlined in more detail in the evidence of my colleagues Jeremy Reynolds and Dale Stokes.

For this project I was part of a four-person Spatial Economics team. The members of that team had complementary skills and experience that together cover the range of matters on which we were asked to provide advice. The members of the team and their respective areas of expertise are:

- Jeremy Reynolds and Chris Wight – demography and the drivers of underlying demand for housing.
- Dale Stokes – land development and housing trends and the likely yield from and adequacy of future residential land supplies;
- John Collins – strategic planning and urban policy responses to Geelong's forecast growth in population and dwelling demand.



In relation specifically to my role in this project my experience includes periods responsible for strategic planning for the future growth of Melbourne (including overseeing preparation of the Melbourne 2030 regional strategy); the Sydney greater metropolitan region (covering urban growth in the Sydney Basin, the Central Coast, the Illawarra and Newcastle); and - earlier in my career - metropolitan Adelaide. I also have substantial experience, both in the public service and as a consultant with issues associated with strategic planning for other Australian cities.

In total I have close to forty years' experience in urban and housing policy, together with some ten years' experience as a management consultant primarily to public sector agencies.

3.2. The Policy Context for Spatial Economics work on the Settlement Strategy

The analysis undertaken by Spatial Economics, and the development of our recommendations as an input to preparation of the Settlement Strategy did not start with a 'clean slate'. Wherever possible we had regard to previous investigations undertaken and policy positions adopted by Council.

In particular Council had already:

- Prepared a Housing Diversity Strategy (initially adopted in July 2007 and subsequently amended in September 2008) to address the mismatch between the characteristics of Geelong's existing dwelling stock and the changing needs of the city's population.

The Housing Diversity Strategy addressed the changing household structure of Geelong (smaller and older households) together with Council's desire to encourage more urban consolidation and reduce reliance on 'greenfield' development in meeting the City's future housing needs. It set out policies that were intended to facilitate the development of a more diverse range of housing types within established urban areas particularly around activity centres and in locations with good accessibility via public transport.

The policy framework adopted by Council through the Housing Diversity Strategy incorporated the designation of:

- key development areas that were considered to have potential to accommodate substantial amounts of medium and higher density housing. The nominated key development areas were Central Geelong, West Fyans and Waurin Ponds, together with designated areas for higher density development in the Armstrong Creek growth area;
 - increased housing diversity areas where a mix of housing densities and styles were to be encouraged - with higher development densities around key activity centres and train stations; and
 - incremental change areas where the intent was to see the majority of new housing development being of lower densities compatible with the existing suburban character of such areas.
- Designated Armstrong Creek as a growth area and adopted (in May 2008 and amended in May 2010) a Framework Plan to guide the ongoing development of the growth area.



- The subsequent preparation of precinct structure plans and development of housing in Armstrong Creek has been generally in accordance with the Framework Plan;
- Identified (as part of the 2013 G21 Regional Growth Plan) two additional investigation areas (potential growth areas) to the north and west of 'urban Geelong' as part of a plan to provide for a regional population of 500,000 or more.
- The G21 Plan stressed the importance of reducing development pressures on the region's agricultural areas and natural assets. It encouraged infill and higher density development in established areas in addition to proposing the designation of the two additional Geelong growth areas; and
- Focussed on the need to better manage potential conflicts between ongoing urban development pressures and preservation of the Peninsula's environmental and landscape values and tourism and agricultural activities. This focus was spelt out in the September 2015 Localised Planning Statement for the Bellarine Peninsula. This Statement proposed that the bulk of residential growth on the Peninsula be directed to Drysdale/Clifton Springs, Leopold and Ocean Grove consistent with the structure plans for these townships.
- The team endeavoured to take account of and, to the extent that this seemed to still be appropriate, reflect these existing strategic planning policies in our analysis of future growth options. A key part of our work therefore involved assessing whether the existing policy framework provided sufficient capacity to accommodate forecast growth over the project period (i.e. to 2036 with residual capacity to accommodate an additional 15 years housing demand to 2051).

As noted in my later discussion of the merits of the Settlement Strategy we also had regard to relevant aspects of planning policies for metropolitan Melbourne (as reflected in *Plan Melbourne*) where these deal with growth management issues that also needed to be addressed in Geelong.

