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# MACEDON RANGES

## RESIDENTIAL LAND DEMAND AND SUPPLY ASSESSMENT

MACEDON RANGES SHIRE | JANUARY 2020



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## **AUTHORS**

Paul Shipp

Brett Hannah

## **FILE**

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2

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L1 302-304 Barkly St, Brunswick VIC 3056  
+61 3 9482 3888 [urbanenterprise.com.au](http://urbanenterprise.com.au)

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# 1. INTRODUCTION

## 1.1. ENGAGEMENT

Urban Enterprise was engaged by Macedon Ranges Shire Council (**Council**) to prepare a residential land demand and supply analysis for the key townships of Gisborne, Kyneton, Romsey, Riddells Creek, Lancefield and Woodend.

## 1.2. STUDY AREA

The study area for this analysis includes the following:

- Land within the township boundaries of Gisborne, Kyneton, Romsey, Riddells Creek, Lancefield and Woodend. (see relevant sections of this report for township boundaries);
- Land within the following zones:
  - General Residential Zone (**GRZ**);
  - Low Density Residential Zone (**LDRZ**);
  - Neighbourhood Residential Zone (**NRZ**)
  - Rural Living Zone (**RLZ**); and
  - Urban Growth Zone (**UGZ**).

## 1.3. APPROACH

The approach for this assessment includes the following steps:

- Prepare an overview of regional context, including the location, environmental setting, housing role and settlement policy designation of each township within the broader municipality and surrounding area;
- For each town:
  - Undertake a demand assessment, considering recent and projected population growth, demographic characteristics and trends, dwelling approvals, subdivision activity, property values and consultation with real estate agents;
  - Undertake a supply assessment to identify and quantify existing dwelling stock, vacant lots and the capacity of residential land supply to accommodate dwellings (see **Appendix A** for details); and
  - Assess the adequacy of the existing land supply to meet demand over the forecast period.

It is noted that some of the data presented in this report is sourced from a preliminary (unpublished) assessment of each township prepared by consultants Charter Keck Cramer in 2018. The majority of the data analysed in this report was compiled in mid 2019, with the final report approved for issue in early 2020.

## 2. REGIONAL CONTEXT

### 2.1. INTRODUCTION

The section provides an overview of the regional context for the study, including location and physical features, policy context and township roles for each key township in the municipality.

### 2.2. LOCATION AND CHARACTERISTICS

The geographical conditions across the Macedon Ranges Shire are such that settlements vary in terms of their size, landscape setting and local property market characteristics.

The natural setting in the west of the Shire, where settlements are commonly set within areas of significant vegetation and high quality environmental settings, differs considerably from the rural and agricultural landscapes in the eastern part of the Shire.

The Gisborne and Riddells Creek area is characterised by townships and rural living areas and townships that are located near the foothills of the Macedon Ranges and adjacent to State forests. Demand for properties in these towns is strongly influenced by the close proximity and ready access to metropolitan Melbourne.

The east of the Shire, including the main townships of Romsey and Lancefield, are physically separated from the towns along the Calder Highway corridor by the Macedon Ranges, and the agricultural setting in the east means that the property market is somewhat different in that part of the Shire.

Woodend is located close to the Macedon Ranges and the Black Forest within a scenic landscape, while Kyneton is further north and acts as a service base for the surrounding smaller towns, rural hinterland and agricultural areas.

Table 1 identifies the key features of each township in terms of population, proximity to Melbourne, employment role and major available services. Whilst not an exhaustive list, the following points are considered to be most relevant to this study:

- Gisborne has the greatest population of any town in the municipality and supports the greatest number of jobs. Gisborne is also the closest and most accessible town to Melbourne;
- Kyneton is the second most significant employment centre in terms of population and employment and provides an important retail, education and services role;
- Woodend had the fourth highest population and third highest employment in 2016 and performs a secondary retail and service role with good road and rail accessibility along the Calder Highway corridor;
- Romsey and Riddells Creek are currently secondary population centres with relatively low employment and no full line supermarket or secondary schools, however these towns are growing quickly and services are expected to follow.

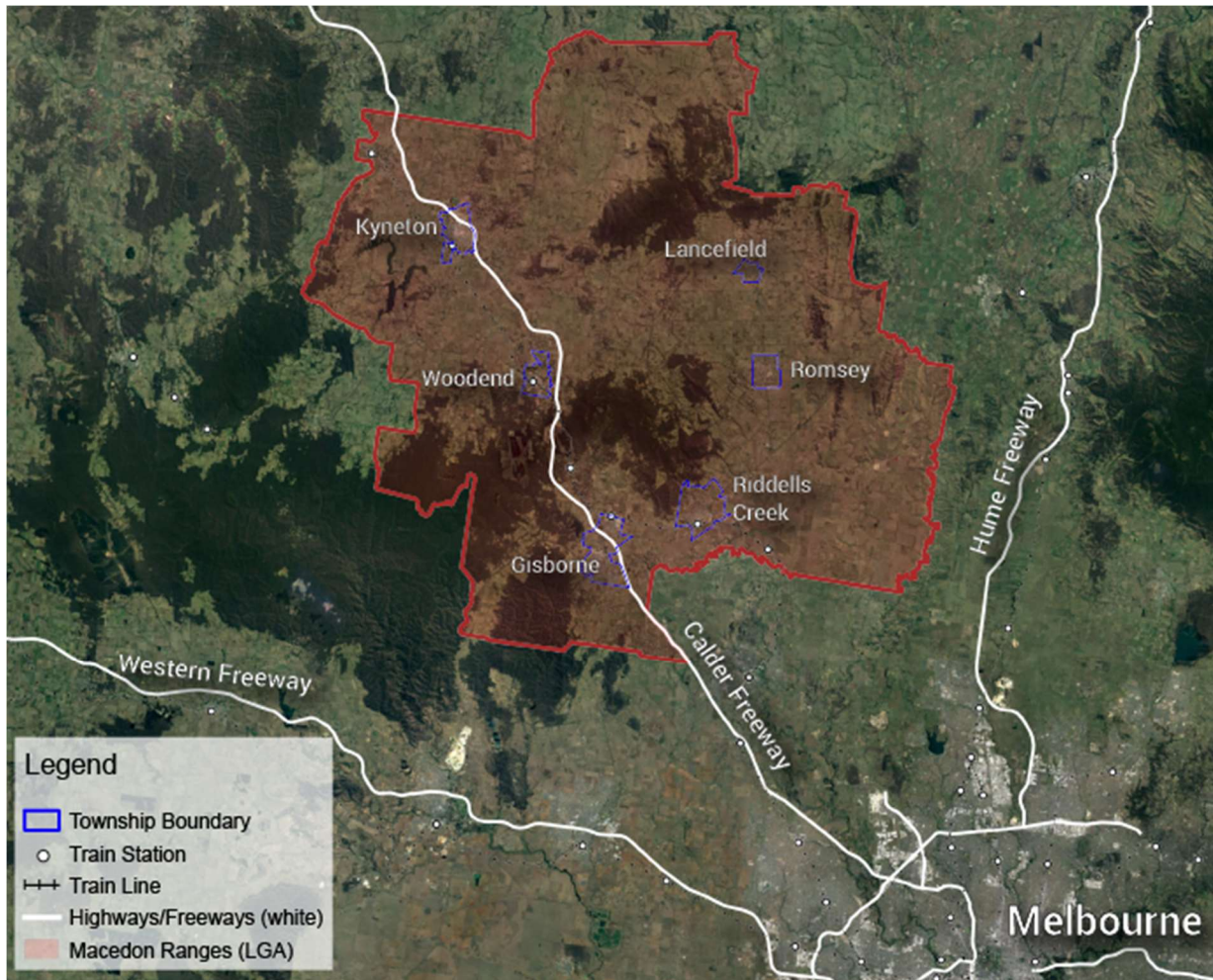
## T1. TOWNSHIP FEATURES AND SCALE

Township	Population <sup>1</sup>	Distance from Melbourne (car)	Infrastructure	Retail Anchors	Employment <sup>2</sup>	Schools
Gisborne	9,822	56 km, 50 mins	Train Station, Calder Freeway	Major supermarkets, bulky goods, hospitality.	3,256	Primary, Secondary
Kyneton	4,866	89 km, 1 hr 10	Train station, Calder Freeway	Supermarkets, speciality shops, hospitality.	2,406	Primary, Secondary
Romsey	3,868	64 km, 1 hr	-	Small supermarket, specialities.	602	Primary
Woodend	3,775	71 km, 1 hr	Train Station, Calder Freeway	Major supermarkets, Target, specialities, hospitality.	1,196	Primary, Secondary, Private
Riddells Creek	3,167	60 km, 1 hr	Train Station	Small supermarket	437	Primary
Lancefield	1,462	73 km, 1 hr 10	-	Small supermarket	328	Primary

Source: ABS Census, 2016; Google Maps, 2019; Urban Enterprise, 2019.

1. Usual Resident Population of Urban Centre Locality, ABS Census 2016. 2. Employment within relevant Destination Zone, ABS Census, 2016.

## F1. MACEDON RANGES REGIONAL CONTEXT



Source: Urban Enterprise

## 2.3. POLICY

### SUPPLY OF URBAN LAND

Clause 11.02-1S of the Planning Scheme sets out the state policy for the supply of urban land. The strategies included in the policy are as follows:

- Ensure the ongoing provision of land and supporting infrastructure to support sustainable urban development.
- Ensure that sufficient land is available to meet forecast demand.
- 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 policy also states that planning for urban growth should consider:

- Opportunities for the consolidation, redevelopment and intensification of existing urban areas.
- Neighbourhood character and landscape considerations.
- The limits of land capability and natural hazards and environmental quality.
- Service limitations and the costs of providing infrastructure.

Other strategies of the policy include:

- Monitor development trends and land supply and demand for housing and industry.
- Maintain access to productive natural resources and an adequate supply of well-located land for energy generation, infrastructure and industry.
- Restrict rural residential development that would compromise future development at higher densities.

The policy also requires that Victorian Government population projections and land supply estimates be considered 'as relevant'.

### PLAN MELBOURNE 2017-2050

Plan Melbourne is the long-term strategic planning document to guide Melbourne's growth to 2050. It includes consideration of Melbourne's peri-urban areas and regional Victoria. Gisborne and Kyneton are identified as 'regional centres' in Plan Melbourne.

**Policy 7.1.2** of Plan Melbourne is to "Support planning for growing towns in peri-urban areas. The plan notes that a number of towns in peri-urban areas have capacity for more housing and employment-generating development without impacting on the economic and environmental roles that surrounding non-urban areas serve. Gisborne and Kyneton are identified as two such towns.

The plan also notes development in peri-urban areas must also be in keeping with local character, attractiveness and amenity. Growth boundaries should be established for each town to avoid urban sprawl and protect agricultural land and environmental assets.

## DISTINCTIVE AREAS AND LANDSCAPES

The Planning and Environment Amendment (Distinctive Areas and Landscapes) Act 2018 was passed in May 2018 to enable better management and projection of state significant areas. The Act elevates the importance of a Localised Planning Statement by:

- Renaming them as Statement of Planning Policy and placing the onus of preparation on the State Government (not local governments);
- Introducing protected settlement boundaries for townships; and
- Introducing consequential amendments to other Acts to compel a range of government agencies to act in accordance with prepared statements.

The Macedon Ranges region was the first area declared under the legislation in August 2018. The Statement of Planning Policy includes a Framework Plan which may include the designation of 'protected settlement boundaries' for key settlements.

## MACEDON RANGES STATEMENT OF PLANNING POLICY

The Statement of Planning Policy provides a framework to ensure the outstanding landscapes, layers of settlement history, impressive landforms, and diverse natural environment of the Macedon Ranges are protected and conserved and continue to be of special significance to the people of Victoria.

The Statement includes a projected hierarchy of settlements to 2036 shown in Table 2. Gisborne and Kyneton are identified as the two regional centres in Macedon Ranges Shire, accommodating a population of over 10,000 people. Romsey is also projected to become a large district town. Riddells Creek is also forecast to be a district town by 2036.

All study area townships assessed in this Residential Land Demand and Supply Assessment are identified as having future protected settlement boundaries.

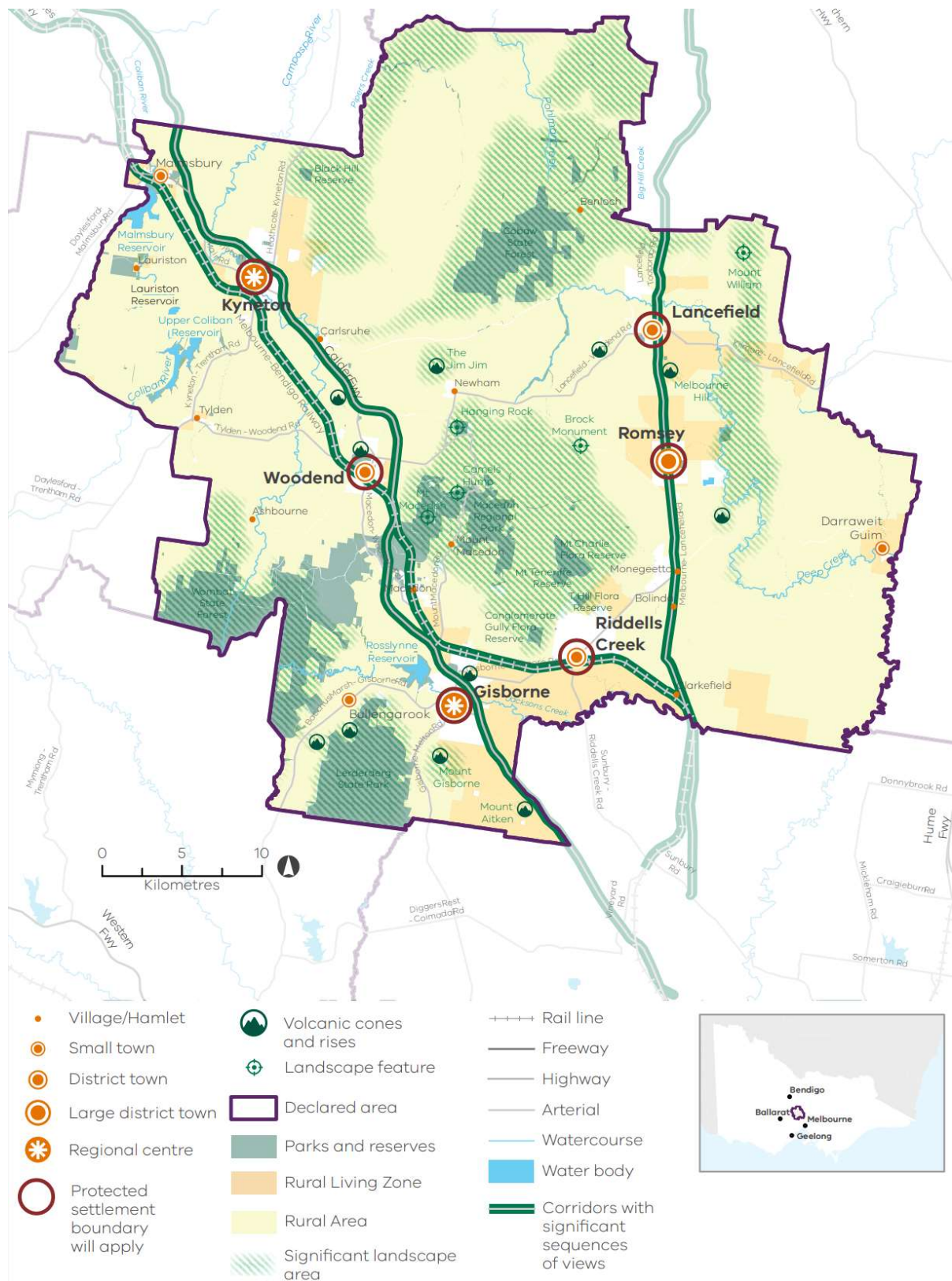
A framework plan was prepared to implement the vision as set out in the Statement, this is shown in Figure 2.

## T2. PROJECTED HIERARCHY OF SETTLEMENTS, 2036

Hierarchy designation (population)	Settlement
Regional centre (10,000+)	Gisborne, Kyneton
Large district town (10,000>)	Romsey
District town (6,000>)	Riddells Creek, Lancefield, Woodend
Small town (2,000>)	Bullengarook, Darraweit Guim, Malmsbury
Village (500>)	Benloch, Carlsruhe, Lauriston, Macedon, Mount Macedon, Newham, Tylden
Locality/hamlet (200>)	Ashbourne, Clarkefield, Monegetta-Bolinda

Source: Macedon Ranges Statement of Planning Policy, 2019.

## F2. STATEMENT OF PLANNING POLICY FRAMEWORK PLAN



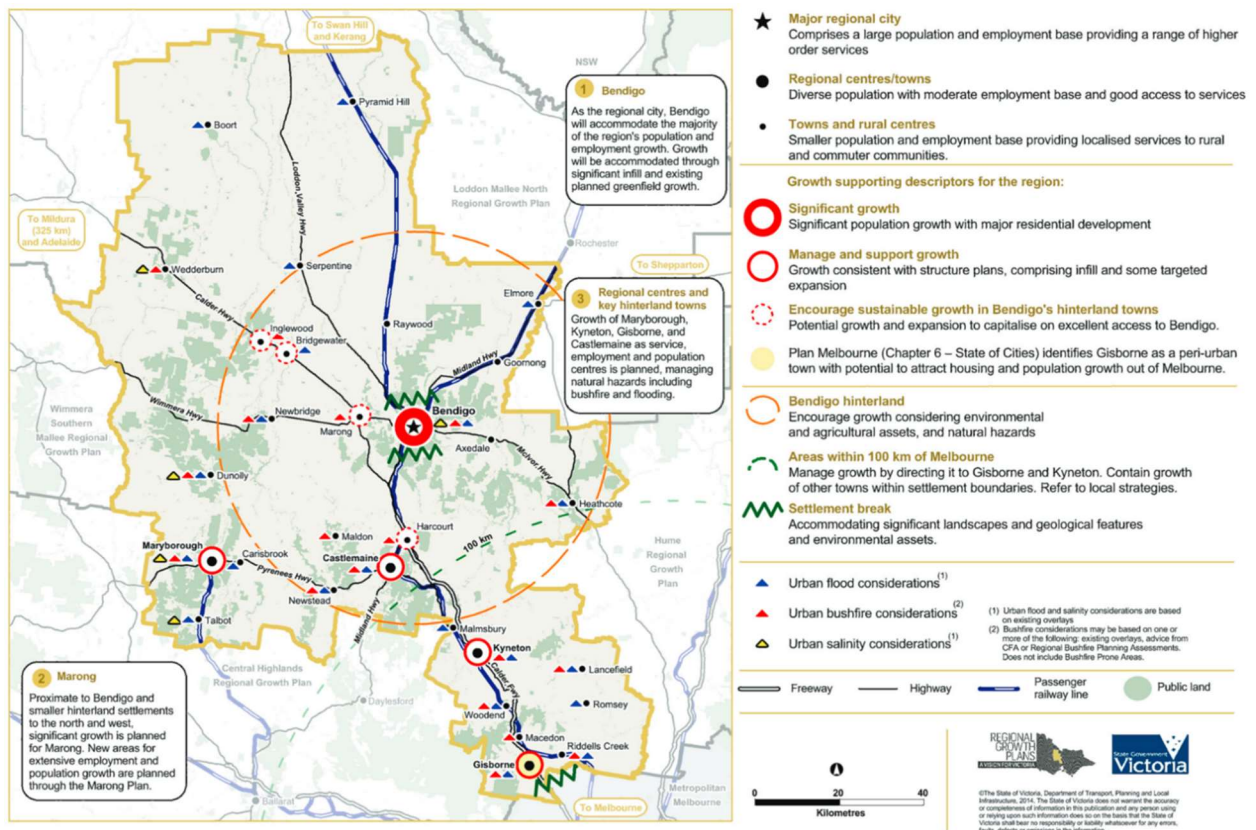
Source: Macedon Ranges Statement of Planning Policy, 2019.

### LODDON MALLEE SOUTH REGIONAL GROWTH PLAN (2014)

The Loddon Mallee Regional Growth Plan (2014) is the strategic land use plan for the region to guide growth and change for 30 years. The Loddon Mallee South region covers the municipalities of Central Goldfields, City of Greater Bendigo, Loddon Shire, Macedon Ranges Shire and Mount Alexander Shire.

Gisborne is located in the far southeast area of the region. The Future Settlement Growth Directions Plan is shown in Figure 3.

### F3. LODDON MALLEE SOUTH FUTURE SETTLEMENT GROWTH DIRECTIONS PLAN



Source: Loddon Mallee South Regional Growth Plan, 2014

The Future Settlement Growth Directions Plan nominates Gisborne as a “regional centre”, where growth should be “managed and supported”, including ensuring consistency with structure plans, comprising infill and some targeted expansion.

Kyneton, Castlemaine and Maryborough are also nominated as regional centres where growth should be managed and supported. Bendigo is nominated as the regional city within the region, where significant population growth should be supported.

Kyneton and Gisborne are the two nominated regional centres within the Macedon Ranges Shire and they service smaller towns within Macedon Ranges including Riddells Creek, Macedon, Lancefield, Woodend and Malmsbury. Riddells Creek, Macedon, Woodend and Romsey have a strategic locational relationship with Gisborne. The hierarchy of towns within Macedon Ranges as detailed in the Growth Plan is included in Table 3.

### T3. SUMMARY OF GROWTH PLAN FOR MACEDON RANGES

Town	Classification	Growth Role
Regional Centres – Diverse population with moderate employment base and good access to services.	Gisborne, Kyneton	Manage and support growth
Town / Rural Centre – Smaller population and employment base providing localised services to rural and commuter communities.	Riddells Creek, Macedon, Woodend, Romsey, Lancefield, Malmsbury	(Not stated)

Source: Loddon Mallee South Regional Growth Plan, 2014

#### LOCAL POLICY

Clause 21.04 of the Macedon Ranges Planning Scheme sets out the settlement policy for the municipality. Key points include:

- Gisborne is designated to grow from a 'Large District Town' to a 'Regional Centre' by 2036;
- Kyneton and Romsey are expected to grow from a 'District Towns' to 'Large District Towns';
- Riddells Creek and Lancefield are expected to grow from 'Small Towns' to 'District Towns';
- Woodend is expected to play a minimal role in accommodating growth, retaining its current role as a District Town.