3.3 Our approach to the task

In view of the complexity of the task we adopted a two-stage approach that involved:

- A) Detailed analysis of past population growth and residential development trends together with review of the then existing growth forecasts.

In May 2017 the results of this analysis were presented in six detailed 'discussion papers'. These papers covered:

- Background trends and issues relevant to the preparation of medium to longer term population forecasts for Geelong. This included an overview of the methodologies and issues involved in preparing both macro level (national, state and regional) and small area (LGA and sub-LGA) population forecasts. (Discussion Paper No 2).
- An analysis of past population growth trends in Geelong and the relationship between population growth, household formation and the demand for housing and residential land. (Discussion paper No 3).
- The identification of three population growth scenarios to be used for the purpose of preparing, and then monitoring, the Settlement Strategy. The



scenario assumptions are outlined in the expert statement of Jeremy Reynolds. (Discussion Paper No 1).

The forecast 2016 to 2036 growth rates for population, household formation and dwelling demand incorporated into these scenarios varied significantly – from a low of 1.3% average annual population growth and 1.5% average annual growth in household numbers and dwelling stock up to 2.5% average annual population growth and 2.7% average annual growth in household numbers and dwelling stock.

In addition, in April 2018, following data from the 2016 census becoming available, Spatial Economics provided to the City of Greater Geelong an additional, higher, population growth scenario. This “growth Surge” scenario assumed a 3% per annum population growth rate. The April 2018 paper also assessed the impact of this higher population growth rate on the adequacy of Geelong’s residential land supply.

By way of comparison the most recent VIF 2019 projection forecasts a 2.0% average annual population growth from 2018 to 2036 for the City of Greater Geelong.

- An analysis of Geelong’s existing dwelling stock in terms of dwelling age, type and density together with the location of new dwelling construction. (Discussion paper No 4).
- A detailed review of residential land development trends in Geelong over the ten years from 2006 to 2016 together with an assessment of the likely yield from remaining areas of residential land within the City. This Discussion Paper concluded with an estimate of the adequacy (years of supply) of the remaining stock of residential land under the various population growth and housing demand scenarios. (Discussion Paper No 5).

The final of the May 2017 discussion papers (Discussion Paper No 6) was prepared to address the Council’s expressed interest in the relationship between housing affordability and planning for future residential land supply. This paper addressed a number of issues particular to the residential land supply market and emphasised the importance of maintaining an adequate supply of (especially broad-hectare) land as part of Council’s housing affordability strategies.

- B) A detailed review of Council’s existing objectives and planning strategies for residential growth in the light of the population growth, development and land supply data. This review aimed to identify key issues and options for the proposed Settlement Strategy.

This analysis highlighted that:

- Based upon reasonably conservative assumptions, the additional ‘investigation areas’ identified in the G21 Regional Plan, together with the Armstrong Creek growth area, would be more than adequate to meet Council’s ‘greenfield’ housing requirements to 2036.
- Council had very ambitious goals for urban consolidation and increasing the diversity of residential development in established parts of the municipality. While the time scale for achieving such residential intensification was



ambitious the approach being taken to the location of such development seemed sensible. Our conclusion was that, in aggregate, there was substantial scope for such intensification although it would be prudent not to assume too much success with urban consolidation when estimating likely future requirements for broad-hectare land supplies.

- Without any change in policy the higher residential growth (both in terms of rate and absolute numbers) that would be likely to occur on the Bellarine Peninsula would pose a severe risk of changing the character not only of the key Bellarine townships but of the Peninsula as a whole.

These conclusions formed the basis of our recommendations to Council regarding the spatial form of future residential development that should be incorporated into the Settlement Strategy. Our recommendations took the form of a 'first draft' of a potential Settlement Strategy document.

Spatial Economics were subsequently requested by Council to review and provide comments on Council's revised draft Settlement Strategy prior to its release for public consultation.

4.0 The Merits of the Settlement Strategy

I have been asked to provide my professional assessment of the Settlement Strategy adopted by Council.

In my professional opinion the Settlement Strategy, and the Amendment based upon it, provide a sound basis for future management of residential growth over the period covered by the Settlement Strategy and beyond.

My principal reason for reaching this conclusion is that the Settlement Strategy and the Amendment incorporate the outcomes of a well thought through strategic assessment of Geelong's likely future housing needs and growth options. The Settlement Strategy:

- was based upon a detailed and thorough analysis of potential future population growth, housing demand, and land supply/capacity and was tested using multiple growth scenarios.

In my view such a scenario-based approach, linked to regular and systematic monitoring of trends and strategy review as required, is 'best practice' strategic planning for a major urban area such as Geelong.

- adopts a strategic and sustainable approach rather than just continuing past 'incrementalistic' planning policies (particularly in relation to the growth of the Bellarine Peninsula townships).
- appropriately takes a longer term view of managing urban growth – effectively provided for forecast housing demand up to 2051 at the time that it was prepared (because it provided for a 15 year residual land supply at the end of the 2036 planning period).

Importantly the Settlement Strategy is robust and well able to be sustained over time using the mix of strategy elements adopted by Council. There is ample scope for longer term intensification in established parts of 'urban Geelong' and there are available options for longer term increases in the 'greenfield' land supply in growth areas (either through growth area framework plan reviews or designation of additional growth areas). For the very long term there is also obvious scope for expanded population and housing growth to be accommodated in neighbouring LGAs.



In summary the approach adopted by Council is sound and sustainable. It establishes a sensible approach to managing Geelong's future population and housing growth by:

- responding effectively to changing household structures and housing needs by providing for a diversity of housing types. In essence, the Settlement Strategy enables the development industry to provide future residents of Geelong with the choice of a diverse range of housing types and locations.
- encouraging, but not forcing, urban consolidation especially in locations close to transport, jobs and services such as the Geelong city centre and around other key activity centres and public transport nodes.

The approach to urban consolidation taken by Council will facilitate better use of existing infrastructure, improve access to facilities and services in established parts of Geelong while also helping protect the amenity of established suburbs by limiting intensification in other established areas to smaller scale/lower density projects that are more compatible with the character of existing suburbs. Taken together these policies will provide very substantial ongoing capacity to accommodate population growth in established areas of Geelong in a way that should as far as possible protect local amenity.

The approach being taken will, over time, reduce the share of housing development that needs to go to growth areas. Council's decision to encourage urban consolidation through appropriate planning policies, but not to seek to force it by restricting the supply of greenfield land, is in my view good urban policy. It will maximise both housing choice and supply and hence help moderate upward pressure on housing prices.

- focussing required 'greenfield' growth into well planned growth areas where high-level framework plans provide clear guidance for future development and service provision.

The framework planning process ensures that appropriate provision can be made for a mix of dwelling types even in greenfield areas and that land is set aside for employment, public uses and environmental protection. At the same time, it allows some flexibility for planning to be refined over time through the more detailed precinct planning process.

Importantly the proposed framework plans (along with the existing Armstrong Creek framework plan) provide for a mix of housing types within each growth area.

I support Council's decision to provide for concurrent development of 'greenfield' housing not only in Armstrong Creek but also in the two additional growth areas. By doing so Council has not only increased its capacity to cope with any unexpected upturn in housing demand but also recognised the desirability of providing ongoing choices for those seeking this form of housing. In my view this is important given the diminishing supply of remnant greenfield sites within Geelong and the reduced role that is proposed for the Bellarine townships in meeting demand for greenfield housing.

- taking timely and effective action to protect the environment and landscape character of the Bellarine Peninsula from the pressures of increasing urban growth.



The Bellarine townships have consistently attracted 30%+ of total housing development within the City of Greater Geelong. In the absence of policy change this means that the absolute amount of housing growth going to the Bellarine townships would continue to increase. Over time this would inevitably not only change the character of the townships themselves but also irreversibly alter the overall rural landscape and degrade the environment of the Bellarine Peninsula

It may be impossible to get general agreement in advance on exactly how much additional urban development can be accommodated on the Bellarine without unacceptable impacts on the Peninsula's environment, landscape and rural and tourist industries. However by the time that the impacts of urban development do result in general agreement to limit further housing growth it is likely to be too late to protect those features of the Peninsula that are most valued by the community (both local and wider).