Table 4 provides a summary of the current and future roles of each township.

#### T4. SUMMARY OF TOWNSHIP ROLES

Township	Current and Future (2036) Township Role
Gisborne	Large District Town > Regional Centre
Kyneton	District Town > Large District Town
Romsey	District Town > Large District Town
Riddells Creek	Small Town > District Town
Lancefield	Small Town > District Town
Woodend	District Town > District Town

Source: Plan Melbourne 2017; Macedon Ranges Planning Scheme, 2019; Urban Enterprise, 2019

## 2.4. KEY FINDINGS

- **Towns within Macedon Ranges perform a range of roles based on their environmental setting, proximity to Melbourne, infrastructure and service provision.**
- **The role of Gisborne, Riddells Creek and to a lesser extent Romsey and Woodend is strongly influenced by the proximity to employment and other services in metropolitan Melbourne.**
- **State planning policy requires local governments to ensure that sufficient land is available to meet forecast demand and plan to accommodate projected population growth over at least a 15 year period.**
- **State, regional and local policy designates that Gisborne and Kyneton are expected to perform the greatest role in accommodating growth.**
- **Romsey, Riddells Creek and Lancefield are identified in local policy to increase their current roles and accommodate some population growth. Woodend is expected to continue to perform a district town role.**



## 3. GISBORNE

### 3.1. INTRODUCTION

This section provides an assessment of demand and supply for residential land in the Gisborne township.

### 3.2. RESIDENTIAL SUPPLY

#### 3.2.1. DWELLING STOCK

A summary of the dwellings stock in Gisborne (the Gisborne Urban Centre Locality, ABS) is shown in Table 5, with the following findings:

- In 2016, Gisborne contained 3,642 private dwellings, of which 89% were separate houses;
- Over 90% of dwellings contain 3 bedrooms or more, with 82% of dwellings either owned outright or with a mortgage and only 18% rented; and
- 92% of dwellings were occupied on Census night.

#### T5. SUMMARY OF DWELLING STOCK, GISBORNE (UCL)

		Gisborne (UCL)	% of total*
<b>Dwellings</b>	Total Private Dwellings	3,642	N/A
<b>Occupied Dwelling Type</b>	Separate House	2,833	88.6%
	Semi-detached	363	11.3%
	Flat or apartment	3	0.1%
	Other	0	0.0%
<b>No. of bedrooms</b>	None	0	0.0%
	1 bedroom	51	1.6%
	2 bedrooms	248	7.9%
	3 bedrooms	1,185	37.8%
	4 or more bedrooms	1,647	52.6%
<b>Tenure</b>	Not stated	64	N/A
	Owned outright	971	31.1%
	Owned with mortgage	1,591	50.9%
	Rented	555	17.8%
	Other tenure type	9	0.3%
<b>Occupancy</b>	Not stated	77	N/A
	Rate (%)	91.6%	N/A

Source: ABS Census 2016. \*Note that answers "not stated" are not included in the calculations of proportion.

### 3.2.2. ZONED LAND

Figure 4 shows the residential zones within and immediately surrounding the township boundaries of Gisborne. The majority of residential land in the township is zoned GRZ1, with smaller areas of LDRZ and RLZ.

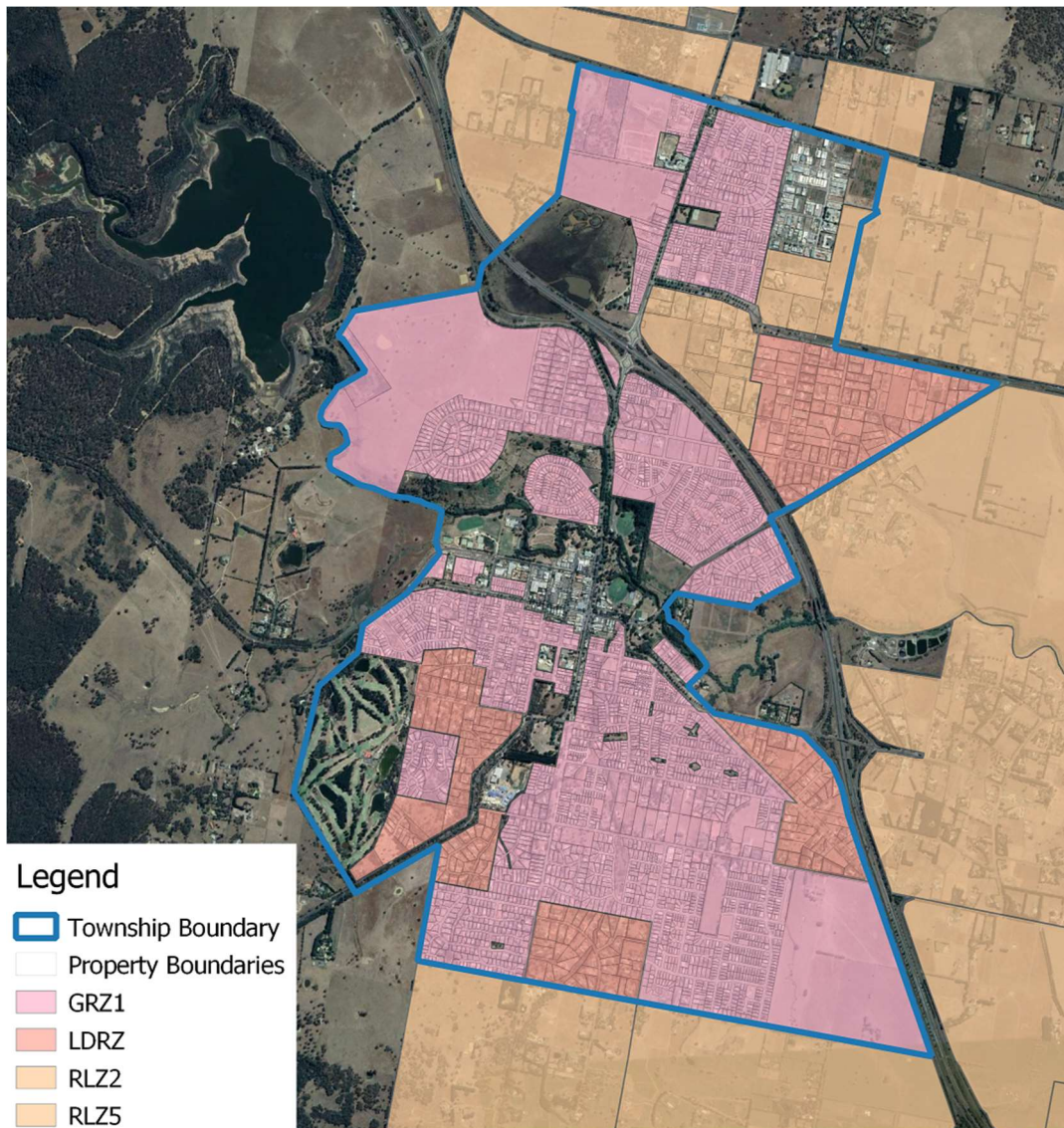
Council's property database shows 3,978 lots in all residential zones within the township occupying 993 hectares of land. 92% of lots are within the GRZ (Table 6).

#### T6. RESIDENTIAL ZONED LOTS AND LAND AREA BY ZONE

Zone	Lot Area (ha)	No. of Lots	% of lots
GRZ1	718.96	3,654	92%
LDRZ	206.46	297	7%
RLZ2	38.55	22	0.6%
RLZ5	29.24	5	0.1%
<b>Total</b>	<b>993.22</b>	<b>3,978</b>	<b>100%</b>

Source: Council Rates Database, 2019.

#### F4. GISBORNE RESIDENTIAL PLANNING ZONES



Source: Urban Enterprise, 2019

### 3.2.3. VACANT LOTS

Vacant lots were identified by reference to Council's property database and verified using aerial imagery (January 2019). This process identified a total vacant land area of 90.11 hectares across 185 properties. The majority of vacant supply exists within the GRZ as shown in Table 7.

#### T7. SUPPLY OF VACANT LOTS AND LAND BY ZONE

Zone	Land Area (ha)	No. of Lots
GRZ1	72.1	172
LDRZ	9.78	10
RLZ2	3.59	2
RLZ5	4.64	1
<b>Total</b>	<b>90.11</b>	<b>185</b>

Source: Council Rates Database, 2019; Urban Enterprise verification.

### 3.2.4. ZONED LAND CAPACITY

The capacity of existing zoned land to accommodate dwellings depends on a range of factors, including whether the land is occupied, the size of the lot, minimum lot size controls and other planning requirements, and the intentions of individual landowners to subdivide or sell.

Estimates of the capacity of existing zoned land to accommodate additional dwellings have been made in this report by using a range of assumptions and methods as described in Appendix A. In addition to these 'default' methods, the following town-specific assumptions were also applied:

- Minimum lot size for subdivision were based on the minimum lot size shown in the Macedon Ranges Shire Planning Scheme for each specific zone and zone schedule (if applicable) as shown in Table 8.
- Known or proposed lot yields for major developments were adopted in place of the default lot yield assumptions for the following sites:
  - 39 Willowbank Road, Gisborne (based on Subdivision Layout Plan);
  - 61 Willowbank Road (Masterplan, February 2015);
  - Ferrier Road, New Gisborne (Subdivision Concept Plan, April 2019);
  - Fersfield Road, Gisborne (Development Plan, June 2012);
  - Gisborne Masterplan (provided by Council);
  - McKim Road Precinct, Gisborne (Outline Development Plan, November 2011);
  - 43 Brooking Road, Gisborne (Plan of Subdivision, April 2018); and
  - 206 McGeorge Road, Gisborne (Planning Permit, May 2019).

#### T8. GISBORNE ADOPTED MINIMUM LOT SIZES

Zone	Location	Minimum lot size (sqm)
GRZ1	All	800*
LDRZ	Gisborne Rise Estate	6,000
	All other on sewer**	2,000
	All other off sewer**	4,000
RLZ2	All	20,000
RLZ5	All	80,000

Source: Macedon Ranges Planning Scheme.

\*Assumption based on common GRZ1 lot sizes in Gisborne subdivision plans and size of existing occupied GRZ1 lots.

\*\*All seweraged land is based on the Servicing Strategy Engineering Report, Gisborne Structure Plan, Sept 2018.

## SUPPLY ASSESSMENT RESULTS

The results of the supply assessment are shown in Table 9, including three main types of land supply:

- Vacant lots with no subdivision potential ('single lots');
- Vacant lots with subdivision potential (either Broadhectare, Major or Minor); and
- Occupied 'Broadhectare' lots (i.e. those occupied lots with potential to create 20 or more additional lots).

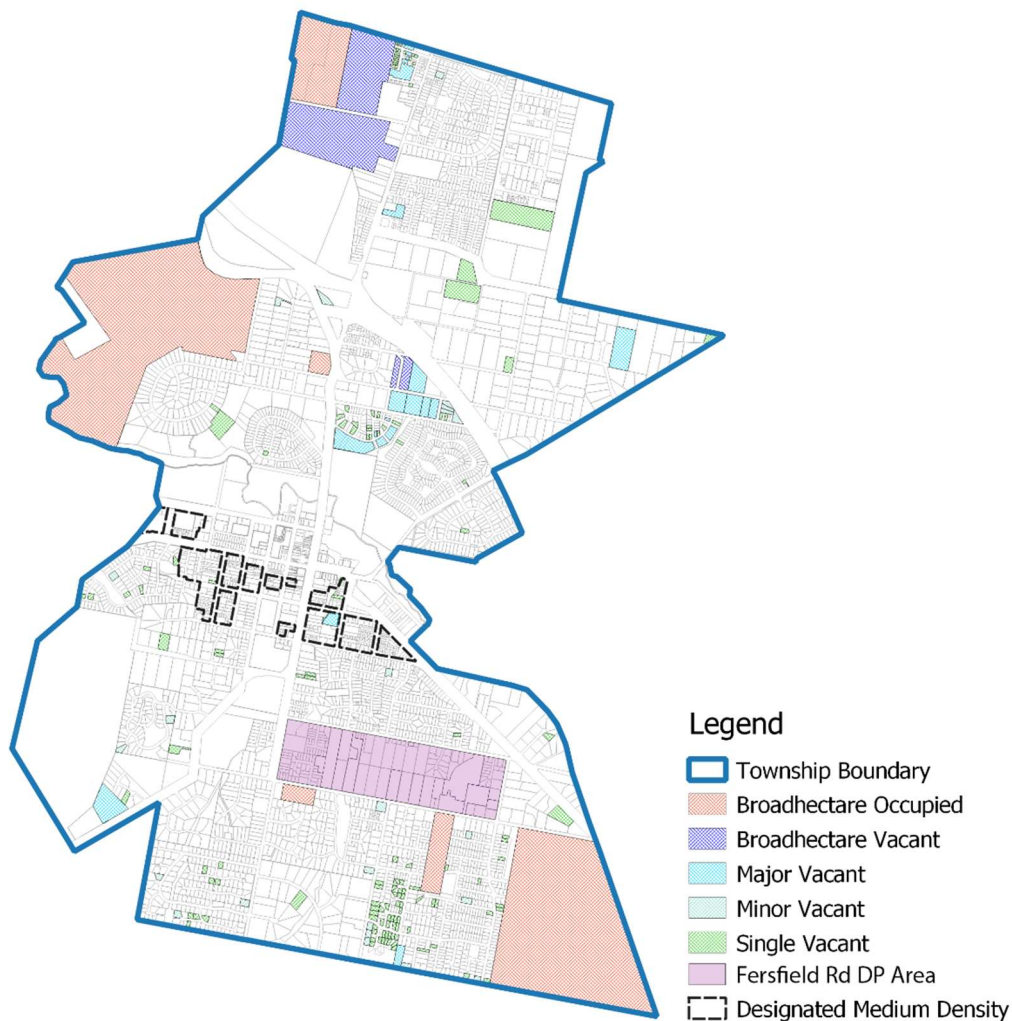
It is estimated that existing zoned land in Gisborne has the capacity to accommodate 2,629 new residential lots for separate dwellings.

### T9. ESTIMATED RESIDENTIAL LAND SUPPLY (CAPACITY)

ZONE	VACANT				OCCUPIED		TOTAL LOT CAPACITY
	Broadhectare	Major	Minor	Single lot	Broadhectare	Fersfield Road	
GRZ	341	118	55	129	1,711	244	2,598
LDRZ	0	17	4	7	0	0	28
RLZ	0	0	0	3	0	0	3
<b>Total</b>	<b>341</b>	<b>135</b>	<b>59</b>	<b>139</b>	<b>1,711</b>	<b>244</b>	<b>2,629</b>

Source: Urban Enterprise. 2019.

### F5. GISBORNE RESIDENTIAL LAND SUPPLY MAP



Source: Urban Enterprise, 2019

## **OCCUPIED LOTS**

The land supply shown in this section excludes occupied lots which have a sufficient land area to enable subdivision but could create less than 20 lots, with the exception of any such lot that forms part of an area with an approved Development Plan (eg. Fersfield Road Development Plan area).

In most cases, these lots are fully occupied by established dwellings and gardens, are not underutilised in any way and would only be able to create between 1 and 4 additional lots. The prospect of these lots being subdivided in the future is highly uncertain and the realisation of any additional supply from these lots would rely on a significant number of individual home owners seeking to sell an established dwelling to a developer to enable subdivision.

Larger 'occupied broadhectare' lots that have capacity to accommodate 20 or more lots and are clearly underutilised (despite technically being 'occupied' by an existing dwelling) are included in the analysis – this category comprises a significant proportion of the future land supply capacity in Gisborne.

## **MEDIUM DENSITY**

The preceding assessment relates primarily to the capacity of zoned land to accommodate separate dwellings which comprise the overwhelming majority of the Gisborne residential market.

The Macedon Ranges Planning Scheme also includes a strategy to "encourage, in appropriate locations, medium density housing within 400 metres walking distance of the Gisborne town centre" (Clause 21.13-1, p.3) and shows specific locations for this in the Gisborne / New Gisborne Structure Plan.

These locations are affected by Design and Development Overlay 17 (DDO17), which aims to implement the design and development controls of the Gisborne / New Gisborne Outline Development Plan and provide for a diversity of housing to cater for the needs of elderly and sole person households near the town centre.

As shown in Figure 5, the future land supply identified primarily excludes land in the designated medium density areas on the basis that most lots are occupied and are unlikely to accommodate large volumes of new housing (relative to Broadhectare lots on the town periphery).

Although the medium density areas will also contribute to the township's capacity to accommodate dwelling growth, these areas (along with the Commercial 1 Zone in the town centre) will provide opportunity for a different housing type to the balance of the residential land in the town. The scale of demand for medium density dwellings is considered in the residential demand section which follows.

### 3.3. RESIDENTIAL DEMAND

#### 3.3.1. POPULATION GROWTH

Population growth has been assessed using the Estimated Residential Population (ERP) of the Gisborne SA2, the smallest data area available. The boundaries for the Gisborne SA2 are shown in Appendix B – the SA2 area includes the township of Gisborne, New Gisborne and surrounding areas such as Bullengarook and Gisborne South.

In 2018 the Gisborne SA2 had a population of 13,963 people. The population increased by approximately 3,600 people between 2008 and 2018 at a rate of 3% per annum. This is a strong rate of growth, well above the municipal average rate of 2% over the period. Gisborne accommodated 41% of population growth in the municipality over the 10 year period.

#### T10. ABS REGIONAL POPULATION GROWTH

Area	2008	2013	2018	Population Change (2008-18)	AAG	AAG %
Gisborne (SA2)	10,364	12,087	13,963	+3,599	+360	3.03%
Macedon Ranges (LGA)	40,583	44,614	49,324	+8,741	+874	1.97%

Source: 3218.0 - Regional Population Growth, 2006-16; 3218.0 - Regional Population Growth, 2017-18. AAG = Average Annual Growth.

#### 3.3.2. DWELLING APPROVALS

The rate of dwelling growth in Gisborne (SA2) has been reviewed by reference to ABS dwelling approvals which are summarised in Table 11 and Figure 6. The data shows that:

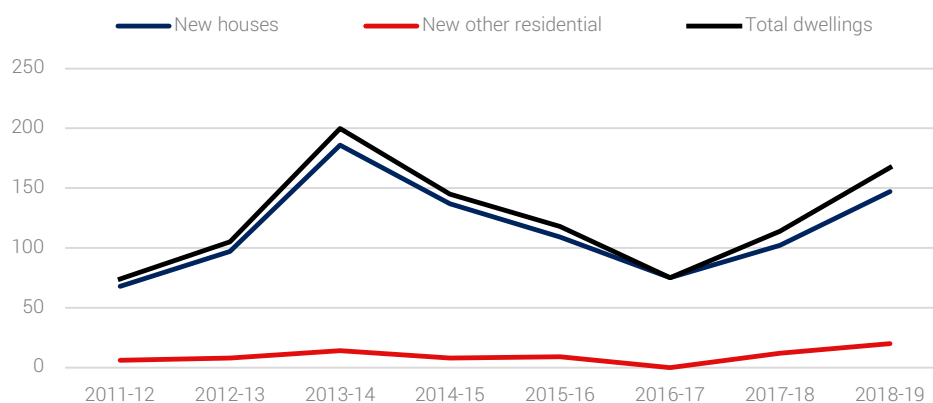
- Between 2011-12 and 2018-19 an average of 125 new dwellings were approved for construction per annum;
- Dwelling growth peaked in 2013-14 at 200 new dwellings, with periods of lower growth in 2011-12 and 2016-17 (74 and 77 dwellings respectively);
- 92% of new dwellings approved were separate houses, with approximately 8% of dwellings being “other residential buildings” (units and apartments);
- Dwelling approvals has continued on an upward trend during 2018-19, with 167 new dwellings being approved 2018/19.

#### T11. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, GISBORNE SA2

	New houses	New other residential	Total dwellings	New houses %	New other residential %
2011-12	68	6	74	92%	8%
2012-13	97	8	106	92%	8%
2013-14	186	14	200	93%	7%
2014-15	137	8	145	94%	6%
2015-16	109	9	118	92%	8%
2016-17	75	0	75	100%	0%
2017-18	103	12	115	90%	10%
2018-19	147	20	167	88%	12%
Average per year (2011-12 to 2017-18)	115	10	125	92%	8%

Source: ABS Building Approvals, 2011-2018

## F6. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, GISBORNE



Source: ABS Building Approvals, 2011-2018

### 3.3.3. NEW RESIDENTIAL SUPPLY

Data prepared by Charter Keck Cramer on subdivisions in Gisborne is summarised in Table 12 and Figure 7. The data shows relates to new residential lots created and sold since 2005 in the Gisborne Township, with the following relevant findings:

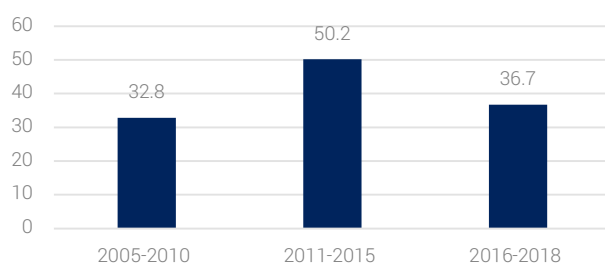
- Over the period 2005 – 2018, a total of 558 new residential lots were created and sold at an average of approximately 40 lots per annum. The most recent 3 year period (2016 – 2018) saw 110 new residential lots created at a rate of 37 per annum;
- As shown, in Figure 7, there was an increase in supply during 2011-15, before reducing in recent years. This trend aligns with the trends dwelling approvals shown in Figure 6;
- The most common lot type created and sold over the period is lots larger than 1,000 sqm (49%).

### T12. NEW LOTS CREATED BY LOT SIZE AND TIME PERIOD

Lot Size (sqm)	2005-2010	2011-2015	2016-2018	Total
0-400	10	14	5	29
400-600	11	43	16	70
600-800	14	73	28	115
800-1000	29	34	10	73
1000+	133	87	51	271
<b>Total</b>	<b>197</b>	<b>251</b>	<b>110</b>	<b>558</b>
<b>Average per annum</b>	<b>33</b>	<b>50</b>	<b>37</b>	<b>40</b>

Source: Charter Keck Cramer, 2018.