The importance of the action that was taken by Council as part of the Settlement Strategy to strengthen limits on the ongoing growth of the Bellarine townships and protect the environment and landscape character of the Bellarine is in my view strongly reinforced by the subsequent state Government decision to declare the Bellarine a Distinctive Area and Landscape (DAL).

It is also worth noting that the clear statement now being made by Council responds to past criticism that Council has not had a clear and consistent long-term vision for the role of the various Bellarine Peninsula townships. Prior to development of the Settlement Strategy planning policies identified the three 'district towns' as locations for ongoing growth. This created an expectation of regular expansion of township boundaries to provide a continuing 15 year land supply and of unconstrained growth in the medium to longer term;

- providing for the definition of clear urban boundaries to protect other key environmental and landscape features of Geelong, including the important inter-urban breaks between Geelong and Melbourne and Geelong and the Surf Coast townships; and
- ensuring that proposed residential development does not impinge on key future employment areas.

It is particularly important that Council has already established the practice of, and is committed to maintaining, regular monitoring of population growth and development trends. This will ensure that it has early warning of any currently unexpected upturn in demand and enable it to manage growth in effective and responsive way.

Close monitoring of growth trends, together with the incorporation of the framework plans for the two new growth areas into the planning scheme via this Amendment, will make it possible for Council to respond effectively to any unexpected changes in growth rates or demand trends. It will reduce future planning lead times, provide greater planning certainty and help keep a level of competition in the broad-hectare land market. All of which should contribute to moderating future increases in housing costs and assisting affordability. In this context Council's commitment to press ahead with commencement of preparation of at least one PSP in each of the new growth areas is sensible. As is the indication that it will prepare additional PSP's as necessary to provide for any increase in growth rates.



It is noteworthy that the Settlement Strategy, and the Amendment, incorporate a range of policy approaches that have been an accepted part of planning (reflected in both *Melbourne 2030* and *Plan Melbourne*) of the greater Melbourne region for almost twenty years. This includes:

- encouraging urban consolidation as a means of meeting changing housing needs and reducing pressures for 'greenfield' development. As in Melbourne the Geelong Settlement Strategy proposes that such urban consolidation be focussed on key activity centres and transport nodes (especially areas near rail stations);
- directing greenfield development into a limited number of defined growth areas with the staged development of such growth areas being guided by framework plans; and
- establishment of clear urban growth boundaries to limit ad-hoc proposals for rezoning of land for urban purposes and associated speculative increases in land values that could adversely impact the continuation of non-urban land uses;
- protection of peri-urban areas of significant landscape and environmental value from urban development pressure through the application of permanent township boundaries and appropriate non-urban zoning.

5.0 My view on key strategic planning issues raised in Submissions

Submissions on the Amendment raised a number of major issues and objections to the approach taken in the Settlement Strategy. I have been asked to express my views on these issues. The issues and my responses to the key points raised are outlined below. As I have not been involved in the preparation of the growth area framework plans, I have not commented on issues that relate to the detail of those plans.

- i. *The Settlement Strategy should be a comprehensive plan providing for industrial/commercial land requirements in addition to housing needs.*

In my view it is not necessary that every strategic planning process should seek to take a comprehensive approach addressing all land uses. It is sensible to focus on the most critical issues provided that doing so does not prejudice provision for other land uses or close off options for addressing other key issues at a later time.

The Settlement Strategy was only ever intended to address future housing needs. This reflects the fact that providing appropriately for ongoing housing requirements is the most pressing issue for Council.

Other land uses (including particularly requirements for industrial and commercial land uses) have previously been addressed through the G21 and other planning processes. Notwithstanding this, the protection of key industrial areas has been taken into account in the setting of growth area boundaries and the preparation of framework plans for the new growth areas make provision for employment uses.

- ii. *The population growth rates assumed for the purposes of the Settlement Strategy are too low. The Strategy should provide for a substantially higher population.*



As outlined earlier in my statement the Settlement Strategy considered a range of growth scenarios and the approach being taken by Council provides for the regular monitoring of growth trends and review of the Settlement Strategy as and when required.

A 2.5% per annum population growth has been adopted as the basic assumption for estimating future dwelling requirements but the Settlement Strategy makes provision for increasing this to 3% per annum (or higher), if there is evidence this is required.

This assumed population growth rate is significantly higher than the 2% annual growth to 2036 forecast in VIF 2019. State planning policy says the VIF forecasts should be 'considered as relevant' for the purpose of strategic planning.

It needs to be recognised that the growth rates that have been assumed are long term averages. While there may well be cyclical changes in growth rates over time it would not be sound strategic planning to base longer term planning on the peaks of cyclical changes in growth rates.

As previously said the Council's commitment to regular monitoring of development trends is a central element of the Settlement Strategy. This means that Council should be informed of any currently unexpected upturn in housing demand in time to take any necessary action to provide additional capacity for growth.

This could, for example, include accelerating preparation of PSPs in the growth areas (facilitated by the incorporation of agreed framework plans into the planning scheme); the extension of growth area boundaries or the designation of an additional growth area; and/or the identification and rezoning of additional areas for medium and higher density housing in established suburbs.

iii. The adequacy of the current and planned residential land supply (and particularly in the context of evidence of recent increases in residential development)

The land supply estimates prepared for the Settlement Strategy used a well established and tested methodology. A very similar methodology was used over many years by the Victorian State Government in preparing the published metropolitan and regional Urban Development Program(s) and is widely accepted interstate as best practice.

Relatively conservative assumptions have been made about yields from ongoing 'greenfield' development and the share of growth that is assumed to be met from urban consolidation (the supply estimates do not factor in Councils aspiration to achieve a substantially higher rate of urban consolidation).

Even using this conservative approach, the land supply estimates indicate that the municipality will more than have the capacity to meet housing demand to 2036 - even if growth rates are 3% not 2.5%.

However, a central element of Council's approach – and of the Settlement Strategy – is regular and systematic monitoring of development trends. This



will enable an early response to any significant and unexpected increase in demand.

There are a range of options for Council to further increase land supply if required and subject to further investigation. This includes:

- accelerating the PSP preparation in the growth areas;
- increasing overall land supply by amending growth area boundaries (e.g. incorporating the Boral quarry land into the Armstrong Creek growth area or incorporating more land between the northern and western growth areas into the growth area boundaries); or
- designating an additional growth area.

I will leave any more detailed comment on recent development activity and the adequacy of the identified land supply to my colleague Dale Stokes.

- iv. *The Settlement Strategy should provide for a 15 year land supply not only for the Geelong LGA as a whole but also for individual sub-markets such as the Bellarine Peninsula townships.*

State planning policy makes it very clear that the requirement for councils to maintain a 15 year land supply is intended to apply at a whole of LGA level.

The SPPF says Councils should:

“Plan to accommodate projected population growth over at least a 15 year period and provide clear direction on locations where growth should occur. Residential land supply will be considered on a municipal basis, rather than a town by town basis”

The approach taken in the Settlement Strategy clearly satisfies this requirement.

The Settlement Strategy allows for substantial housing choice within Geelong - both through provision for urban consolidation in multiple locations and a variety of dwelling densities/types and also through provision for multiple, concurrent, development in three growth areas (compared to five growth areas in Melbourne).

A key part of the ‘separate markets’ argument focuses on planning for future growth in the Bellarine townships and an assertion that the townships form a ‘separate market’ for which Council should ensure an ongoing 15 year land supply. In fact past evidence suggests that housing demand in the Bellarine townships and ‘urban Geelong’ is interconnected and at least partly substitutable. This was evidenced when demand on the Bellarine spiked when the greenfield land supply in ‘urban Geelong’ was low prior to the release of land in the Armstrong Creek growth area.

In any event, even if some households have a distinct preference to buy or rent housing in the Bellarine townships, it does not follow that Council must provide for this demand. The equivalent argument in metropolitan Melbourne would be to argue that an ongoing fifteen year land supply should be provided on the Mornington Peninsula, or in the Yarra Valley, because there is a demand for housing in these locations. The application of a ‘permanent’ Urban Growth Boundary in these locations ensures continual expansion to meet potential market demand is neither encouraged or expected



Making ongoing and unrestrained provision for greenfield housing development in the Bellarine townships would inevitably lead to an irreversible change in the character of the townships and the Bellarine landscape. This would be inconsistent both with widely held community preferences, existing Council and State policy as reflected, for example, in the September 2015 Bellarine Peninsula Localised Planning Statement, and the State Government decision to declare the Bellarine a DAL.