## F7. AVERAGE NEW LOTS CREATED PER ANNUM BY TIME PERIOD



Source: Charter Keck Cramer, 2018

Urban Enterprise understands that there has been significant lot sales in developments at Fersfield Road and Ferrier Street in Gisborne and New Gisborne. These development have been delayed due to planning processes and are expected to have dwellings constructed in the short-term.

The significant number of pre-sold lots in these developments indicates strong demand. Given the delays in approvals, this may have resulted in an accumulation of **latent demand** (demand for residential dwellings that is not being met due to the unavailability of the appropriate residential product) in recent years.

### 3.3.4. FUTURE RESIDENTIAL SUBDIVISION ACTIVITY

Data provided by Charter Keck Cramer identified residential subdivisions in Gisborne with planning approval between 2016 and 2018. The nine largest subdivisions are shown in Table 13.

During the period, 459 new lots were approved for subdivision, however only one of the nine largest approved developments had commenced as of 2018.

These circumstances indicate that the recent reduction in dwelling approvals (Figure 6) and lot construction (Figure 7) may be to some extent influenced by a lack of new residential subdivisions being completed and made available to the market.

#### T13. MAJOR SUBDIVISION APPROVALS 2016-2018 – PLANNING PERMITS - GISBORNE

Address	Status	Date of approval	Zone	Number of Lots	Progressed at 2018	Marketing Status
28 Ferrier Road, New Gisborne	Approved	15/07/2016	GRZ	143	No	Marketed as Mountain View Estate
43 Brooking Road, Gisborne	Approved	2/08/2018	GRZ	87	No	Not yet marketed
74 Willowbank Road, Gisborne	Approved	21/08/2017	GRZ	35	No	Not yet marketed
146 Willowbank Road, Gisborne	Approved	4/04/2018	GRZ	33	No	Not yet marketed
3 Morrison Road, Gisborne	Approved	7/08/2017	GRZ	24	No	Not yet marketed
59 Fersfield Road, Gisborne	Approved	30/07/2018	GRZ	16	No	Not yet marketed
35 Fersfield Road, Gisborne	Approved	28/08/2018	GRZ	12	No	Not yet marketed
67b Fersfield Road, Gisborne	Approved	7/11/2016	GRZ	11	Yes – earthworks underway	Marketed as Dianella Fields, all lots under contract
65 Fersfield Road, Gisborne	Approved	11/03/2016	GRZ	11	No	Not yet marketed
<b>Total</b>				<b>372</b>		

Source: Charter Keck Cramer, 2018.

Discussions with Council officers in May 2019 identified that there are a number of other development proposals currently under planning consideration for multi-stage subdivisions, including two major proposals (a 700 lot subdivision at Willowbank and 180 lots at Station Street).

When these proposals are considered together with the significant number of lots with subdivision permission shown in Table 13, it is apparent that more than 1,200 lots are approved or proposed for subdivision in Gisborne. This significant potential new lot supply indicates that there is likely to be a strong increase in the rate of lot creation in Gisborne and therefore the opportunity for an increase in dwelling construction activity and population growth.



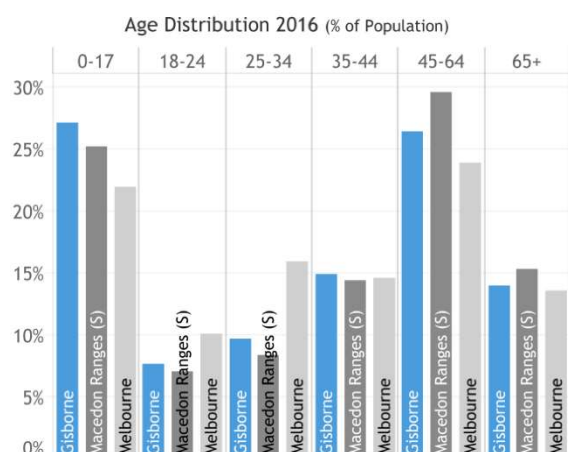
### 3.3.5. DEMOGRAPHIC PROFILE

Figures 8 to 14 provide an overview of the demographic profile of Gisborne residents (including both Gisborne and New Gisborne suburbs). This profile adopts and builds on previous analysis undertaken by Charter Keck Cramer.

The key findings are as follows:

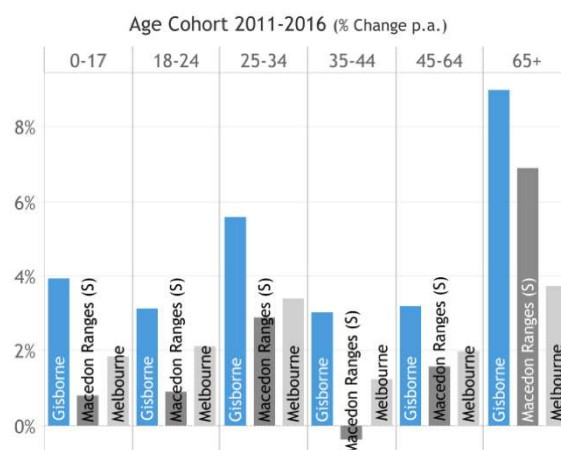
- Gisborne has a significant cohort of residents aged 0-17 years, with the proportion of young population being greater than both Macedon Ranges and Melbourne.
- Analysis of change in age demographic shows that Gisborne is growing in all age cohorts, with most significant growth in those 65 years and over.
- Average income for younger working age populations in Gisborne is higher than both Macedon Ranges and Melbourne, at approximately \$60,000 per annum. However, Gisborne residents have lower income than the municipal Macedon Ranges area for both older age cohorts. Both Gisborne and Macedon Ranges have significantly higher incomes than Melbourne in the 45-54 year age group;
- Approximately 35% of Gisborne's working population work within the Macedon Ranges, while the Melbourne and Hume municipalities are the next most common places of work; and
- Household sizes in Gisborne (2.8 people per dwelling) are slightly larger than both Macedon Ranges (2.7) and Melbourne (2.7), due to the higher proportion of couple with children households and lower proportion of lone person households

**F8. AGE DISTRIBUTION, 2016**



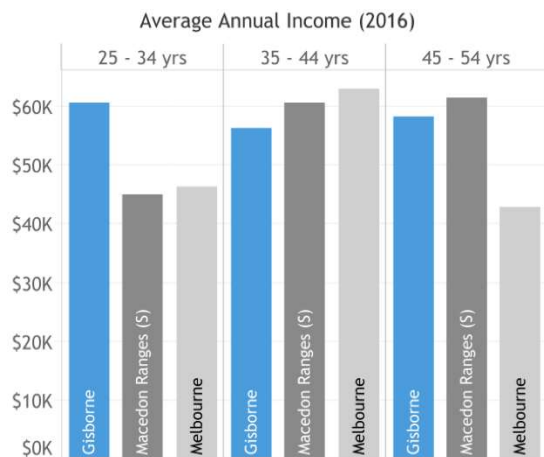
Source: ABS Census, 2016; Charter Keck Cramer, 2018

**F9. CHANGE IN AGE COHORT, 2011-2016**



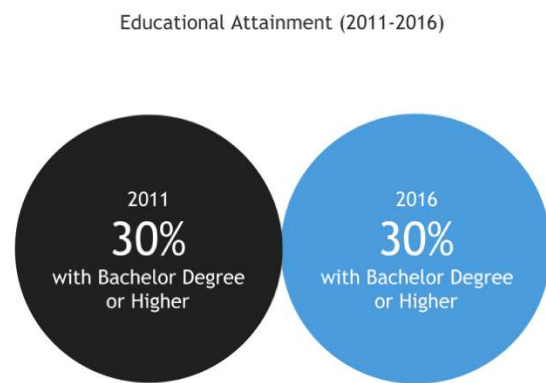
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F10. AVERAGE ANNUAL INCOME, 2016



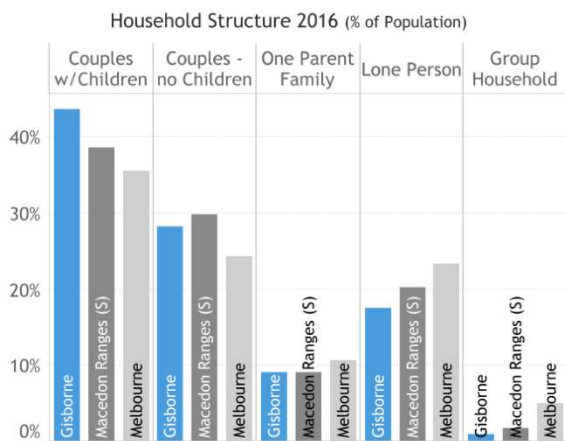
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F12. EDUCATIONAL ATTAINMENT, 2011-2016



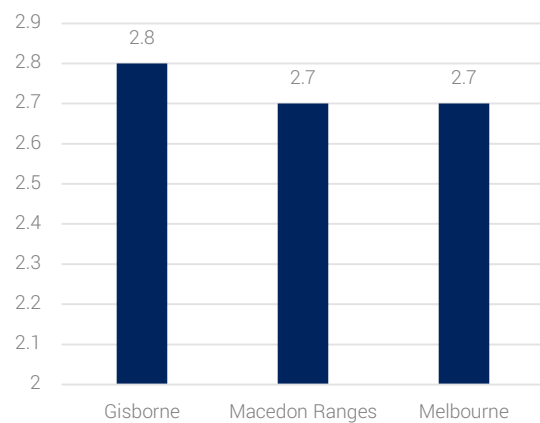
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F11. HOUSEHOLD STRUCTURE, 2016



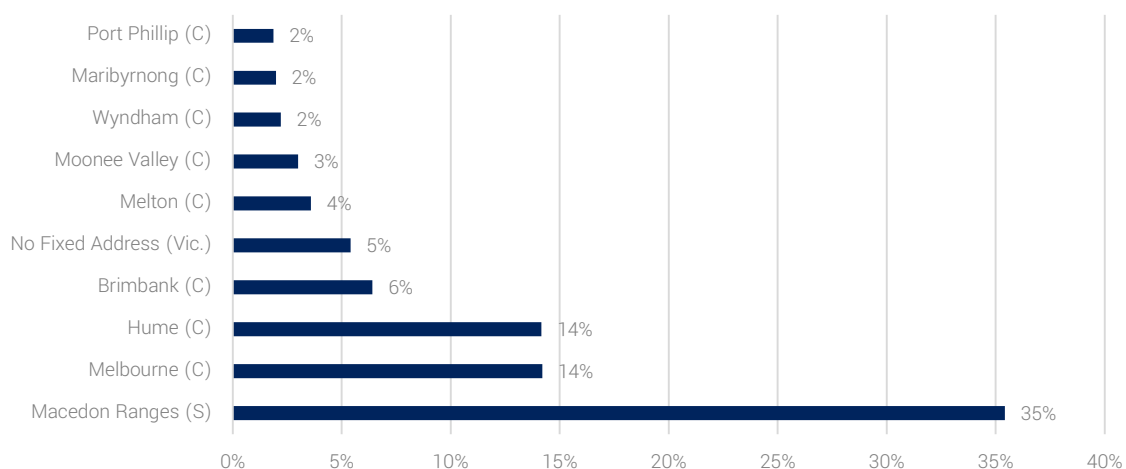
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F13. AVERAGE HOUSEHOLD SIZE, 2016



Source: ABS Census, 2016

### F14. RESIDENTS PLACE OF WORK BY LGA, GISBORNE SUBURBS



Source: ABS Census, 2016.

### 3.3.6. PROPERTY VALUES

Median residential property values and trends are assessed in this section for houses, units and vacant land between 2007 and 2017 as published by the Valuer General. As shown in Table 14:

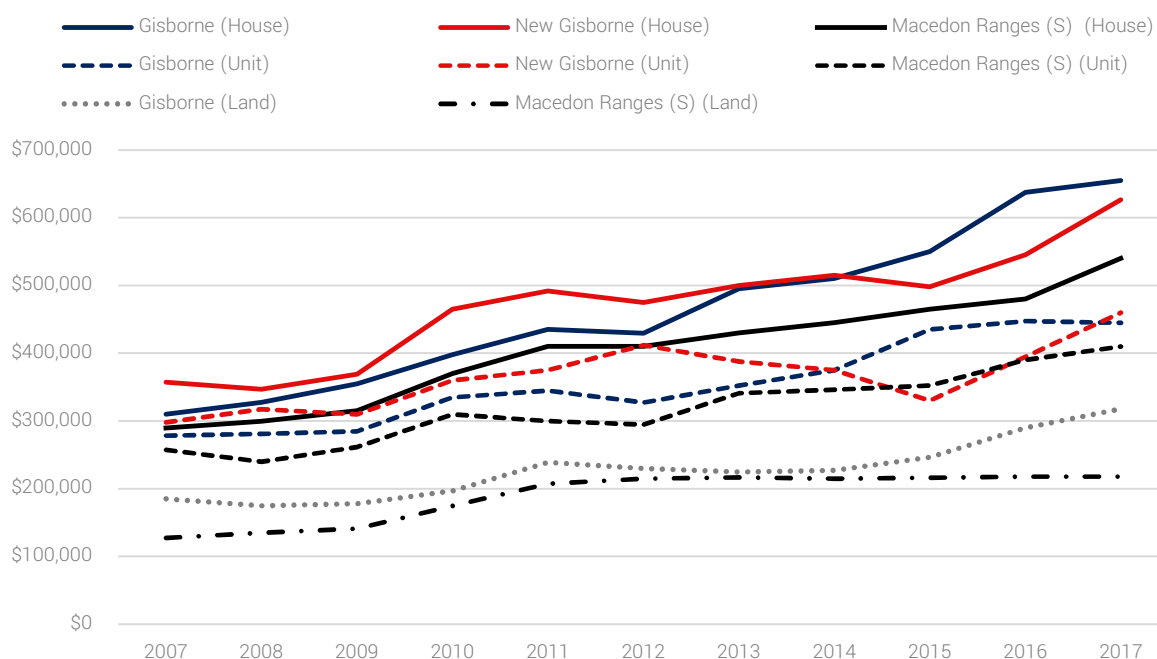
- Gisborne’s median house price was \$655,000 in 2017, higher than the municipal median of \$540,000. By the December Quarter of 2018, this had increased to \$785,000, a high rate of price growth;
- New Gisborne has a similar median to Gisborne, at \$626,500 for 2017 and \$770,000 for the December quarter of 2018;
- Gisborne has experienced strong price growth across the three residential property types of houses, units and vacant land, with the fastest growth being in houses at 7.8% per annum;
- There has been particularly strong price growth for vacant lots, from \$318,000 in 2017 to \$445,000 in the December quarter of 2018 in Gisborne;
- Both Gisborne and New Gisborne have grown significantly between 2017 and 2018 and have higher prices than the municipal median values.

#### T14. HISTORIC PROPERTY VALUES BY TYPE

Type	Suburb	2007	2012	2017	AAGR (2007-17)
House	Gisborne	\$310,000	\$429,500	\$655,000	7.8%
	New Gisborne	\$357,000	\$475,000	\$626,500	5.8%
	Macedon Ranges (S)	\$290,000	\$410,000	\$540,000	6.4%
Unit	Gisborne	\$278,500	\$327,500	\$445,000	4.8%
	New Gisborne	\$298,000	\$412,000	\$460,000	4.4%
	Macedon Ranges (S)	\$257,250	\$295,000	\$410,000	4.8%
Vacant Land	Gisborne	\$185,000	\$230,000	\$318,000	5.6%
	New Gisborne	\$0	\$0	\$0	-
	Macedon Ranges (S)	\$127,500	\$215,000	\$218,000	5.5%

Source: A Guide to Property Values, 2019

#### F15. MEDIAN RESIDENTIAL VALUES BY PROPERTY TYPE, 2007-17



Source: A Guide to Property Values, 2019

### 3.3.7. CURRENT MARKET CONDITIONS AND MARKET SEGMENTS

Consultation was undertaken with real estate agents to discuss current residential market conditions and market segments prominent in Gisborne. The following comments were made:

- Agents identified that recent market conditions have been subdued, partly due to the broader residential market downturn across the metropolitan and nearby markets, but also due to the lack of new market-ready residential land supply in Gisborne.
- Housing prices in Gisborne are consistently higher in Gisborne than other towns nearby and recent price growth has been strong, primarily driven by the lack of new supply which results in people wishing to enter the market needing to purchase an existing property, most of which are at higher prices than new dwellings created in Broadhectare estate.
- Gisborne remains the strongest market in the Macedon Ranges and despite the recent slow market, agents expect property sales to increase by early 2020, mainly due to the significant number of subdivision proposals in the planning pipeline that are expected to come to the market within the next 12 months.
- The planning approvals process was identified as a major restriction to bringing sufficient new lots to the market.
- Over recent years, the majority of new lot sales have been between 650 sqm and 800 sqm - these lot types attract younger families seeking to construct separate houses. This is considered to be the most prevalent market segment for housing in Gisborne.
- There has been limited new supply and sales of medium density lots and dwellings. Medium density development in Gisborne is primarily attractive to older couples looking to downsize, with some first home buyers also attracted to that type of dwelling.

The comments of agents confirmed the analysis in previous sections which indicated that there has been a recent decrease in subdivision activity which has resulted in a decrease in new lots being made available to the market and a subsequent drop in dwelling construction activity.

### 3.3.8. POPULATION AND DWELLING PROJECTIONS

Projections of population and dwelling requirements have been obtained from two sources:

- Victoria in Future 2019 (VIF2019), the official State government projections; and
- Forecast ID projections prepared by consultants .id for Macedon Ranges Shire.

VIF2019 projections are provided for data areas of SA2, LGA and VIFSA. Projections for the Gisborne SA2 are adopted, which aligns to the ABS boundaries.

Forecast ID projections are for a data area known as the Gisborne District, which also aligns to the Gisborne SA2 boundary. Appendix B shows the data boundaries for these projections.

#### POPULATION PROJECTION RESULTS

Table 15 shows the population projections published by VIF2016 and Forecast ID.

VIF2016 estimates the Gisborne District VIFSA population to increase by approximately 6,500 residents from 2016 to 2031 at an average rate of 1.7% per annum. The projections indicate that the Gisborne VIFSA will accommodate approximately 57% of population growth in the municipality during this projection period.

Forecast ID projects an average annual growth rate of 2.2% per annum, resulting in an additional 7,100 residents in the Gisborne District. This projection is somewhat lower than the recent population growth rate for the area (SA2) of 3% per annum between 2008 and 2018.

Forecast ID projects Macedon Ranges to have an additional population of approximately 17,900 residents over the projection period, with the Gisborne District accommodating 40% of this growth.

## T15. POPULATION PROJECTIONS, VIF AND FORECAST ID

Source	Area	2016	2031	2036	Change (16-31)	AAG	AAGR
Victoria In Future	Gisborne (SA2)	23,085	29,575	N/A	+6,490	+432	1.7%
	Macedon Ranges (S)	46,023	57,487	N/A	+11,464	+764	1.5%
Forecast ID	Gisborne District	13,345	17,850	20,454	+7,109	+355	2.2%
	Macedon Ranges (S)	47,519	60,362	65,405	+17,886	+894	1.6%

Source: Victoria in Future, 2019; Forecast ID, 2019

## DWELLING PROJECTION RESULTS

As with population, both Victoria in Future and Forecast ID provide projections of dwellings, including occupancy rates and household size. Table 16 shows projections for both of these sources, with relevant points as follows:

- Victoria in Future projects the number of dwellings in the Gisborne (SA2) to increase by 2,662 dwellings over the period of 2016-2036, at an annual rate of 133 additional dwellings per annum. By 2036, it is estimated that the Gisborne will have approximately 7,500 dwellings;
- By comparison, Forecast ID projects the Gisborne District (SA2) to have an additional 2,901 dwellings over the period of 2016-2036, at an annual rate of 145 additional dwellings per annum. This projected rate is higher than the historical rate of dwellings approvals in Gisborne (119 dwelling per annum).
- While Victoria in Future projects household occupancy in Gisborne be steady, Forecast ID estimates a decrease in occupancy. Both projections suggests a high occupancy rate (above 94%) will be maintained;
- Both projections anticipate a decrease in household size over the respective projection periods.

## T16. DWELLING PROJECTIONS, GISBORNE (SA2)

Source	Indicator	2016	2021	2026	2031	2036	Total Change (16-36)	Annual Change (16-36)
Victoria In Future	Dwellings	4,804	5,484	6,128	6,774	7,466	+2,662	+133
	Occupancy Rate	97.6%	97.6%	97.6%	97.6%	97.6%	0.0%	-
	Household Size	2.80	2.78	2.76	2.74	2.72	-0.08	-
Forecast ID	Dwellings	4,853	5,468	6,101	6,750	7,754	+2,901	+145
	Occupancy Rate	95.1%	95.1%	94.9%	94.7%	94.4%	-0.7%	-
	Household Size	2.85	2.79	2.77	2.76	2.76	-0.09	-

Source: Victoria in Future, 2019; Forecast ID, 2019.

### 3.3.9. ADOPTING A DWELLING DEMAND RATE

For the purposes of planning for long term residential land requirements in Gisborne, a dwelling demand rate (or range) should be adopted. This assists in ascertaining the number of years of demand that the existing land supply is likely to cater for, and to inform any decisions regarding the quantum and type of additional land that should be considered for rezoning in a particular township.

The following indicators of overall dwelling demand in Gisborne are noted:

- There has been an average of **119 new dwellings approved for construction each year in the SA2 since 2011**;
- Victoria in Future projects a future dwelling growth rate of **133 dwellings per annum across the Gisborne SA2**;
- Forecast ID projects that **145 additional dwellings will be required each year to 2036 in the Gisborne SA2**;

Not all of these dwellings will be required within the Gisborne township, however given the policy support for growth to be directed to Gisborne and the availability of residential land in the town, it can be reasonably expected that the vast majority of this dwelling growth will be required within the urban areas of Gisborne and New Gisborne.

Historic dwellings growth has seen the Gisborne UCL accommodate approximately 95% of new dwellings between 2011 and 2016.

#### T17. HISTORIC PROPORTION OF DWELLING GROWTH IN TOWNSHIP

	2011	2016	Change (2011-16)	UCL % of change
Gisborne (UCL)	2,967	3,642	+675	
Gisborne (SA2)	4,051	4,763	+712	94.8%
Gisborne District	4,049	4,756	+707	95.5%

Source: ABS Census, 2011, 2016; Profile ID, 2019

Assuming that 90% of dwelling growth in the SA2 will occur within the township, an overall dwelling demand rate of between 120 and 130 new dwellings per annum is considered reasonable over the medium term based on population projections.