- v. *Uncertainty regarding the capacity of the northern and western growth areas, together with proposals for addition of land to the Armstrong Creek growth area, means that the Settlement Strategy should be amended.*

Yield estimates will inevitably change over time. This change may be upward (e.g. as a result of the decrease in average lot sizes which has been the trend over recent years) or downward (e.g. as a result of some areas being constrained as a result of more detailed investigation of localised biodiversity values). The Settlement Strategy used the best yield estimates for the growth areas that were available at the time the Settlement Strategy was prepared.

The ongoing monitoring and review process builds in a capacity to adjust yield estimates - and to make compensating provision elsewhere if necessary - as more detailed planning proceeds. This is standard planning practice.

- vi. *There should be an open and rigorous process for determining permanent urban boundaries for Bellarine Peninsula townships, and more generally for Geelong.*

What it seems is being suggested is some form of 'logical inclusions' process either for the Bellarine townships or for both the townships and the three growth areas in 'urban Geelong'.

A 'logical inclusions process' would potentially be most relevant to the Bellarine Peninsula townships – especially the three 'district towns' where there may previously have been an expectation of regular boundary reviews to provide for ongoing greenfield housing growth. The Council has indicated that it believes that the Bellarine DAL process is the appropriate way to address any issues associated with defining permanent ('protected') township boundaries.

My work on the draft Settlement Strategy addressed the issue of whether the growth of the townships should be allowed to continue on an open-ended basis. It did not attempt to review past structure planning studies to determine whether the existing boundaries of these townships are 'logical' or in need of some change. I therefore have no considered professional opinion on this issue. I recommended that, if necessary, this should be addressed in a subsequent more localised and detailed investigation. This could be either through a 'logical inclusions' type process or, depending upon the scope of the work being undertaken in drafting the DAL statement, through the DAL process.

There has already been a detailed and open process for setting the boundaries of and framework plans for Armstrong Creek and the two new growth areas in 'urban Geelong'. In my view any reconsideration of these boundaries should sensibly be either a response to a need to identify an additional short to medium term land supply or be part of any scheduled future



mid-implementation reviews of the relevant growth area framework plans. The latter option would provide an opportunity to look more broadly at the scope and need for changes to the boundaries of the growth area and at the impact of any change on the functioning of the growth area. I can see no apparent justification, apart from self-interest, for suggesting that the growth area boundaries should be subject to review through an immediate 'logical inclusions' process.

- vii. *The urban consolidation goals put forward in the Settlement Strategy are unrealistic and may indicate that insufficient provision has been made for future 'greenfield' land supplies.*

Council has established an aspirational goal for urban consolidation to contribute 50% of Geelong's housing needs in the future (compared to the 70% urban consolidation target set in Plan Melbourne). As outlined in the evidence of my colleague Dale Stokes the land supply estimates included in the Settlement Strategy do not assume the success of this Council's aspiration. Instead they assume a continuation of the current share of growth coming from urban consolidation. This is a deliberately conservative assumption.

In practice there are reasonable grounds for believing that urban consolidation will likely increase in future – both in terms of achieved densities and the share of total housing supply met from this source.

There are a number of locations within the City of Greater Geelong that clearly have the locational and/or amenity characteristics required to enable higher density housing in future. Council has already shown its intention to facilitate such forms of development both through planning scheme provisions and investment in 'place making'.

More generally there is substantial ongoing scope for the type of smaller scale, more dispersed, urban consolidation that is already making a significant contribution to meeting Geelong's housing needs.

In line with experience in other major cities it is very likely that as Geelong continues to increase in size, and household structures change, more households will choose smaller dwellings in established suburbs in preference to housing in 'greenfield' estates. From a sustainability point of view, it is sensible for Council to support such a trend.

However, the critical point is that the ability of the Settlement Strategy to provide for future housing demand does not depend upon the achievement of the Council's urban consolidation goal.

- viii. *Inadequate provision has been made for rural living development*

State planning policy indicates that Councils should only provide ensure for rural residential development in appropriate locations. In effect it gives priority to providing for other higher value land uses.