In addition to this approach based on population projections, it is noted that the analysis in this report indicated the likelihood of a degree of latent demand for housing in Gisborne, due to strong price growth and a short term reduction in new lots being made available to the market. There is also a large supply of lots likely to be made available to the market in the short term through recently approved subdivisions.

In these circumstances, it is considered appropriate to also adopt a 'Growth Scenario' for planning purposes. An annual dwelling growth rate in the order of 144 new dwellings per annum is recommended for this scenario (+10% on the Moderate scenario).

#### MEDIUM DENSITY DWELLINGS

The two broad types of dwellings to be provided in Gisborne include separate dwellings and medium density dwellings (i.e. units and townhouses). The following comments are made regarding medium density dwellings within the Gisborne market:

- Medium density dwellings have accounted for approximately 7% of all new dwellings approved for construction in Gisborne, with no material increase over the past 5 years;
- 5% of lots created by subdivision were less than 400sqm over the period 2005 – 2018;
- Median dwelling prices for units have increased at a rate of 5% per annum in Gisborne, indicating steady demand for this dwelling type, yet price growth has been lower for units than for separate houses;
- Median separate house prices have grown strongly in Gisborne and there is now a considerable price difference between units (\$560,000) and houses (\$785,000). The more affordable price point of units compared with houses may result in a greater attractiveness of smaller dwellings to the market over time, particularly for some first home buyers with flexibility to consider smaller dwelling types;
- The proportion of residents aged over 65 years is increasing and this is projected to continue. This is the age cohort noted by real estate agents as comprising the greatest market for medium density dwellings; and
- Household sizes are projected to decrease, along with an increase in lone person households which are more likely to seek smaller dwellings.

Based on this information, a demand breakdown of 90% separate dwellings and 10% medium density dwellings has been adopted for this study.

## SEPARATE DWELLING DEMAND RATE

Table 18 shows a summary of the dwelling demand rates recommended for Gisborne.

### T18. SUMMARY OF DWELLING GROWTH RATE PROJECTIONS

	Scenario 1 (VIF19)	Scenario 2 (Forecast ID)	Growth scenario (+10% on Scenario 2)
All dwellings (SA2)	133	145	160
% Gisborne township	90%	90%	90%
Gisborne Township all dwellings	120	130	144
% Separate dwellings	90%	90%	90%
Gisborne township separate dwellings	108	117	130

Source: Urban Enterprise, 2019

## 3.4. ADEQUACY OF SUPPLY

Table 19 provides a comparison of existing land supply against projected demand. It is estimated that existing land supply will accommodate demand for separate dwellings for approximately 20-24 years.

Given the policy direction for Gisborne to be a location where growth will be 'managed and supported' and to perform a higher order growth and settlement role than other towns in the municipality (with the exception of Kyneton), and the likelihood that short term land release and dwelling construction activity will be considerably higher than in recent years, it is recommended that planning considers the Growth Scenario.

### T19. SUMMARY OF RESIDENTIAL LAND SUPPLY

Scenario	Demand rate (separate dwellings per annum)	Lot capacity of zoned land	Years Supply
Scenario 1	108	2,629	24 years
Scenario 2	117	2,629	22 years
Growth Scenario	130	2,629	20 years

Source: Urban Enterprise, 2019

It should be noted that 789 lots are located within a broadhectare parcel known as the Barro land (30% of lot capacity of zoned land). This land hasn't commenced development and has uncertainty surrounding the potential timing of development. Although the land is clearly available for residential development at some point in the future, the lack of development activity contributes to the justification for applying a growth scenario given that this considerable supply may not be made available to the market in the foreseeable future.

## 4. KYNETON

### 4.1. INTRODUCTION

This section provides an assessment of demand and supply for residential land in the Kyneton township.

### 4.2. RESIDENTIAL SUPPLY

#### 4.2.1. DWELLING STOCK

A summary of the dwellings stock in Kyneton (the Kyneton Urban Centre Locality, ABS) is shown in Table 20, with the following findings:

- In 2016, Kyneton contained 2,228 private dwellings, of which 86% were separate houses;
- 75% of dwellings contain 3 bedrooms or more, with 72% of dwellings either owned outright or with a mortgage and 28% rented; and
- 89% of dwellings were occupied on Census night.

#### T20. SUMMARY OF DWELLING STOCK, KYNETON (UCL)

		Kyneton (UCL)	% of total*
<b>Dwellings</b>	Total Private Dwellings	2,228	N/A
<b>Occupied Dwelling Type</b>	Separate House	1,579	86.1%
	Semi-detached	156	19.8%
	Flat or apartment	71	0.2%
	Other	27	0.0%
<b>No. of bedrooms</b>	None	3	0.2%
	1 bedroom	67	3.7%
	2 bedrooms	386	21.5%
	3 bedrooms	918	51.2%
	4 or more bedrooms	418	23.3%
<b>Tenure</b>	Not stated	45	N/A
	Owned outright	678	37.9%
	Owned with mortgage	593	33.1%
	Rented	504	28.2%
	Other tenure type	14	0.8%
<b>Occupancy</b>	Not stated	43	N/A
	Rate (%)	88.6%	N/A

Source: ABS Census 2016. \*Note that answers "not stated" are not included in the calculations of proportion.



#### 4.2.2. ZONED LAND

Figure 16 shows the residential zones within and immediately surrounding the township boundaries of Kyneton. The majority of residential land in the township is zoned NRZ10 and NRZ11, with smaller areas of LDRZ and GRZ.

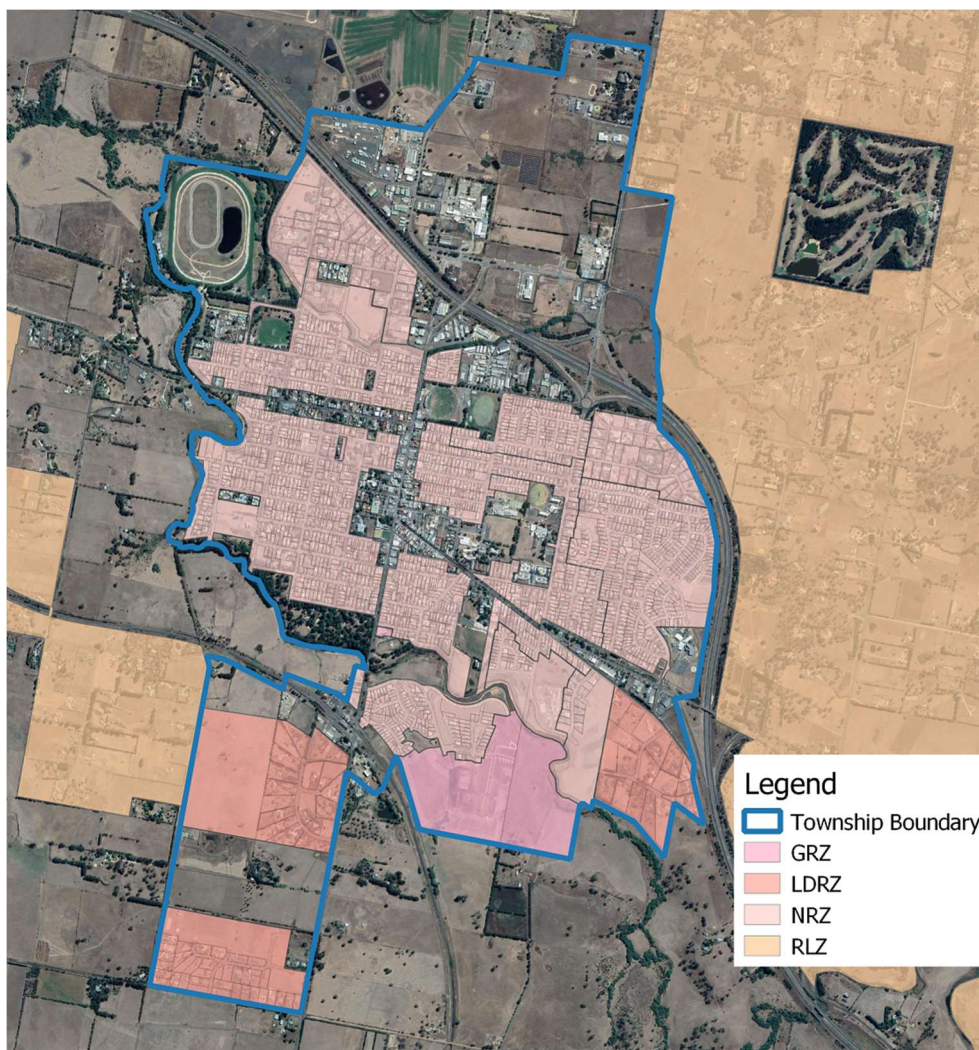
Council’s property database shows 2,392 lots across all residential zones within the township occupying 416 hectares of land. 97% of lots are within the NRZ (Table 21).

#### T21. RESIDENTIAL ZONED LOTS AND LAND AREA BY ZONE

Zone	Lot Area (ha)	No. of Lots	% of lots
GRZ1	41.73	3	0.1%
LDRZ	96.11	76	3%
NRZ1	43.59	91	4%
NRZ10	129.77	1,307	57%
NRZ11	80.06	821	35%
NRZ12	13.18	20	0.9%
<b>Total</b>	<b>404.45</b>	<b>2,318</b>	

Source: Council Rates Database, 2019.

#### F16. KYNETON RESIDENTIAL PLANNING ZONES



Source: Urban Enterprise, 2019

### 4.2.3. VACANT LOTS

Vacant lots were identified by reference to Council’s property database and verified using aerial imagery (January 2019). This process identified a total vacant land area of 108.64 hectares across 78 properties. The largest of vacant land area supply exists within the GRZ as shown in Table 22.

#### T22. SUPPLY OF VACANT LOTS AND LAND BY ZONE

Zone	Land Area (ha)	No. of Lots
GRZ1	41.73	3
LDRZ	39.14	5
NRZ1	4.04	6
NRZ10	8.37	16
NRZ11	5.62	46
NRZ12	9.73	2
<b>Total</b>	<b>108.64</b>	<b>78</b>

Source: Council Rates Database, 2019; Urban Enterprise verification.

### 4.2.4. ZONED LAND CAPACITY

The capacity of existing zoned land to accommodate dwellings depends on a range of factors, including whether the land is occupied, the size of the lot, minimum lot size controls and other planning requirements, and the intentions of individual landowners to subdivide or sell.

Estimates of the capacity of existing zoned land to accommodate additional dwellings have been made in this report by using a range of assumptions and methods as described in Appendix A. In addition to these ‘default’ methods, the following town-specific assumptions were also applied:

- Minimum lot size for subdivision were based on the minimum lot size shown in the Macedon Ranges Shire Planning Scheme for each specific zone and zone schedule (if applicable) as shown in Table 23.
- Known or proposed lot yields for major developments were adopted in place of the default lot yield assumptions for the following sites:
  - 22 Village Green Drive, Kyneton; and
  - 101 Pleasant Hill Road, Kyneton.

In the absence of a services report to identify the location of sewerage infrastructure, all LDRZ lots are assumed to be off sewer.

#### T23. KYNETON ADOPTED MINIMUM LOT SIZES

Zone	Location	Minimum lot size (sqm)
GRZ1	All	800*
LDRZ	All other on sewer	2,000
	All other off sewer	4,000
NRZ1	All	2,000
NRZ10	All	900**
NRZ11	All	900**
NRZ12	All	1,700**

Source: Macedon Ranges Planning Scheme.

\*Assumption based on common GRZ1 lot sizes in Kyneton.

\*\*Assumption based on average occupied lot size of the specific NRZ schedules in Kyneton

## SUPPLY ASSESSMENT RESULTS

The results of the supply assessment are shown in Table 24, including three main types of land supply:

- Vacant lots with no subdivision potential ('single lots');
- Vacant lots with subdivision potential (either Broadhectare, Major or Minor); and
- Occupied 'Broadhectare' lots (i.e. those occupied lots with potential to create 20 or more additional lots).

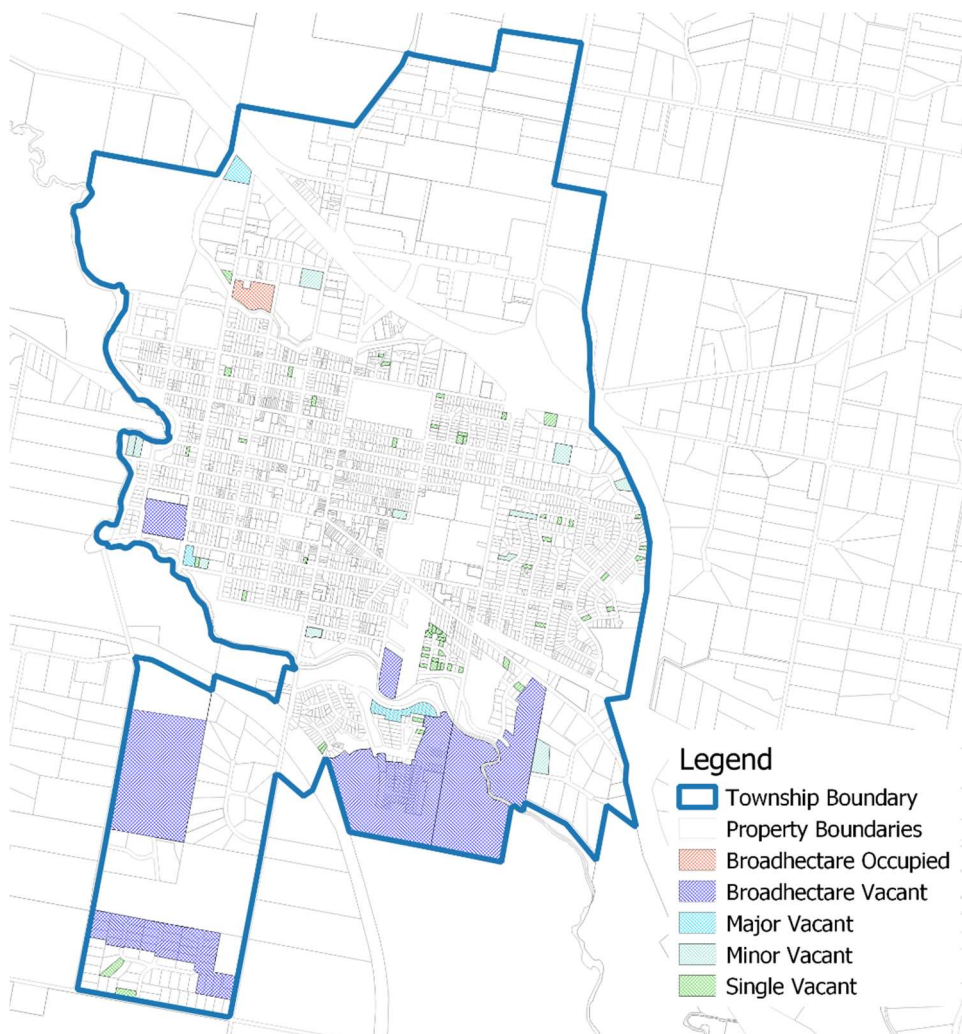
It is estimated that existing zoned land in Kyneton has the capacity to accommodate 671 new residential lots for separate dwellings.

### T24. ESTIMATED RESIDENTIAL LAND SUPPLY (CAPACITY)

ZONE	VACANT				OCUPIED	TOTAL LOT CAPACITY
	Broadhectare	Major	Minor	Single lot	Broadhectare	
GRZ	341	0	4	0	0	345
LDRZ	66	0	3	2	0	71
NRZ	84	25	39	54	63	255
<b>Total</b>	<b>491</b>	<b>25</b>	<b>36</b>	<b>56</b>	<b>63</b>	<b>671</b>

Source: Urban Enterprise, 2019.

### F17. KYNETON RESIDENTIAL LAND SUPPLY MAP



Source: Urban Enterprise, 2019

## **MEDIUM DENSITY**

The preceding assessment relates primarily to the capacity of zoned land to accommodate separate dwellings which comprise the overwhelming majority of the Kyneton residential market.

The Macedon Ranges Planning Scheme (Clause 21.13-2) includes a strategy that supports “multi-dwelling development” in the Kyneton Township Residential East, Kyneton Township Residential West and Kyneton Modern Residential Precincts, which are close to the town centre and train station. These three areas include the vast majority of the existing residential zoned area.

Some residential development is supported in the commercial areas, including shop-top development. However, there are no specific areas designated for medium density residential development in Kyneton.

Although this medium density development will contribute somewhat to the township’s capacity to accommodate dwelling growth, the role of medium density development is more relevant to providing dwellings diversity in the township, which is supported by the Planning Scheme to address issues of housing affordability in Kyneton. The scale of demand for medium density dwellings is considered in the residential demand section which follows.

## 4.3. RESIDENTIAL DEMAND

### 4.3.1. POPULATION GROWTH

Population growth has been assessed using the Estimated Residential Population (ERP) of the Kyneton SA2, the smallest data area available. The boundaries for the Kyneton SA2 are shown in Appendix B – the SA2 area includes the township of Kyneton and surrounding areas such as Malmsbury, Carlsruhe and Kyneton South.

In 2018 the Kyneton SA2 had a population of 10,082 people, with an increase of approximately 1,600 people between 2008 and 2018 at a rate of 1.7% per annum. This is moderate rate of growth, below the municipal average rate of 2% over the period. Kyneton accommodated 18% of population growth in the municipality over the 10 year period.

#### T25. ABS REGIONAL POPULATION GROWTH

Area	2008	2013	2018	Population Change (2008-18)	AAG	AAG %
Kyneton (SA2)	8,495	9,327	10,082	+1,587	+159	1.73%
Macedon Ranges (LGA)	40,583	44,614	49,324	+8,741	+874	1.97%

Source: 3218.0 - Regional Population Growth, 2006-16; 3218.0 - Regional Population Growth, 2017-18. AAG = Average Annual Growth.

### 4.3.2. DWELLING APPROVALS

The rate of dwelling growth in Kyneton (SA2) has been reviewed by reference to ABS dwelling approvals which are summarised in Table 26 and Figure 18. The data shows that:

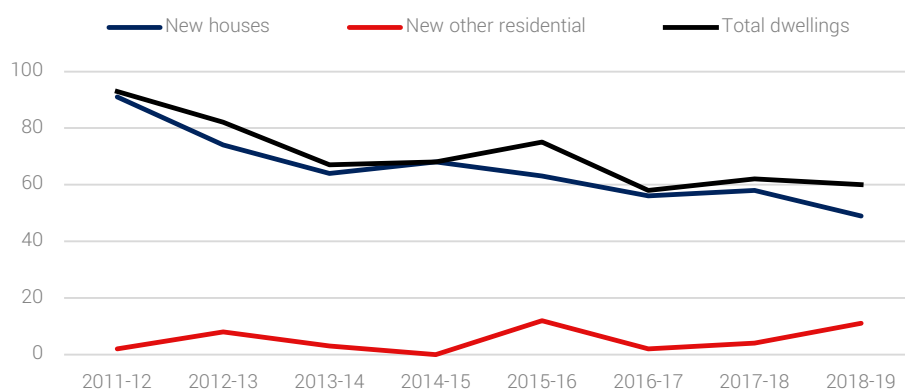
- Between 2011-12 and 2018-19 an average of 71 new dwellings were approved for construction per annum;
- Dwelling approvals has been on a slow downward trend after peaking in 2011-12 at 93 new dwellings. The lowest number of approvals occurred in 2016-17 (58 dwellings);
- 93% of new dwellings approved were separate houses, with approximately 7% of dwellings being “other residential buildings” (units and apartments); and
- Dwelling approvals have remained relatively low for the 2018-19 financial year, with 60 new dwellings approved. A higher proportion (18%) of these dwellings are new other residential dwellings, indicating a possible constrained supply of market ready broadhectare land.

#### T26. ABS DWELLING APPROVALS, 2011-12 TO 2018-19 YTD, KYNETON SA2

	New houses	New other residential	Total dwellings	New houses %	New other residential %
2011-12	91	2	93	98%	2%
2012-13	74	8	82	90%	10%
2013-14	64	3	67	96%	4%
2014-15	68	0	68	100%	0%
2015-16	63	12	75	84%	16%
2016-17	56	2	58	97%	3%
2017-18	58	4	62	94%	6%
2018-19	49	11	60	82%	18%
Average per year (2011-12 to 2017-18)	65	5	71	93%	7%

Source: ABS Building Approvals, 2011-2019

## F18. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, KYNETON



Source: ABS Building Approvals, 2011-2018

### 4.3.3. NEW RESIDENTIAL SUPPLY

Data prepared by Charter Keck Cramer on subdivisions in Kyneton is summarised in Table 27 and Figure 19. The data shows relates to new residential lots created and sold since 2005 in the Kyneton Township, with the following relevant findings:

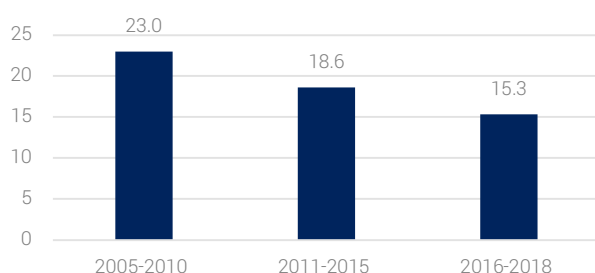
- Over the period 2005 – 2018, a total of 277 new residential lots were created and sold at an average of approximately 20 lots per annum. The most recent 3 year period (2016 – 2018) saw 46 new residential lots created at a rate of 15.3 per annum;
- As shown, in Figure 19, new lot creation was highest between 2005-10, before reducing in the subsequent years. This trend aligns with the downward trend in dwelling approvals shown in Figure 18;
- The most common lot types created and sold over the period is lots between 600 and 800 sqm (33%).

### T27. NEW LOTS CREATED BY LOT SIZE AND TIME PERIOD

Lot Size (sqm)	2005-2010	2011-2015	2016-2018	Total
0-400	14	28	3	45
400-600	23	5	4	32
600-800	43	29	19	91
800-1000	13	13	5	31
1000+	45	18	15	78
<b>Total</b>	<b>138</b>	<b>93</b>	<b>46</b>	<b>277</b>
<b>Average per annum</b>	<b>23.0</b>	<b>18.6</b>	<b>15.3</b>	<b>19.8</b>

Source: Charter Keck Cramer, 2018.

### F19. AVERAGE NEW LOTS CREATED PER ANNUM BY TIME PERIOD



Source: Charter Keck Cramer, 2018

#### 4.3.4. FUTURE RESIDENTIAL SUBDIVISION ACTIVITY

Discussions with Council officers in May 2019 identified that there has been one approved planning application for a major subdivision in recent years. This approved application is for development at 22 Village Green Drive, Kyneton, with a proposed yield of 341 dwellings. The first stages of this development are underway based on aerial photography dated January 2019.

It is expected that this development will drive an increase in lot creation in Kyneton in the short-term and therefore the opportunity for an increase in dwelling construction and population growth. However, given only one major development is providing market-ready broadacre lots, it is not considered likely that trends in dwelling construction will significantly change.

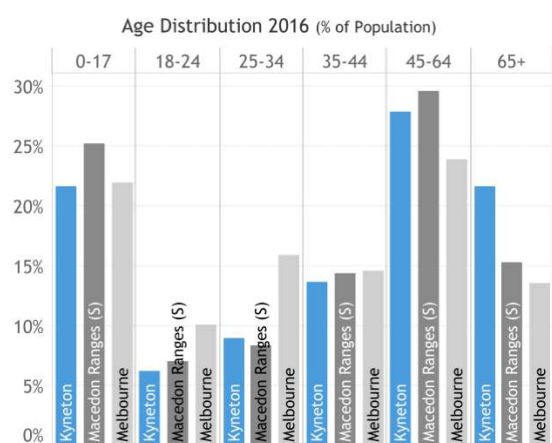
#### 4.3.5. DEMOGRAPHIC PROFILE

Figures 20 to 26 provide an overview of the demographic profile of Kyneton residents. This profile adopts and builds on previous analysis undertaken by Charter Keck Cramer.

The key findings are as follows:

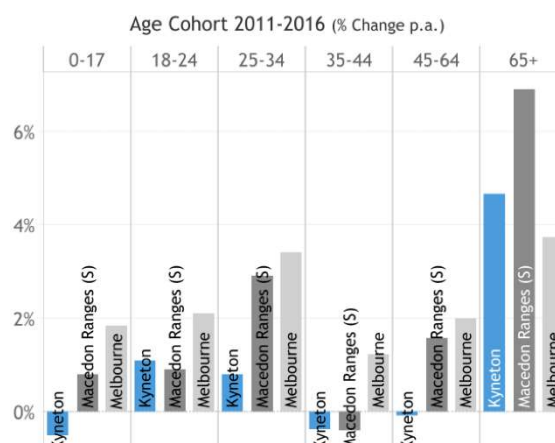
- Kyneton’s largest cohort of residents is aged 45-64 years, however the proportion of population in this cohort is less than that of Macedon Ranges. Kyneton has a much higher proportion of population over 65 years than Macedon Ranges and Melbourne;
- Analysis of change in age demographic shows that Kyneton has experienced a decline in the 0-17 year, 35-44 year and 45-64 year age cohorts, with minor increase in 18-24 year and 25-34 year age cohort. The most significant growth has been experienced in those aged 65 years and over.
- Average income in Kyneton is much lower than the Macedon Ranges average;
- Approximately 63% of Kyneton’s working population work within the Macedon Ranges, demonstrating higher local employment retention, while the Melbourne municipality is the next most common place of work; and
- The average household size in Kyneton (2.3 people per dwelling) is much smaller than both Macedon Ranges (2.7) and Melbourne (2.7), due to the much higher proportion of lone person households and lower proportion of couples with children households.

**F20. AGE DISTRIBUTION, 2016**



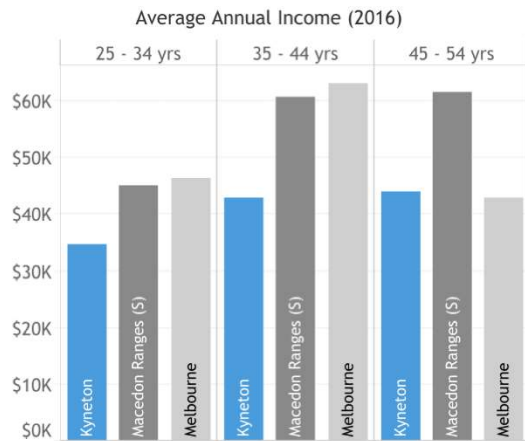
Source: ABS Census, 2016; Charter Keck Cramer, 2018

**F21. CHANGE IN AGE COHORT, 2011-2016**



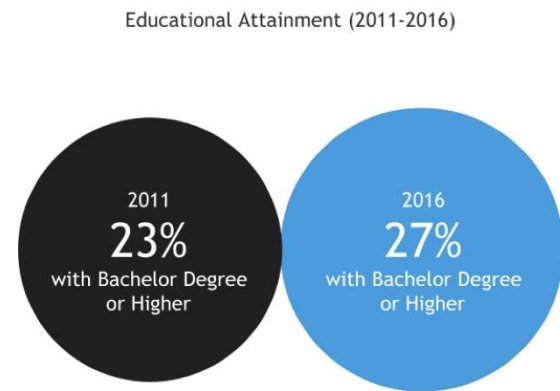
Source: ABS Census, 2016; Charter Keck Cramer, 2018

## F22. AVERAGE ANNUAL INCOME, 2016



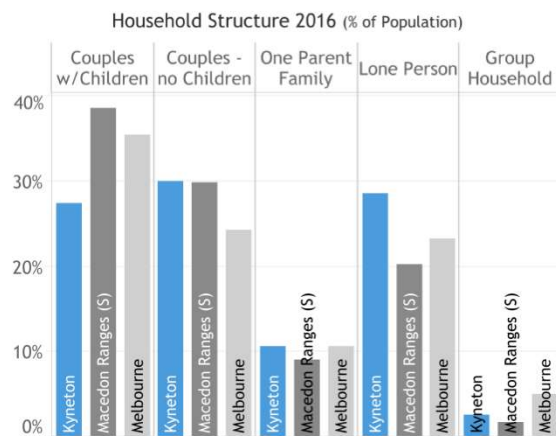
Source: ABS Census, 2016; Charter Keck Cramer, 2018

## F24. EDUCATIONAL ATTAINMENT, 2011-2016



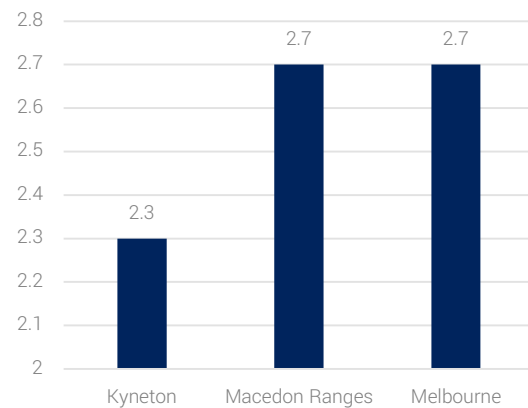
Source: ABS Census, 2016; Charter Keck Cramer, 2018

## F23. HOUSEHOLD STRUCTURE, 2016



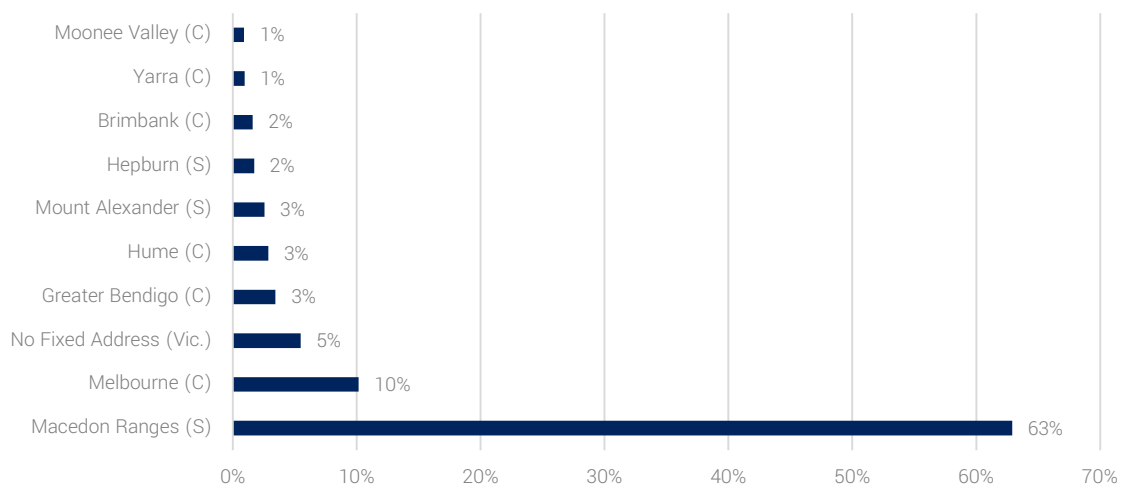
Source: ABS Census, 2016; Charter Keck Cramer, 2018

## F25. AVERAGE HOUSEHOLD SIZE, 2016



Source: ABS Census, 2016

## F26. RESIDENTS PLACE OF WORK BY LGA, KYNETON SUBURB



Source: ABS Census, 2016.



### 4.3.6. PROPERTY VALUES

Median residential property values and trends are assessed in this section for houses, units and vacant land between 2007 and 2017 as published by the Valuer General. As shown in Table 28:

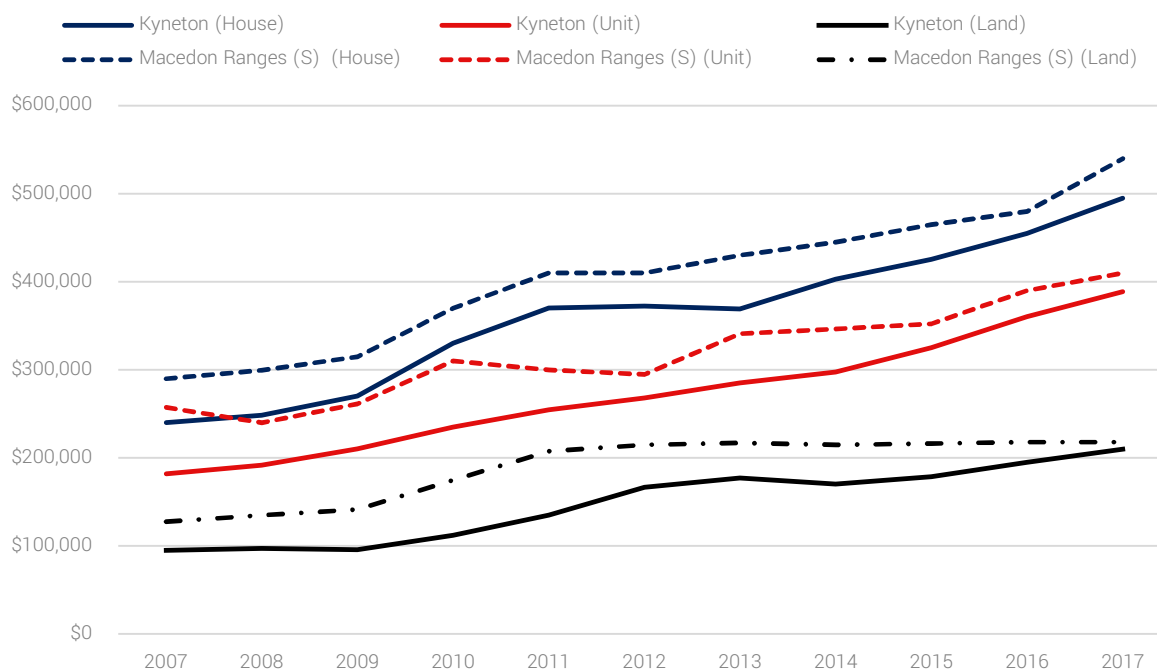
- Kyneton’s median house price was \$495,000 in 2017, slightly lower than the municipal median of \$540,000. By the December Quarter of 2018, the Kyneton median house price had increased to \$567,500, continuing the strong rate of price growth;
- Kyneton has experienced price growth which demonstrate similar trends to that of the municipality. The fastest growth has been in vacant land at 8.3% per annum;
- Kyneton has lower average values than the Macedon Ranges Shire for all property types, despite the higher rates of growth over the period; and
- The relatively consistent growth in property values indicates a steady demand for residential property in Kyneton.

#### T28. HISTORIC PROPERTY VALUES BY TYPE

Type	Suburb	2007	2012	2017	AAGR (2007-17)
House	Kyneton	\$240,000	\$372,500	\$495,000	7.5%
	Macedon Ranges (S)	\$290,000	\$410,000	\$540,000	6.4%
Unit	Kyneton	\$182,000	\$268,000	\$389,000	7.9%
	Macedon Ranges (S)	\$257,250	\$295,000	\$410,000	4.8%
Vacant Land	Kyneton	\$95,000	\$166,500	\$210,000	8.3%
	Macedon Ranges (S)	\$127,500	\$215,000	\$218,000	5.5%

Source: A Guide to Property Values, 2019

#### F27. MEDIAN RESIDENTIAL VALUES BY PROPERTY TYPE, 2007-17



Source: A Guide to Property Values, 2019

#### 4.3.7. CURRENT MARKET CONDITIONS AND MARKET SEGMENTS

Consultation was undertaken with real estate agents to discuss current residential market conditions and market segments prominent in Kyneton. The following comments were made:

- Agents identified that the major buyer market has been transitioning towards older residents, with those at the end of their working life or already retired making up a larger proportion of purchasers. Many of these are relocating from Melbourne with equity from the sale of a property in the city. The strong housing price growth is being influenced by these wealthy buyers and the type of stock they are buying.
- Demand in Kyneton is generally for existing dwellings of high quality, rather than new estate lots. This is also a driver of price growth.
- Some new estates continue to develop but have recently been selling slower than previously. This is partly due to the marketing and vision of some estates aiming for higher end market and quality buildings. Many first home buyers are priced out of the market within this estate.
- It was identified that the upper end market is increasing and the lower end market decreasing, suggesting a shift in the affordability in the town. This is in line with comments on the high capacity of buyers as well as the increase in recent median prices. The same trend has also occurred recently with land prices.
- Some agents suggest that Kyneton delivers a more affordable and diverse product that isn't available in neighbouring towns, such as Woodend. However, this may have changed recently with the growth in property values.
- The other common demographic of buyer has been younger families, many of which are also moving from Melbourne after the sale of their first house or unit and are looking for larger lots.
- While there continues to be strong demand for dwellings in Kyneton, the supply of new lots has been somewhat constrained. However, it was indicated that new estate lots aren't well matched to demand.

The comments of agents reflect the analysis in previous sections that indicate strong growth in property values, but a decline in the creation and availability of new lots to the market. Quality existing dwellings appears to be the most sought after product.

#### 4.3.8. POPULATION AND DWELLING PROJECTIONS

Projections of population and dwelling requirements have been obtained from two sources:

- Victoria in Future 2019 (VIF2019), the official State government projections; and
- Forecast ID projections prepared by consultants .id for Macedon Ranges Shire.

VIF2019 projections are provided for data areas of SA2, LGA and VIFSA. Projections for the Kyneton SA2 are adopted, which aligns to the ABS boundaries.

Forecast ID projection are for a data area known as the Kyneton District. This does not exactly align with the Kyneton SA2 boundary and excludes the township of Tylden (535 people at 2016). Appendix B shows the data boundaries for these projections.

#### POPULATION PROJECTION RESULTS

Table 29 shows the population projections published by VIF2019 and Forecast ID.

VIF2019 estimates the Kyneton SA2 population to increase by approximately 2,600 residents from 2016 to 2036 at an average rate of 1.2% per annum. The projections indicate that the Kyneton SA2 will accommodate approximately 15% of population growth in the municipality during this projection period.

Forecast ID projects an average annual growth rate of 1.1% per annum, resulting in an additional 2,300 residents in the Kyneton District. This projections is lower than the recent population growth rate for the area of 1.7% per annum between 2008 and 2018.

Forecast ID projects Macedon Ranges to accommodate additional population of approximately 17,900 residents over the projection period, with the Kyneton District accommodating 13% of this growth.

## T29. POPULATION PROJECTIONS, VIF AND FORECAST ID

Source	Area	2016	2031	2036	Change (16-36)	AAG	AAGR
Victoria In Future	Kyneton (SA2)	9,782	11,715	12,335	+2,553	+128	1.2%
	Macedon Ranges (S)	47,480	60,235	64,643	+17,163	+858	1.6%
Forecast ID	Kyneton District	9,105	11,162	11,431	+2,326	+116	1.1%
	Macedon Ranges (S)	47,519	60,362	65,405	+17,886	+894	1.6%

Source: Victoria in Future, 2019; Forecast ID, 2019

## DWELLING PROJECTION RESULTS

As with population, both Victoria in Future and Forecast ID provide projections of dwellings, including occupancy rates and household size. Table 30 shows projections for both of these sources, with relevant points as follows:

- VIF2019 projects the number of dwellings in the Kyneton SA2 to increase by 1,562 dwellings over the period of 2016-2036, at an annual rate of 78 additional dwellings per annum. By 2036, it is estimated that the Kyneton SA2 will have approximately 6,000 dwellings;
- By comparison, Forecast ID projects the Kyneton SA2 to have an additional 1,307 dwellings over the period of 2016-2036, at an annual rate of 65 additional dwellings per annum. This projected rate is slightly lower than the historical rate of dwellings approvals in Kyneton (72 dwelling per annum);
- While VIF2019 projects occupancy in Kyneton to remain at the status quo, Forecast ID estimates a slight decrease in occupancy. Forecast ID projects on the basis of a lower dwelling occupancy rate than VIF2019;
- Both projections anticipate a considerable decrease in household size over the respective projection periods.

## T30. DWELLING PROJECTIONS, KYNETON SA2 AND KYNETON DISTRICT

Source	Indicator	2016	2021	2026	2031	2036	Total Change (16-36)	Annual Change (16-36)
Victoria In Future	Dwellings	4,397	4,817	5,196	5,576	5,959	+1,562	+78
	Occupancy Rate	91.5%	91.5%	91.5%	91.5%	91.5%	0.00%	-
	Household Size	2.37	2.31	2.26	2.22	2.18	-0.19	-
Forecast ID	Dwellings	4,148	4,425	4,853	5,275	5,455	+1,307	+65
	Occupancy Rate	88.7%	88.5%	88.4%	88.3%	88.2%	-0.5%	-
	Household Size	2.42	2.36	2.35	2.34	2.32	-0.10	-

Source: Victoria in Future, 2019; Forecast ID, 2019.

### 4.3.9. ADOPTING A DWELLING DEMAND RATE

For the purposes of planning for long term residential land requirements in Kyneton, a dwelling demand rate (or range) should be adopted. This assists in ascertaining the number of years of demand that the existing land supply is likely to cater for, and to inform any decisions regarding the quantum and type of additional land that should be considered for rezoning in a particular township.

The following indicators of overall dwelling demand in Kyneton are noted:

- There has been an average of **72 new dwellings approved for construction each year in the SA2 since 2011**;
- VIF2019 projects a future dwelling growth rate of **78 dwellings per annum across the Kyneton SA2**;
- Forecast ID projects that **65 additional dwellings will be required each year to 2036 in the Kyneton District**. It is considered that the exclusion of Tylden from the Kyneton District will not have a significant impact on population projections.

Not all of these dwellings will be required within the Kyneton township, however given the policy support to focus development in Kyneton as one of the key towns in Macedon Ranges, it can be reasonably expected that the most of this dwelling growth will be required within the Kyneton township.

Historic dwelling growth has seen the Kyneton UCL accommodate approximately 65-70% of new dwellings between 2011 and 2016.

### T31. HISTORIC PROPORTION OF DWELLING GROWTH IN TOWNSHIP

	2011	2016	Change (2011-16)	UCL % of change
Kyneton (UCL)	2,007	2,228	+221	
Kyneton (SA2)	4,042	4,388	+346	63.9%
Kyneton District	3,825	4,135	+310	71.3%

Source: ABS Census, 2011, 2016; Profile ID, 2019

Therefore, an overall dwelling demand rate of between 49 and 55 new dwellings per annum is considered reasonable over the medium term based on population projections.

There is no clear reason to consider a growth scenario for the purposes of the assessing adequacy of supply for Kyneton.

### MEDIUM DENSITY DWELLINGS

The two broad types of dwellings to be provided in Kyneton include separate dwellings and medium density dwellings (i.e. units and townhouses). The following comments are made regarding medium density dwellings within the Kyneton market:

- Medium density dwellings have accounted for approximately 6% of all new dwellings approved for construction in Kyneton, with no material increase over the past 5 years;
- 16% of lots created by subdivision were less than 400sqm over the period 2005 – 2018, however only 6% were less than 400 sqm between 2016-18;
- Median dwelling prices for units have increased at a rate of 8% per annum in Kyneton, indicating strong demand units. Unit price growth has been stronger than the growth for separate houses between 2007-2017;
- Units in Kyneton provide a more affordable price point and may result in a greater attractiveness of smaller dwellings to the market over time;
- The proportion of residents aged over 65 years is increasing significantly in Kyneton. Agents indicated that many of the older residents moving to Kyneton were coming from Melbourne with wealth, likely purchasing larger lifestyle properties. However, the elderly population are still likely to make up a large proportion of demand for unit development; and
- The proportion of lone person households is increasing, contributing to a projected decreasing in household sizes to 2036. Lone person households are likely to drive demand for smaller dwellings and unit-type development.

Based on this information, a demand breakdown of 85% separate dwellings and 15% medium density dwellings has been adopted for this study.

## SEPARATE DWELLING DEMAND RATE

Table 32 shows a summary of the dwelling demand rates recommended for Kyneton.

### T32. SUMMARY OF DWELLING GROWTH RATE PROJECTIONS

	Scenario 1 (Forecast ID)	Scenario 2 (VIF2019)
All dwellings (SA2 / District)	65	78
% Kyneton township	75%	70%
Kyneton Township all dwellings	49	55
% Separate dwellings	85%	85%
Kyneton township separate dwellings	<b>41</b>	<b>46</b>

Source: Urban Enterprise, 2019

## 4.4. ADEQUACY OF SUPPLY

Table 33 provides a comparison of existing land supply against projected demand. It is estimated that existing land supply will accommodate demand for separate dwellings for approximately 15-16 years.