State Policy¹ says, among other things, that councils should:

- *“manage development in rural areas to protect agriculture and avoid inappropriate rural residential development”;*

¹ Clause 16.01-5S



- *“ensure planning for rural residential development avoids or significantly reduces adverse economic, social & environmental impacts by”;*
 - *“minimising or avoiding property servicing costs carried by local & state governments”;* and
- *“ensure land is only zoned for rural residential development where it ... is ... not in areas that will be required for fully serviced urban development”.*

Given the scale of forecast urban development in the City of Greater Geelong, together with the decision of the State Government to give DAL status to the Bellarine Peninsula, there is limited scope for provision of additional rural residential areas within the Geelong LGA. Provision for rural living demand can and should be addressed at a sub-regional scale not just within the City of Greater Geelong.



Appendix: Requirements of Planning Panels Victoria – Expert Evidence

Name:

John Collins, Director Spatial Economics Pty Ltd

Address:

1 Woodlawn Circuit Macleod, Vic 3085

Qualifications:

Bachelor of Arts in economics and political science, Australian National University 1969 (placed first in both subjects in my final year at the ANU)

Experience:

I have over 40 years' experience in urban and housing policy and strategic planning. This includes periods employed as:

- an urban economist with the National Capital Development Commission in Canberra and later with the Monarto Development Commission in Adelaide (in the early 1970's);
- Executive Director Research Division and then Executive Director, Housing and Metropolitan Division in the South Australian Department of Housing, Urban and regional Development (in the later 1970's);
- Executive Director Corporate Development in the Melbourne and Metropolitan Board of Works which included responsibility for strategic policy review and evaluation of the Board's capital works programmes and then as Deputy Secretary, Victorian Ministry of Transport (mid 1980's);
- Executive Director in the NSW Department of Urban Affairs and Planning responsible for the Greater Metropolitan Region covering the Sydney basin, Newcastle, Central Coast and Illawarra (mid-1990's to early 2000's); and
- Executive Director Strategic Planning, Victorian Department of Infrastructure and then Deputy Secretary Department of Sustainability and Environment (early to mid -2000's). During this period I directed the preparation of the Melbourne 2030 metropolitan strategy and, among other things, recommended the adoption of the minimum 15 year land supply policy.

During my periods with the South Australian Department of Housing, Urban and Regional Development, NSW Department of Housing and Urban Affairs, and Victorian Departments of Infrastructure and Sustainability and Environment I was responsible for metropolitan planning for Adelaide, Sydney and Melbourne. In Melbourne this included responsibility for leading the preparation of the *Melbourne 2030* metropolitan strategy.

While with the NSW Department I also, at various times, represented the Department on the Boards of the Land Commission and the Honeysuckle Development Corporation.

In addition to my direct housing and urban policy experience my time in the public sector included periods working:

- as an economist in the (commonwealth) Department of the Interior;
- as a research officer in the Senate Committee Secretariat;
- in the South Australian Treasury working on the introduction of program budgeting into the SA public sector;



- as head of the Research Branch and then Director of the Cabinet Office in the South Australian Premier's Department; and
- as head of the Office of Public Sector Management in the ACT Government Service.

In these roles I was often required to provide advice on housing and urban policy issues.

I have also spent more than a decade as a management consultant specialising in program and organisational reviews and the provision of strategic advice, primarily to public sector agencies. Much of this work involved work with agencies involved in urban planning, housing policy, environmental management and land administration.

Since 2005 I have worked as a consultant on housing and urban policy and strategic planning issues. This included a period running my own consulting practice and, since 2010, as Director of Spatial Economics Pty Ltd. This has included the provision of advice on strategic planning, housing policy and land supply issues to a variety of agencies, councils and development industry organisations in Victoria and Queensland.

Areas of Expertise:

Urban and housing policy, strategic planning for urban and regional development.

Instructions that define the scope of the Report:

To provide evidence in relation to the role of Spatial Economics Pty Ltd in the preparation of the City of Greater Geelong's Settlement Strategy and my expert opinion as to the strategic merits of the Strategy.

Expert Declaration:

I have made all inquiries that I believe are desirable and appropriate and no matters of significance which I regard as relevant have to my knowledge been withheld from the Panel.



John Collins
Director, Spatial Economics Pty Ltd
05/11/2019