Given the policy support for Kyneton to play a higher order economic and employment role in the municipality, and the future designation as one of two Regional Centres (the other being Gisborne), it is recommended that planning considers Scenario 2.

### T33. SUMMARY OF RESIDENTIAL LAND SUPPLY

Scenario	Demand rate (separate dwellings per annum)	Lot capacity of zoned land	Years Supply
Scenario 1	41	671	16 years
Scenario 2	46	671	15 years

Source: Urban Enterprise, 2019

## 5. RIDDELLS CREEK

### 5.1. INTRODUCTION

This section provides an assessment of demand and supply for residential land in the Riddells Creek township.

### 5.2. RESIDENTIAL SUPPLY

#### 5.2.1. DWELLING STOCK

A summary of the dwellings stock in Riddells Creek (the Riddells Creek Urban Centre Locality, ABS) is shown in Table 34, with the following findings:

- In 2016, Riddells contained 1,172 private dwellings, of which 95% were separate houses;
- Over 92% of dwellings contain 3 bedrooms or more, with 90% of dwellings either owned outright or with a mortgage and only 10% rented; and
- 93% of dwellings were occupied on Census night.

#### T34. SUMMARY OF DWELLING STOCK, RIDDELLS CREEK (UCL)

		Riddells Creek (UCL)	% of total*
<b>Dwellings</b>	Total Private Dwellings	1,172	N/A
<b>Dwelling Type</b>	Separate House	1,002	94.7%
	Semi-detached	56	5.3%
	Flat or apartment	0	0.0%
	Other	0	0.0%
<b>No. of bedrooms</b>	None	0	0.0%
	1 bedroom	6	0.6%
	2 bedrooms	72	6.9%
	3 bedrooms	456	43.7%
	4 or more bedrooms	510	48.9%
	Not stated	13	N/A
<b>Tenure</b>	Owned outright	366	35.4%
	Owned with mortgage	565	54.6%
	Rented	104	10.0%
	Other tenure type	0	0.0%
	Not stated	17	N/A
<b>Occupancy</b>	Rate (%)	93.4%	N/A

Source: ABS Census 2016. \*Note that answers "not stated" are not included in the calculations of proportion.

### 5.2.2. ZONED LAND

Figure 28 shows the residential zones within and immediately surrounding the township boundaries of Riddells Creek. The majority of residential land in the township is zoned NRZ, with smaller areas of LDRZ, RLZ and UGZ.

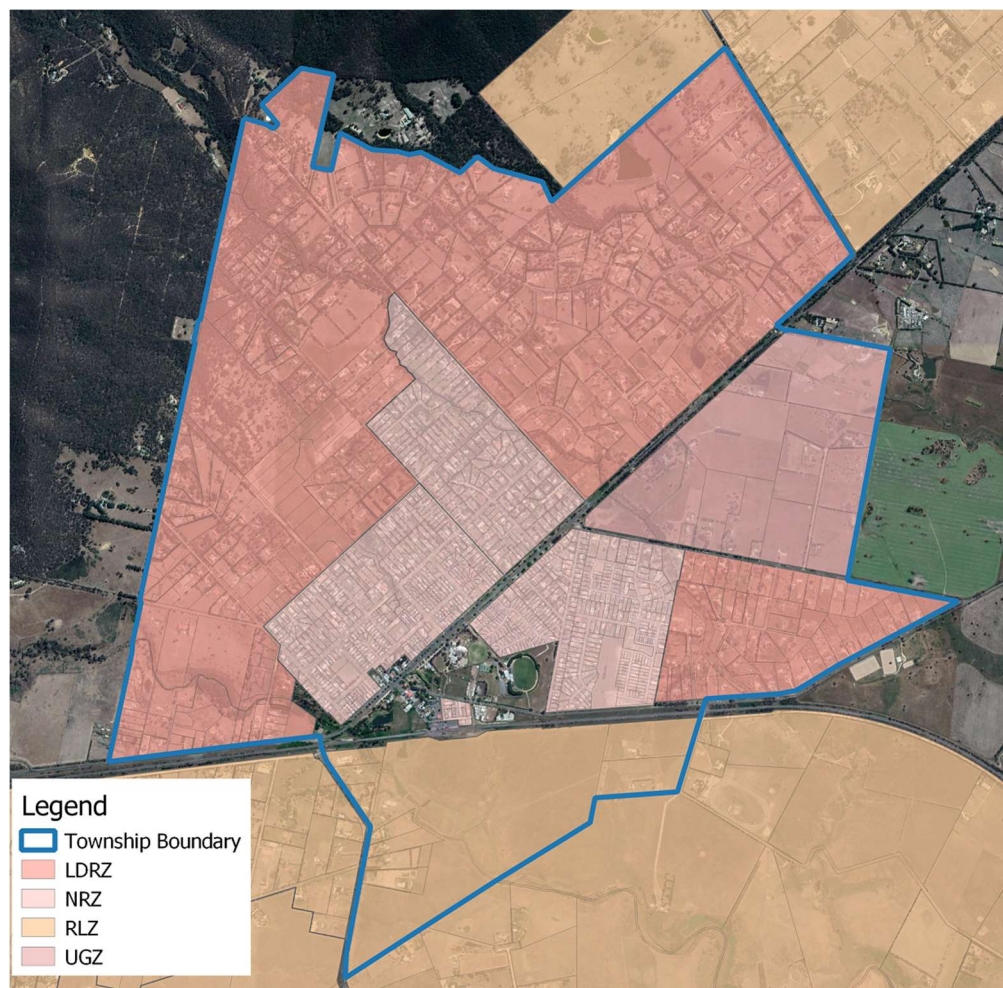
Council’s property database shows 1,344 lots in all residential zones within the township occupying 1,172 hectares of land. 70% of lots are within the NRZ (Table 35).

#### T35. RESIDENTIAL ZONED LOTS AND LAND AREA BY ZONE

Zone	Lot Area (ha)	No. of Lots	% of lots
LDRZ	712.15	374	28%
NRZ7	64.69	140	10%
NRZ8	128.35	788	59%
NRZ9	1.54	18	1%
RLZ1	135.88	10	0.7%
UGZ	129.77	14	1%
<b>Total</b>	<b>1,172.38</b>	<b>1,344</b>	<b>100%</b>

Source: Council Rates Database, 2019.

#### F28. RIDDELLS CREEK RESIDENTIAL PLANNING ZONES



Source: Urban Enterprise, 2019

### 5.2.3. VACANT LOTS

Vacant lots were identified by reference to Council's property database and verified using aerial imagery. This process identified a total vacant land area of 89.43 hectares across 63 properties. The majority of vacant land supply exists within the LDRZ, while the greatest number of vacant lots exists within the NRZ as shown in Table 36.

#### T36. SUPPLY OF VACANT LOTS AND LAND BY ZONE

Zone	Land Area (ha)	No. of Lots
LDRZ	55.99	20
NRZ7	0.20	1
NRZ8	12.11	41
NRZ9	0.00	0
RLZ1	0.00	0
UGZ	21.13	1
<b>Total</b>	<b>89.43</b>	<b>63</b>

Source: Council Rates Database, 2019; Urban Enterprise verification.

### 5.2.4. ZONED LAND CAPACITY

The capacity of existing zoned land to accommodate dwellings depends on a range of factors, including whether the land is occupied, the size of the lot, minimum lot size controls and other planning requirements, and the intentions of individual landowners to subdivide or sell.

Estimates of the capacity of existing zoned land to accommodate additional dwellings have been made in this report by using a range of assumptions and methods as described in Appendix A. In addition to these 'default' methods, the minimum lot size for subdivision were based on the minimum lot size shown in the Macedon Ranges Shire Planning Scheme for each specific zone and zone schedule (if applicable) as shown in Table 37.

In the absence of a services report to identify the location of sewerage infrastructure, all LDRZ lots are assumed to be off sewer.

#### T37. RIDDELLS CREEK ADOPTED MINIMUM LOT SIZES

Zone	Location	Minimum lot size (sqm)
LDRZ	All other on sewer	2,000
	All other off sewer	4,000
NRZ7	All	4,000
NRZ8	All	1,600*
NRZ9	All	900*
RLZ1	All	400,000
UGZ	All	800**

Source: Macedon Ranges Planning Scheme.

\*Assumption based on average occupied lot size of the specific NRZ schedules in Riddells Creek

\*\*Assume standard density residential density for future development of UGZ



## SUPPLY ASSESSMENT RESULTS

The results of the supply assessment are shown in Table 38, including three main types of land supply:

- Vacant lots with no subdivision potential ('single lots');
- Vacant lots with subdivision potential (either Broadhectare, Major or Minor); and
- Occupied 'Broadhectare' lots (i.e. those occupied lots with potential to create 20 or more additional lots).

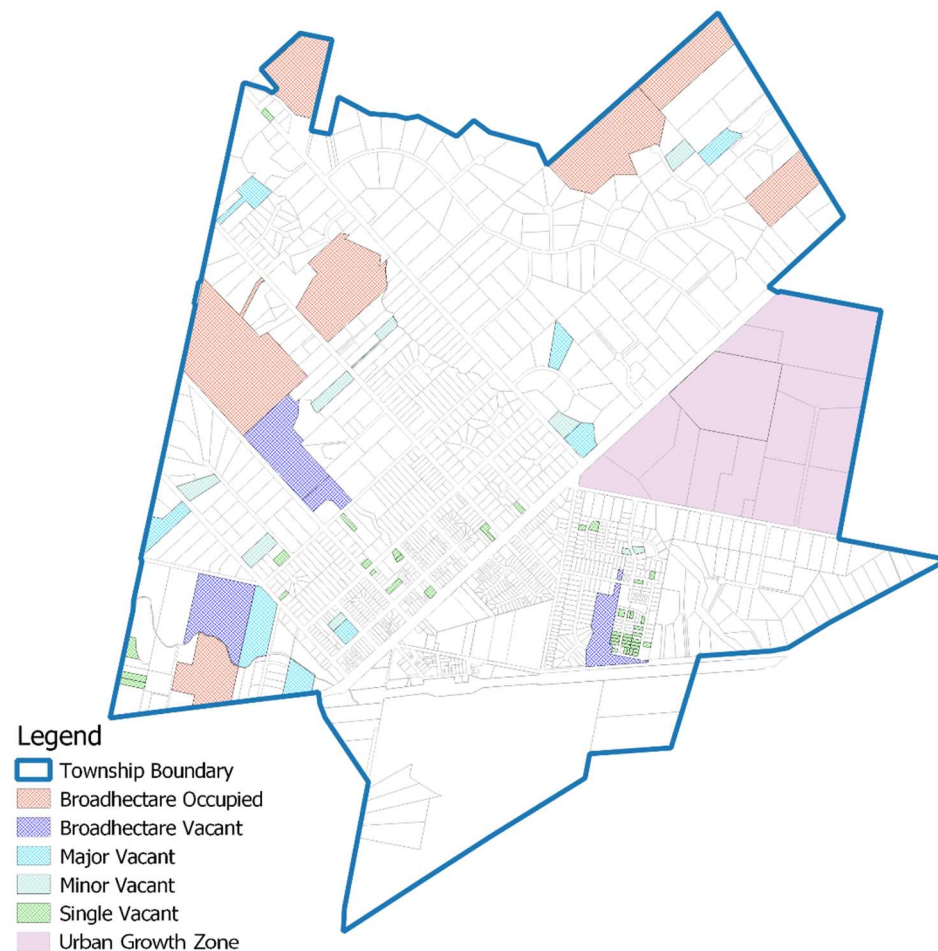
It is estimated that existing zoned land in Riddells Creek has the capacity to accommodate 1,526 new residential lots for separate dwellings.

### T38. ESTIMATED RESIDENTIAL LAND SUPPLY (CAPACITY)

ZONE	VACANT				OCCUPIED	OTHER	TOTAL LOT CAPACITY
	Broadhectare	Major	Minor	Single lot	Broadhectare	Urban Growth Zone	
LDRZ	45	45	20	5	182	0	297
NRZ	26	5	5	38	0	0	74
RLZ	0	0	0	0	0	0	0
UGZ	0	0	0	0	0	1,154	1,154
<b>Total</b>	<b>71</b>	<b>50</b>	<b>25</b>	<b>43</b>	<b>199</b>	<b>1,154</b>	<b>1,526</b>

Source: Urban Enterprise, 2019.

### F29. RIDDELLS CREEK RESIDENTIAL LAND SUPPLY MAP



Source: Urban Enterprise, 2019

## **MEDIUM DENSITY**

The preceding assessment relates primarily to the capacity of zoned land to accommodate separate dwellings which comprise the overwhelming majority of the Riddells Creek residential market.

There is some support in the Macedon Ranges Planning Scheme for medium density development, with a strategy to “support incremental infill development, including multi-dwelling development” and “support residential development above or to the rear of retail and commercial properties” (Clause 21.13-5).

As shown in Figure 29, the future land supply identified is primarily located on land on the town periphery, identified as broadhectare lots.

Although medium density development will provide some support in accommodating dwelling growth, Riddells Creek is predominantly operating as an urban growth area at present. The scale of demand for medium density dwellings is considered in the residential demand section which follows.

## 5.3. RESIDENTIAL DEMAND

### 5.3.1. POPULATION GROWTH

Population growth has been assessed using the Estimated Residential Population (ERP) of the Riddells Creek SA2, the smallest data area available. The boundaries for the Riddells Creek SA2 are shown in Appendix B – the SA2 area includes the township of Riddells Creek and surrounding areas such as Cherokee.

In 2018 the Riddells Creek SA2 had a population of 4,281 people. The population increased by approximately 532 people between 2008 and 2018 at a rate of 1.34% per annum. This is a moderate rate of growth, but well below the municipal average rate of 2% over the period. Riddells Creek accommodated just 6% of population growth in the municipality over the 10 year period.

#### T39. ABS REGIONAL POPULATION GROWTH

Area	2008	2013	2018	Population Change (2008-18)	AAG	AAG %
Riddells Creek (SA2)	3,749	4,008	4,281	+532	+53	1.34%
Macedon Ranges (LGA)	40,583	44,614	49,324	+8,741	+874	1.97%

Source: 3218.0 - Regional Population Growth, 2006-16; 3218.0 - Regional Population Growth, 2017-18. AAG = Average Annual Growth.

### 5.3.2. DWELLING APPROVALS

The rate of dwelling growth in Riddells Creek (SA2) has been reviewed by reference to ABS dwelling approvals which are summarised in Table 40 and Figure 30. The data shows that:

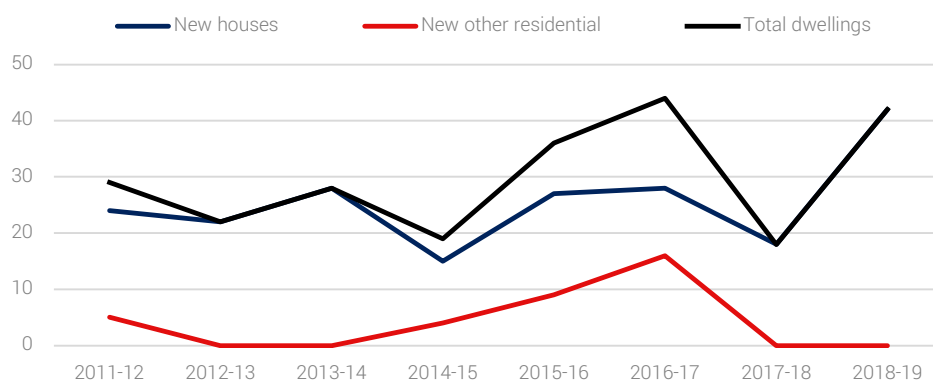
- Between 2011-12 and 2018-19 an average of 30 new dwellings were approved for construction per annum;
- Dwelling growth peaked in 2016-17 at 44 new dwellings, with the lowest growth occurring in 2017-18 (18 new dwellings);
- 86% of new dwellings approved were separate houses, with approximately 14% of dwellings being "other residential buildings" (units and apartments). This is a high proportion relative to the distribution for other townships. However, approximately 75% of this construction occurred in a two year period between 2015-16 and 2016-17;
- The last two years have experienced no approvals for new other residential dwellings; and
- The number of dwelling approvals has increased again for the 2018-19 financial year, with 42 new dwellings being approved.

#### T40. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, RIDDELLS CREEK SA2

	New houses	New other residential	Total dwellings	New houses %	New other residential %
2011-12	24	5	29	83%	17%
2012-13	22	0	22	100%	0%
2013-14	28	0	28	100%	0%
2014-15	15	4	19	79%	21%
2015-16	27	9	36	75%	25%
2016-17	28	16	44	64%	36%
2017-18	18	0	18	100%	0%
2018-19 YTD e/o May	42	0	42	100%	0%
Average per year (2011-12 to 2017-18)	26	4	30	86%	14%

Source: ABS Building Approvals, 2011-2018

### F30. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, RIDDELLS CREEK



Source: ABS Building Approvals, 2011-2018

### 5.3.3. NEW RESIDENTIAL SUPPLY

Data prepared by Charter Keck Cramer on subdivisions in Riddells Creek is summarised in Table 41 and Figure 31. The data shows relates to new residential lots created and sold since 2005 in the Riddells Creek Township, with the following relevant findings:

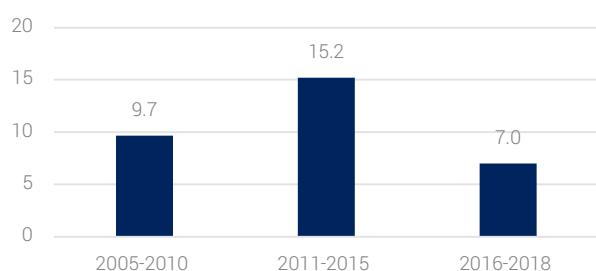
- Over the period 2005 – 2018, a total of 155 new residential lots were created and sold at an average of approximately 11 lots per annum. The most recent 3 year period (2016 – 2018) saw 21 new residential lots created at a rate of 7 per annum;
- As shown, in Figure 31, there was an increase in supply during 2011-15, before reducing in recent years;
- The most common lot type created and sold over the period is lots larger than 1,000 sqm (49%).

### T41. NEW LOTS CREATED BY LOT SIZE AND TIME PERIOD

Lot Size (sqm)	2005-2010	2011-2015	2016-2018	Total
0-400	8	22	6	36
400-600	1	4	0	5
600-800	4	6	1	11
800-1000	14	22	0	36
1000+	31	22	14	67
<b>Total</b>	<b>58</b>	<b>76</b>	<b>21</b>	<b>155</b>
<b>Average per annum</b>	<b>9.7</b>	<b>15.2</b>	<b>7.0</b>	<b>11.1</b>

Source: Charter Keck Cramer, 2018.

### F31. AVERAGE NEW LOTS CREATED PER ANNUM BY TIME PERIOD



Source: Charter Keck Cramer, 2018

### 5.3.4. FUTURE RESIDENTIAL SUBDIVISION ACTIVITY

There has been no information provided by Council on approved residential development proposals in Riddells Creek. However, preparation has begun on a Precinct Infrastructure Plan for the area zoned UGZ. It is expected that future development of this precinct will significantly increase the rate of new supply coming to the market in Riddells Creek.

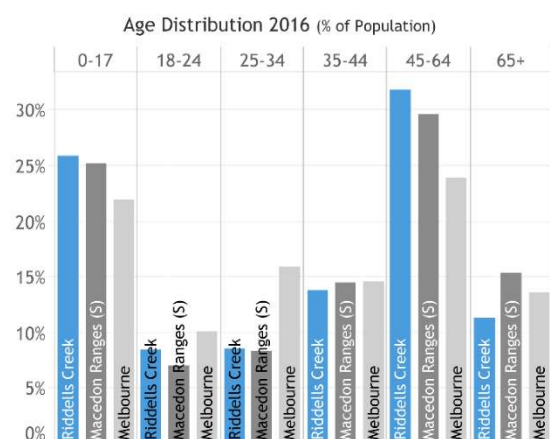
### 5.3.5. DEMOGRAPHIC PROFILE

Figures 32 to 40 provide an overview of the demographic profile of Riddells Creek residents. This profile adopts and builds on previous analysis undertaken by Charter Keck Cramer.

The key findings are as follows:

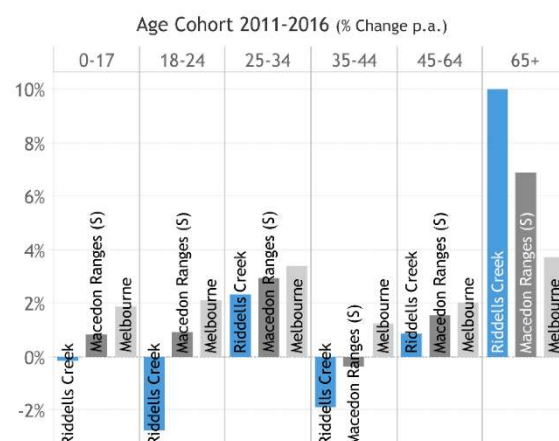
- Riddells Creek has a large cohort of residents aged 45-64 years, with the proportion of people in this age group and those in the 0-17 years cohort being greater than both Macedon Ranges and Melbourne.
- Analysis of change in age demographic shows that Riddells Creek is decreasing in the 0-17 year, 18-24 year, and 35-44 year age cohorts. The cohort with the most significant recent growth has been those 65 years and over.
- Average income for the all working populations in Riddells Creek is similar to that across Macedon Ranges, with income discrepancy slightly increasing as age increases. Average income is lower in Riddells Creek than Melbourne for both 25-34 year and 35-44 year age groups, but is higher for those aged 45-54 years;
- Approximately 32% of Riddells Creek working population work within the Macedon Ranges, while the Hume and Melbourne municipalities are the next most common places of work. The high proportion of workers in Hume suggests a close relationship to Melbourne Airport and other employment land in Hume;
- Household sizes in Riddells Creek (2.8 people per dwelling) are slightly larger than both Macedon Ranges (2.7) and Melbourne (2.7), due to the higher proportion of couple with children households and lower proportion of lone person households. The significantly ageing demographic is likely to lead to an increase in lone person households and a reducing household size; and
- The high proportion of couple households with children and the age distribution suggests there is a family demographic in Riddells Creek.

**F32. AGE DISTRIBUTION, 2016**



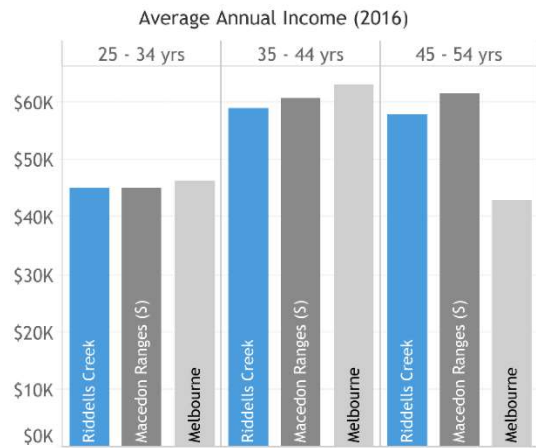
Source: ABS Census, 2016; Charter Keck Cramer, 2018

**F33. CHANGE IN AGE COHORT, 2011-2016**



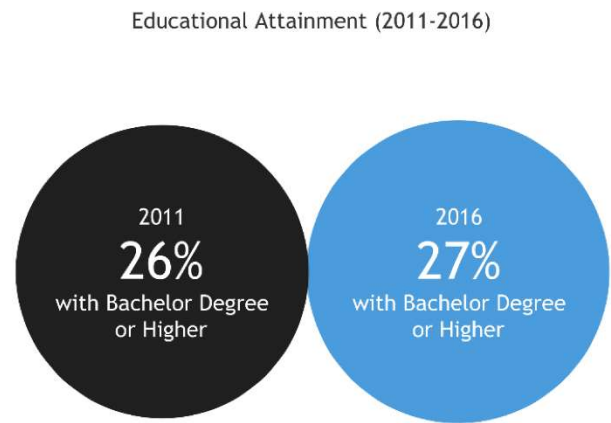
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F34. AVERAGE ANNUAL INCOME, 2016



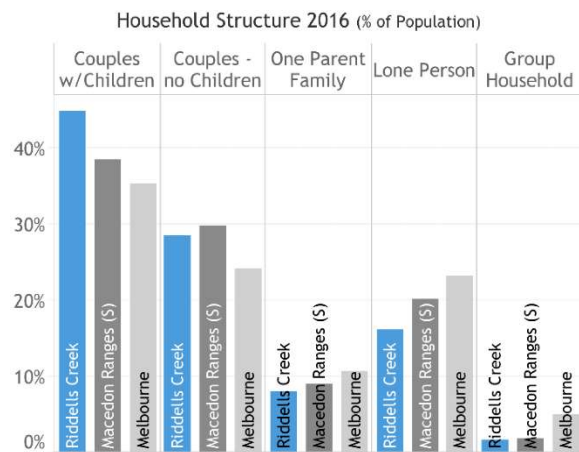
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F36. EDUCATIONAL ATTAINMENT, 2011-2016



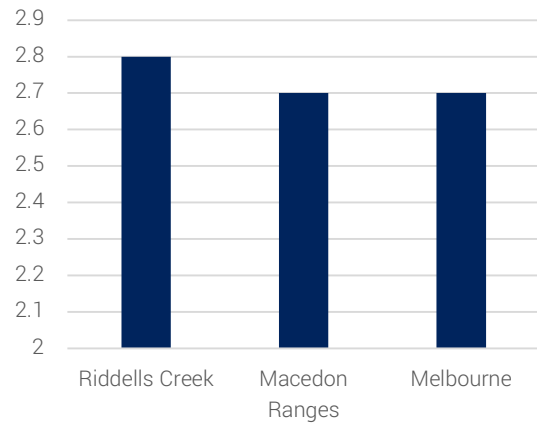
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F35. HOUSEHOLD STRUCTURE, 2016



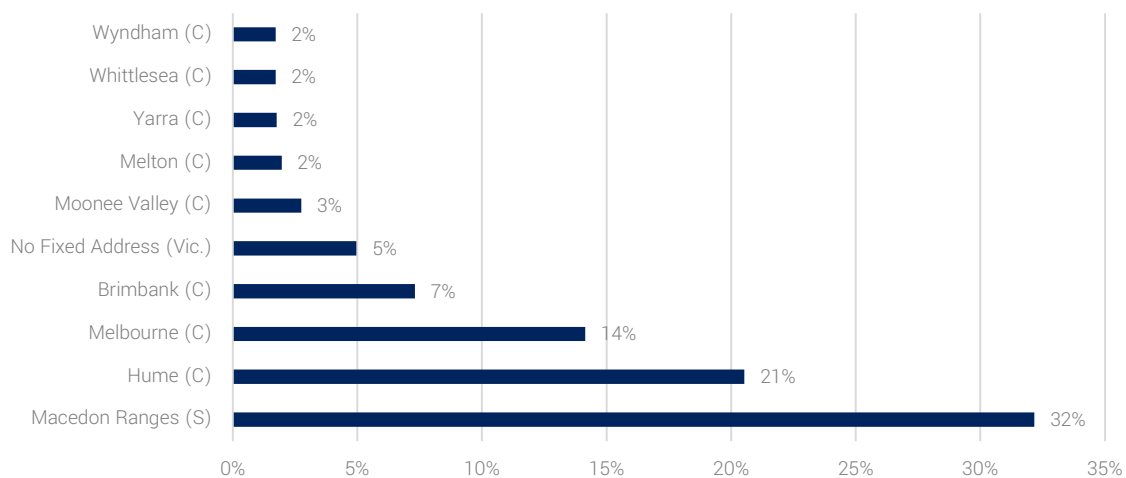
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F37. AVERAGE HOUSEHOLD SIZE, 2016



Source: ABS Census, 2016

### F38. RESIDENTS PLACE OF WORK BY LGA, RIDDELLS CREEK SUBURB,



Source: ABS Census, 2016.

### 5.3.6. PROPERTY VALUES

Median residential property values and trends are assessed in this section for houses, units and vacant land between 2007 and 2017 as published by the Valuer General. As shown in Table 14:

- Riddells Creek’s median house price was \$577,500 in 2017, higher than the municipal median of \$540,000. By the December Quarter of 2018, this had increased to \$605,000, continuing a strong rate of growth;
- Riddells Creek has experienced strong price growth across the both houses and land residential property types, with the fastest growth being in land at 8.9% per annum.
- No data was available for unit sales price in Riddells Creek for 2007, however prices increased from \$257,500 in 2008 to \$415,000 in 2017 at a rate of 4.6% per annum;
- Vacant lots have experienced particularly strong recent growth, increasing from \$269,500 in 2017 to \$335,000 in the December quarter of 2018 in Riddells Creek;
- Riddells Creek has continued to grow strongly between 2017 and 2018 and the median price for both house and land has recently overtaken the municipal median values; and
- It is noted that prices for all property types have been volatile with inconsistent growth over the period.

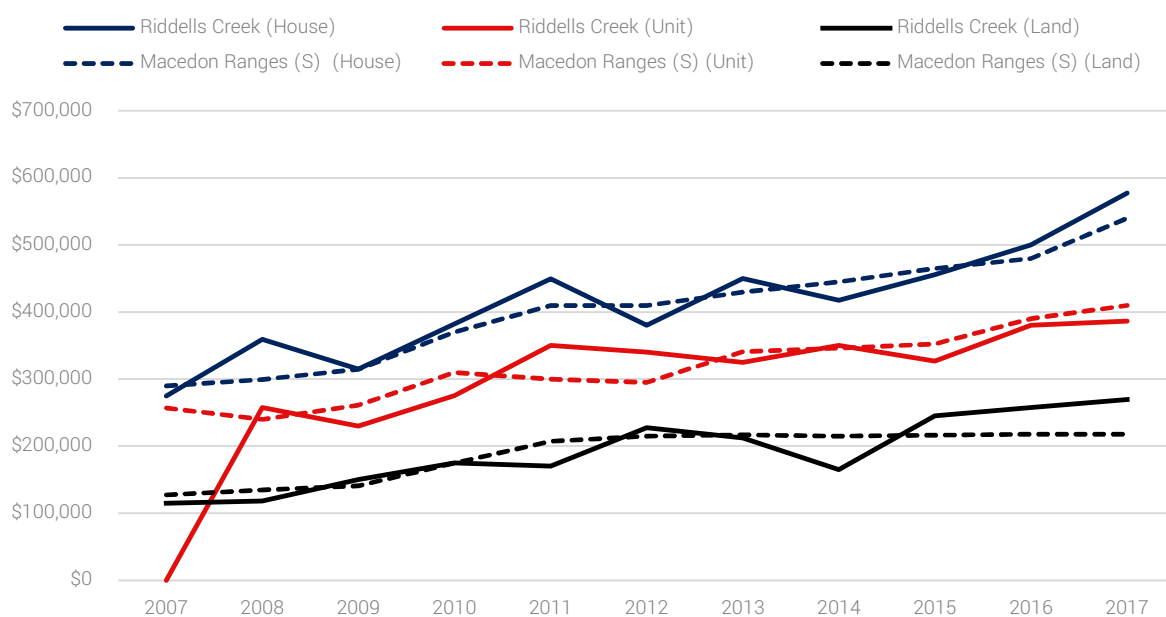
#### T42. HISTORIC PROPERTY VALUES BY TYPE

Type	Suburb	2007	2012	2017	AAGR (2007-17)
House	Riddells Creek	\$275,000	\$380,000	\$577,500	7.7%
	Macedon Ranges (S)	\$290,000	\$410,000	\$540,000	6.4%
Unit	Riddells Creek	N/A	\$340,000	\$386,500	4.6%*
	Macedon Ranges (S)	\$257,250	\$295,000	\$410,000	4.8%
Vacant Land	Riddells Creek	\$115,000	\$227,500	\$269,500	8.9%
	Macedon Ranges (S)	\$127,500	\$215,000	\$218,000	5.5%

Source: A Guide to Property Values, 2019

\*Average Annual Growth Rate from 2008 to 2017

#### F39. MEDIAN RESIDENTIAL VALUES BY PROPERTY TYPE, 2007-17



Source: A Guide to Property Values, 2019

### 5.3.7. CURRENT MARKET CONDITIONS AND MARKET SEGMENTS

Consultation was undertaken with real estate agents to discuss current residential market conditions and market segments prominent in Riddells Creek. The following comments were made:

- In line with the strong property value growth shown in Table 42, agents identified that the Riddells Creek market has been very strong in terms of price growth;
- Agents have indicated that Riddells Creek provides a more affordable option for buyers who have been priced out of neighbouring towns, such as Gisborne;

### 5.3.8. POPULATION AND DWELLING PROJECTIONS

Projections of population and dwelling requirements have been obtained from two sources:

- Victoria in Future 2019 (VIF2019), the official State government projections; and
- Forecast ID projections prepared by consultants .id for Macedon Ranges Shire.

VIF2019 projections are provided for data areas of SA2, LGA and VIFSA. Projections for the Riddells Creek SA2 are adopted, which aligns to the ABS boundaries.

Forecast ID projections are for a data area known as the Riddells Creek District. This does not exactly align with the Riddells Creek SA2 boundary and includes the township of Clarkefield (320 people at 2016). Appendix B shows the data boundaries for these projections.

#### POPULATION PROJECTION RESULTS

Table 43 shows the population projections published by VIF2019 and Forecast ID.

VIF2019 estimates the Riddells Creek population to increase by approximately 1,650 residents from 2016 to 2036 at an average rate of 1.7% per annum. The projections indicate that the Riddells Creek will accommodate approximately 10% of population growth in the municipality during this projection period.

Forecast ID projects an average annual growth rate of 2.5% per annum, resulting in an additional 2,900 residents in the Riddells Creek District.

Forecast ID projects Macedon Ranges to have an additional population of approximately 17,900 residents over the projection period, with the Riddells Creek District accommodating 16% of this growth.

Population projections estimated by Forecast ID include assumptions regarding the development of the UGZ. It is likely that VIF2019 has not included assumptions around the development of this land in the projections.

#### T43. POPULATION PROJECTIONS, VIF AND FORECAST ID

Source	Area	2016	2031	2036	Change (16-36)	AAG	AAGR
Victoria In Future	Riddells Creek (SA2)	4,174	5,324	5,819	+1,645	+82	1.7%
	Macedon Ranges (S)	47,480	60,235	64,643	+17,163	+858	1.6%
Forecast ID	Riddells Creek District	4,486	6,530	7,417	+2,931	+147	2.5%
	Macedon Ranges (S)	47,519	60,362	65,405	+17,886	+894	1.6%

Source: Victoria in Future, 2019; Forecast ID, 2019

#### DWELLING PROJECTION RESULTS

As with population, both Victoria in Future and Forecast ID provide projections of dwellings, including occupancy rates and household size. Table 44 shows projections for both of these sources, with relevant points as follows:

- VIF2019 projects the number of dwellings in the Riddells Creek SA2 to increase by 729 dwellings over the period of 2016-2036, at an annual rate of 36 additional dwellings per annum. By 2036, it is estimated that the Riddells Creek SA2 will have approximately 2,250 dwellings;



- By comparison, Forecast ID projects the Riddells Creek SA2 to have an additional 1,177 dwellings over the period of 2016-2036, at an annual rate of 65 additional dwellings per annum. Although Riddells Creek District does not align exactly with the SA2, the projected rate is significantly higher than the historical rate of dwellings approvals in Riddells Creek SA2 (28 dwelling per annum);
- While VIF2019 projects household occupancy in Riddells Creek to remain constant, Forecast ID estimates a decrease in occupancy. Rates of occupancy are expected to remain very high (above 96%);
- Both projections anticipate a decrease in household size over the respective projection periods.

#### T44. DWELLING PROJECTIONS, RIDDELLS CREEK SA2 AND RIDDELLS CREEK DISTRICT

Source	Indicator	2016	2021	2026	2031	2036	Total Change (16-36)	Annual Change (16-36)
Victoria In Future	Dwellings	1,522	1,683	1,858	2,045	2,252	+729	+36
	Occupancy Rate	98.2%	98.2%	98.2%	98.2%	98.2%	0.00%	
	Household Size	2.79	2.73	2.68	2.65	2.63	-0.16	
Forecast ID	Dwellings	1,632	1,804	2,067	2,459	2,809	+1,177	+58
	Occupancy Rate	97.6%	97.2%	96.9%	96.5%	96.2%	-1.4%	
	Household Size	2.82	2.74	2.74	2.75	2.74	-0.08	

Source: Victoria in Future, 2019; Forecast ID, 2019.

#### 5.3.9. ADOPTING A DWELLING DEMAND RATE

For the purposes of planning for long term residential land requirements in Riddells Creek, a dwelling demand rate (or range) should be adopted. This assists in ascertaining the number of years of demand that the existing land supply is likely to cater for, and to inform any decisions regarding the quantum and type of additional land that should be considered for rezoning in a particular township.

The following indicators of overall dwelling demand in Riddells Creek are noted:

- There has been an average of **30 new dwellings approved for construction each year in the SA2 since 2011**;
- VIF2019 projects that **36 additional dwellings will be required each year to 2036 in the Riddells Creek SA2**;
- Forecast ID projects a future dwelling growth rate of **58 dwellings per annum across the broader region**, including Riddells Creek and Clarkefield.

Not all of these dwellings will be required within the Riddells Creek township. Between the period of 2011 and 2016, 85% of new dwellings in the SA2 were located within the UCL. Policy support for growth to be prioritised within the existing town boundary suggests that this proportion of growth within the township is likely to be maintained.

Historic dwellings growth has seen the Riddells Creek UCL accommodate approximately 85% of new dwellings in the SA2 between 2011 and 2016.

#### T45. HISTORIC PROPORTION OF DWELLING GROWTH IN TOWNSHIP

	2011	2016	Change (2011-16)	UCL % of change
Riddells Creek (UCL)	1,057	1,172	+115	
Riddells Creek (SA2)	1,359	1,494	+135	85.2%
Riddells Creek District	1,475	1,603	+128	89.8%

Source: ABS Census, 2011, 2016; Profile ID, 2019

Given the significant range of projections from different sources, adopting demand rates must consider all other information to inform the likely scale of growth. The projected growth by Forecast ID indicates that rates of growth would more than double historic rates of dwelling approvals. Although strong price growth for house and land

indicates demand for dwellings in Riddells Creek, other trends do not appear to indicate an increase in demand of this scale.

Assuming that 90% of dwelling growth in the SA2 will occur within the township, an overall dwelling demand rate of between 32 and 52 new dwellings per annum is considered reasonable over the medium term based on population projections.

A midpoint demand scenario should also be considered to estimate the potential of scenario in which Riddells Creek has a moderate increase in dwelling demand.

## MEDIUM DENSITY DWELLINGS

The two broad types of dwellings to be provided in Riddells Creek include separate dwellings and medium density dwellings (i.e. units and townhouses). The following comments are made regarding medium density dwellings within the Riddells Creek market:

- Medium density dwellings have accounted for approximately 14% of all new dwellings approved for construction in Riddells Creek. However, the scale of medium density development is inconsistent, with all new medium density lots occurring across four years, and none occurring in the other years;
- 23% of lots created by subdivision were less than 400sqm over the period 2005 – 2018;
- Median dwelling prices for units have increased at a rate of 4.6% per annum in Riddells Creek, indicating steady demand for this dwelling type, yet price growth has been lower for units than for separate houses;
- The cost differential between the median house (\$605,000) and unit (\$545,000) prices for the December quarter of 2018 is not significant;
- The proportion of residents aged over 65 years has significantly increased in recent years, well above the municipal rate. This may generate demand for smaller, medium density lots in Riddells Creek;
- Household sizes are projected to significantly in the short term, before a slower decline in the longer term. Riddells Creek has a high proportion of couples with children and a low proportion of lone person households currently. This may change with the recent trend of increasing older population;
- Much of recent development has occurred close to the town centre, while the majority of existing supply is located in broadhectare lots on the town periphery.

Based on this information, a demand breakdown of 90% separate dwellings and 10% medium density dwellings has been adopted for this study.

## SEPARATE DWELLING DEMAND RATE

Table 46 shows a summary of the dwelling demand rates recommended for Riddells Creek.

### T46. SUMMARY OF DWELLING GROWTH RATE PROJECTIONS

	Scenario 1 (VIF2019)	Scenario 2 (Midpoint)	Scenario 3 (Forecast ID)
All dwellings (SA2 / District)	36	47	58
% Riddells Creek township	90%	90%	90%
Riddells Creek Township all dwellings	32	42	52
% Separate dwellings	90%	90%	90%
Riddells Creek township separate dwellings	29	38	47

Source: Urban Enterprise, 2019

## 5.4. ADEQUACY OF SUPPLY

Table 47 provides a comparison of existing land supply against projected demand. It is estimated that existing land supply will accommodate demand for separate dwellings for more than 30 years.

Policy supports Riddells Creek growing to the scale of District Town (6,000 population) by 2036, exceeding the VIF2019 projection of 5,800 people in the SA2. Additionally, it appears the VIF2019 projections may not have accounted for the future development of the UGZ area in the projections. As such, it is considered that the rate of growth is likely to be greater than Scenario 1. Planning for the future of Riddells Creek should consider the potential for demand at least in the order of Scenario 2.

### T47. SUMMARY OF RESIDENTIAL LAND SUPPLY

Scenario	Demand rate (separate dwellings per annum)	Lot capacity of zoned land	Years Supply
Scenario 1	29	1,526	50+ years
Scenario 2	38	1,526	40+ years
Scenario 3	47	1,526	30+ years

Source: Urban Enterprise, 2019

## 6. WOODEND

### 6.1. INTRODUCTION

This section provides an assessment of demand and supply for residential land in the Woodend township.

### 6.2. RESIDENTIAL SUPPLY

#### 6.2.1. DWELLING STOCK

A summary of the dwellings stock in Woodend (the Woodend Urban Centre Locality, ABS) is shown in Table 48, with the following findings:

- In 2016, Woodend contained 1,602 private dwellings, of which 94% were separate houses;
- Over 82% of dwellings contain 3 bedrooms or more, with 77% of dwellings either owned outright or with a mortgage and 22% rented; and
- 90% of dwellings were occupied on Census night.

#### T48. SUMMARY OF DWELLING STOCK, WOODEND (UCL)

		Woodend (UCL)	% of total*
<b>Dwellings</b>	Total Private Dwellings	1,602	N/A
<b>Dwelling Type</b>	Separate House	1,285	94.4%
	Semi-detached	72	5.3%
	Flat or apartment	4	0.3%
	Other	0	0.0%
<b>No. of bedrooms</b>	None	0	0.0%
	1 bedroom	23	1.7%
	2 bedrooms	212	15.8%
	3 bedrooms	705	52.7%
	4 or more bedrooms	398	29.7%
	Not stated	29	N/A
<b>Tenure</b>	Owned outright	502	37.7%
	Owned with mortgage	528	39.7%
	Rented	290	21.8%
	Other tenure type	10	0.8%
	Not stated	42	N/A
<b>Occupancy</b>	Rate (%)	90.2%	N/A

Source: ABS Census 2016. \*Note that answers "not stated" are not included in the calculations of proportion.

### 6.2.2. ZONED LAND

Figure 40 shows the residential zones within and immediately surrounding the township boundaries of Woodend. The majority of residential land in the township is zoned NRZ3, other NRZ schedules making up a large portion of the remaining residential land.

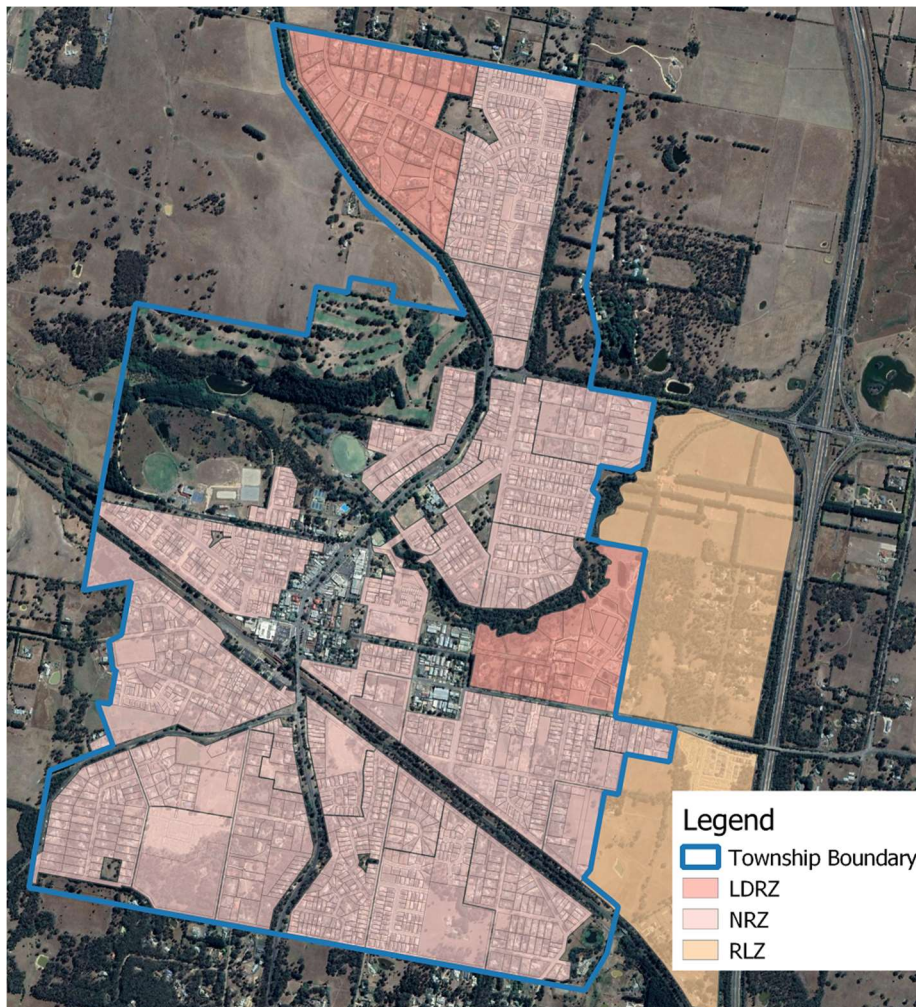
Council’s property database shows 1,870 lots in all residential zones within the township occupying 346 hectares of land. 95% of lots are within the NRZ (Table 49).

#### T49. RESIDENTIAL ZONED LOTS AND LAND AREA BY ZONE

Zone	Lot Area (ha)	No. of Lots	% of lots
LDRZ	56.62	90	4.8%
NRZ2	3.05	25	1.3%
NRZ3	167.84	1,212	64.8%
NRZ4	21.03	189	10.1%
NRZ5	50.90	194	10.4%
NRZ6	46.98	159	8.5%
RLZ1	0.13	1	0.1%
<b>Total</b>	<b>346.55</b>	<b>1,870</b>	<b>100%</b>

Source: Council Rates Database, 2019.

#### F40. WOODEND RESIDENTIAL PLANNING ZONES



Source: Urban Enterprise, 2019

### 6.2.3. VACANT LOTS

Vacant lots were identified by reference to Council's property database and verified using aerial imagery (January 2019). This process identified a total vacant land area of 41.03 hectares across 94 properties. The majority of vacant supply exists within the NRZ as shown in Table 50.

#### T50. SUPPLY OF VACANT LOTS AND LAND BY ZONE

Zone	Land Area (ha)	No. of Lots
LDRZ	4.49	10
NRZ2	0.50	2
NRZ3	26.19	64
NRZ4	0.49	4
NRZ5	1.35	5
NRZ6	8.02	9
RLZ1	0.00	0
<b>Total</b>	<b>41.03</b>	<b>94</b>

Source: Council Rates Database, 2019; Urban Enterprise verification.

### 6.2.4. ZONED LAND CAPACITY

The capacity of existing zoned land to accommodate dwellings depends on a range of factors, including whether the land is occupied, the size of the lot, minimum lot size controls and other planning requirements, and the intentions of individual landowners to subdivide or sell.

Estimates of the capacity of existing zoned land to accommodate additional dwellings have been made in this report by using a range of assumptions and methods as described in Appendix A. In addition to these 'default' methods, the minimum lot size for subdivision were based on the minimum lot size shown in the Macedon Ranges Shire Planning Scheme for each specific zone and zone schedule (if applicable) as shown in Table 51.

In the absence of a services report to identify the location of sewerage infrastructure, all LDRZ lots are assumed to be off sewer.

#### T51. WOODEND ADOPTED MINIMUM LOT SIZES

Zone	Location	Minimum lot size (sqm)
LDRZ	South of Honeysuckle Lane and north-east of the Avenue of Honour	4,000
	All other on sewer	2,000
	All other off sewer	4,000
NRZ2	All	600
NRZ3	All	1,000*
NRZ4	All	800
NRZ5	All	2,000
NRZ6	All	1,200
RLZ1	All	400,000

Source: Macedon Ranges Planning Scheme.

\*Assumption based on average occupied lot size of the specific NRZ schedules in Woodend

## SUPPLY ASSESSMENT RESULTS

The results of the supply assessment are shown in Table 52, including three main types of land supply:

- Vacant lots with no subdivision potential ('single lots');
- Vacant lots with subdivision potential (either Broadhectare, Major or Minor); and
- Occupied 'Broadhectare' lots (i.e. those occupied lots with potential to create 20 or more additional lots).

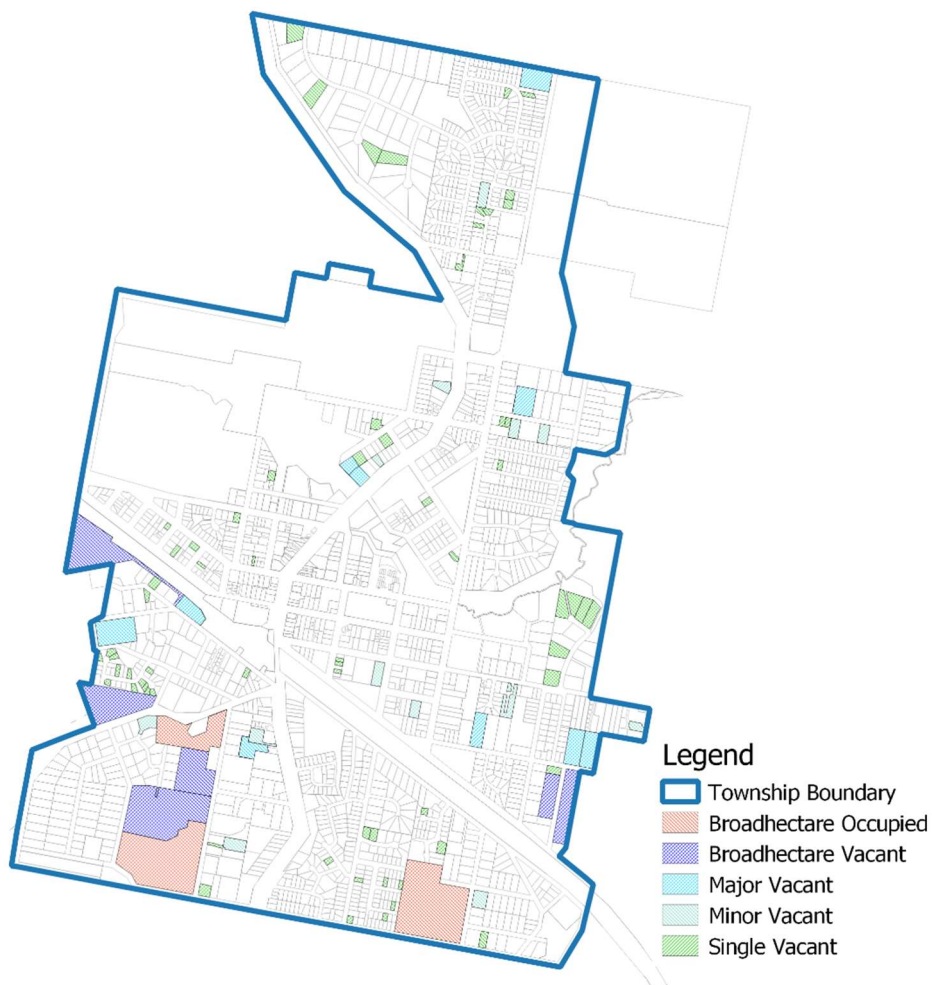
It is estimated that existing zoned land in Woodend has the capacity to accommodate 396 new residential lots for separate dwellings.

### T52. ESTIMATED RESIDENTIAL LAND SUPPLY (CAPACITY)

ZONE	VACANT				OCCUPIED	TOTAL LOT CAPACITY
	Broadhectare	Major	Minor	Single lot	Broadhectare	
LDRZ	0	0	0	10	0	10
NRZ	109	66	37	58	117	386
RLZ	0	0	0	0	0	0
<b>Total</b>	<b>109</b>	<b>66</b>	<b>37</b>	<b>68</b>	<b>117</b>	<b>396</b>

Source: Urban Enterprise, 2019.

### F41. WOODEND RESIDENTIAL LAND SUPPLY MAP



Source: Urban Enterprise, 2019

## **MEDIUM DENSITY**

The preceding assessment relates primarily to the capacity of zoned land to accommodate separate dwellings which comprise the majority of the Woodend residential market.

The Macedon Ranges Planning Scheme identifies strategies to “support infill development within the township boundary consistent with the identified character objectives for each residential neighbourhood character precinct shown in the Woodend Neighbourhood Character Precinct Map” (Clause 21.13-3, p. 20).

There is relatively limited policy support for multi-dwelling development, with only the Township Residential Precinct having support with conditions of:

- Presenting to the street as a single, detached dwelling;
- Landscaping along internal driveways; and
- Protects residential amenity of adjoining properties.

The scale of demand or medium density dwellings is considered in the residential demand section which follows.



## 6.3. RESIDENTIAL DEMAND

### 6.3.1. POPULATION GROWTH

Population growth has been assessed using the Estimated Residential Population (ERP) of the Woodend SA2, the smallest data area available. The boundaries for the Woodend SA2 are shown in Appendix B – the SA2 area includes the township of Woodend, Woodend South, Woodend North and surrounding areas of Newham. Approximately 55% of the population within the SA2 are located within the Woodend UCL boundary (which aligns to the township boundary).

In 2018 the Woodend SA2 had a population of 7,349 people. The population increased by approximately 1,100 people between 2008 and 2018 at a rate of 1.6% per annum. This is a moderate rate of growth, but lower than the municipal average rate of 2% over the period. Woodend accommodated 13% of population growth in the municipality over the 10 year period.

#### T53. ABS REGIONAL POPULATION GROWTH

Area	2008	2013	2018	Population Change (2008-18)	AAG	AAG %
Woodend (SA2)	6,248	6,707	7,349	+1,101	+110	+1.64%
Macedon Ranges (LGA)	40,583	44,614	49,324	+8,741	+874	1.97%

Source: 3218.0 - Regional Population Growth, 2006-16; 3218.0 - Regional Population Growth, 2017-18. AAG = Average Annual Growth.

### 6.3.2. DWELLING APPROVALS

The rate of dwelling growth in Woodend (SA2) has been reviewed by reference to ABS dwelling approvals which are summarised in Table 54 and Figure 42. It should be noted that a significant lifestyle resort (Gemlife) was approved during the 2017-18 financial year, creating an additional 199 “new other residential” dwellings. This site is located just outside the Woodend township boundary. The scale of this one-off development skews the historic Woodend development trend and as such has been excluded from the analysis, totals, and findings. The data shows that:

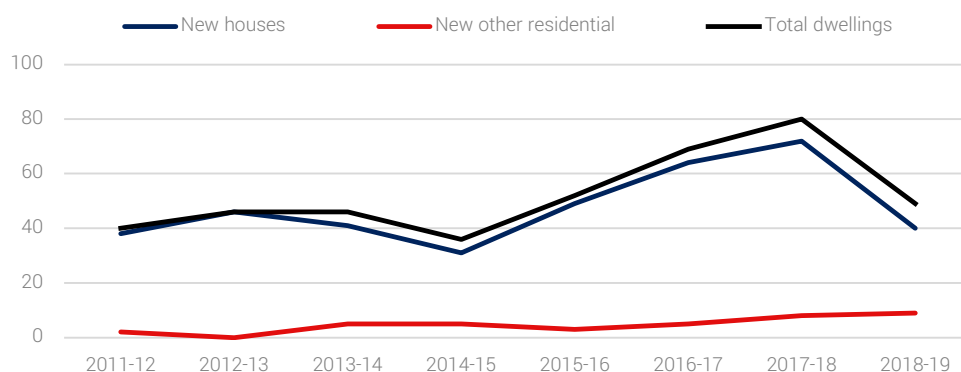
- Between 2011-12 and 2018-19 an average of 52 new dwellings were approved for construction per annum;
- Dwelling growth peaked in 2017-18 (excl. Gemlife) at 80 new dwellings, with the lowest period of growth in 2014-15 (36 new dwellings). The rate of dwelling development in Woodend has been increasing;
- 91% of new dwellings approved were separate houses, with approximately 9% of dwellings being “other residential buildings” (units and apartments).

#### T54. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, WOODEND SA2

	New houses	New other residential	Total dwellings	New houses %	New other residential %
2011-12	38	2	40	95%	5%
2012-13	46	0	46	100%	0%
2013-14	41	5	46	89%	11%
2014-15	31	5	36	86%	14%
2015-16	49	3	52	94%	6%
2016-17	64	5	69	93%	7%
2017-18 (incl. Gemlife)	72	207	279	26%	74%
2017-18 (excl. Gemlife)	72	8	80	90%	10%
2018-19 YTD e/o May	40	9	49	80%	20%
Average per year (2011-12 to 2017-18 – excluding Gemlife)	48	5	52	91%	9%

Source: ABS Building Approvals, 2011-2018

#### F42. ABS DWELLING APPROVALS, 2011-12 TO 2017-18 (EXCL. GEMLIFE), WOODEND



Source: ABS Building Approvals, 2011-2018

#### 6.3.3. NEW RESIDENTIAL SUPPLY

Data prepared by Charter Keck Cramer on subdivisions in Woodend is summarised in Table 55 and Figure 43. The data shows relates to new residential lots created and sold since 2005 in the Woodend Township, with the following relevant findings:

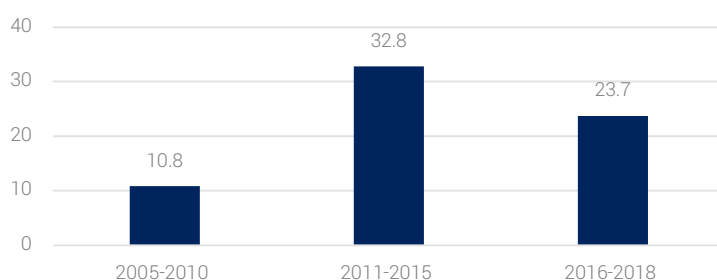
- Over the period 2005 – 2018, a total of 300 new residential lots were created and sold at an average of approximately 21 lots per annum. The most recent 3 year period (2016 – 2018) saw 71 new residential lots created at a rate of 24 per annum;
- As shown, in Figure 43, there was an increase in supply during 2011-15, before reducing in recent years;
- The most common lot type created and sold over the period is lots larger than 1,000 sqm (30%), however the creation and sale of lot sizes is relatively evenly spread.

#### T55. NEW LOTS CREATED BY LOT SIZE AND TIME PERIOD

Lot Size (sqm)	2005-2010	2011-2015	2016-2018	Total
0-400	2	4	5	11
400-600	8	50	12	70
600-800	12	53	2	67
800-1000	14	15	33	62
1000+	29	42	19	90
<b>Total</b>	<b>65</b>	<b>164</b>	<b>71</b>	<b>300</b>
<b>Average per annum</b>	<b>10.8</b>	<b>32.8</b>	<b>23.7</b>	<b>21.4</b>

Source: Charter Keck Cramer, 2018.

#### F43. AVERAGE NEW LOTS CREATED PER ANNUM BY TIME PERIOD



Source: Charter Keck Cramer, 2018

### 6.3.4. FUTURE RESIDENTIAL SUBDIVISION ACTIVITY

There has been no information provided by Council on approved residential development proposals in Woodend.

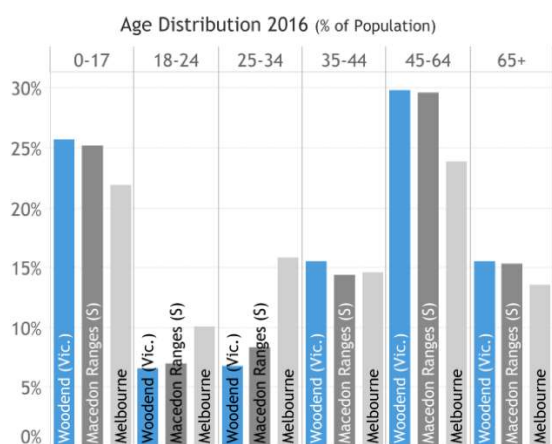
### 6.3.5. DEMOGRAPHIC PROFILE

Figures 44 to 50 provide an overview of the demographic profile of Woodend residents. This profile adopts and builds on previous analysis undertaken by Charter Keck Cramer.

The key findings are as follows:

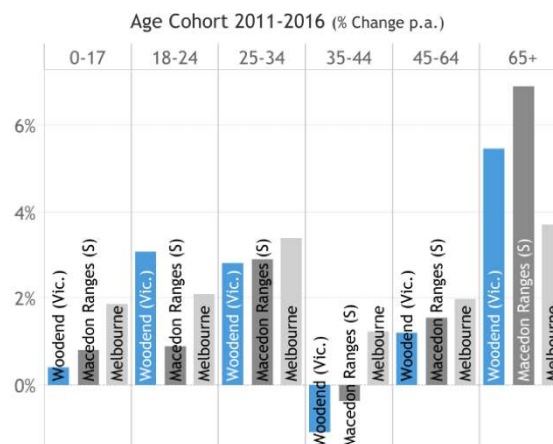
- Woodend's largest cohort of residents are aged 45-64 years. This cohort is proportionally larger than both Macedon Ranges and Melbourne, but those aged 18-24 years and 25-34 years are proportionally smaller;
- Analysis of change in age demographic shows that Woodend is growing in all age cohorts other than 35-44 years. The most significant growth has been in those 65 years and over, despite the proportion of growth in this age cohort being less than the broader Macedon Ranges Shire. Relative to Macedon Ranges, Woodend has grown most strongly in the 18-24 year cohort;
- Average income for younger working age populations in Woodend is marginally higher than Macedon Ranges and is on par with Melbourne, at just under \$50,000 per annum. However, average income is lower than the municipal Macedon Ranges area for both older age cohorts. Both Woodend and Macedon Ranges have significantly higher incomes than Melbourne in the 45-54 year age group;
- Approximately 45% of Woodend's working population work within the Macedon Ranges, while the Melbourne and Hume municipalities are the next most common places of work. This present a high proportion of local employment in Woodend; and
- Household sizes in Woodend (2.5 people per dwelling) are smaller than both Macedon Ranges (2.7) and Melbourne (2.7), despite having a higher proportion of couple with children households.

**F44. AGE DISTRIBUTION, 2016**



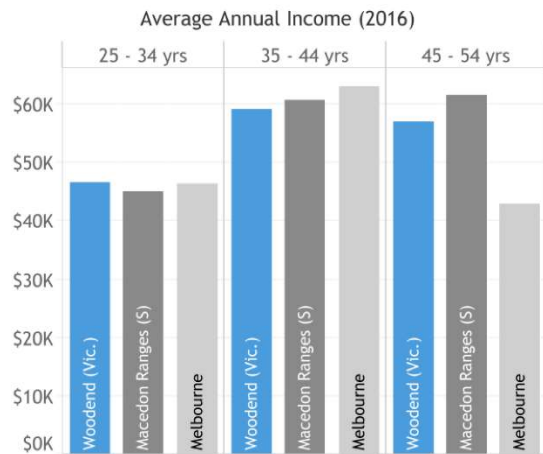
Source: ABS Census, 2016; Charter Keck Cramer, 2018

**F45. CHANGE IN AGE COHORT, 2011-2016**



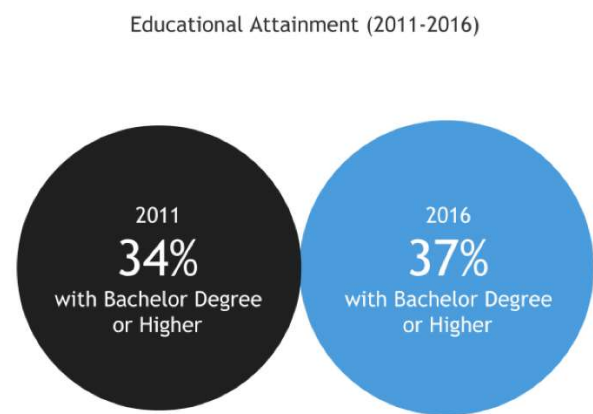
Source: ABS Census, 2016; Charter Keck Cramer, 2018

#### F46. AVERAGE ANNUAL INCOME, 2016



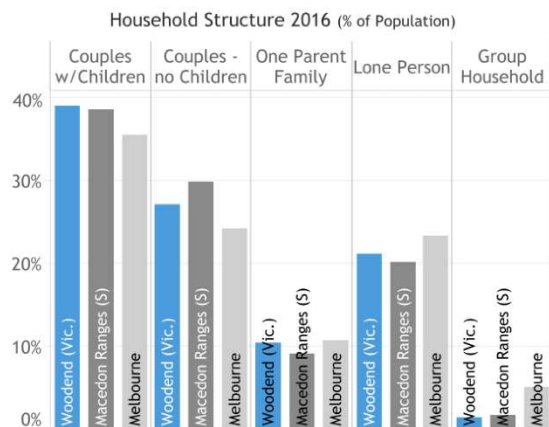
Source: ABS Census, 2016; Charter Keck Cramer, 2018

#### F48. EDUCATIONAL ATTAINMENT, 2011-2016



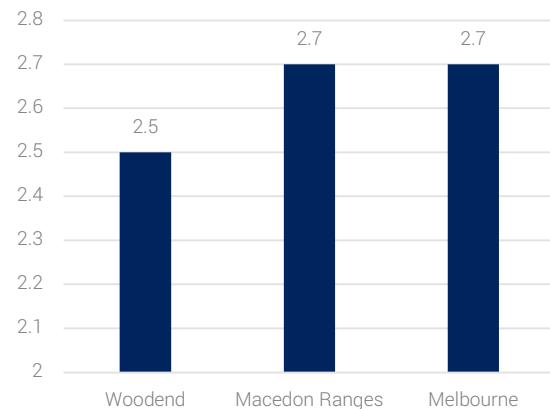
Source: ABS Census, 2016; Charter Keck Cramer, 2018

#### F47. HOUSEHOLD STRUCTURE, 2016



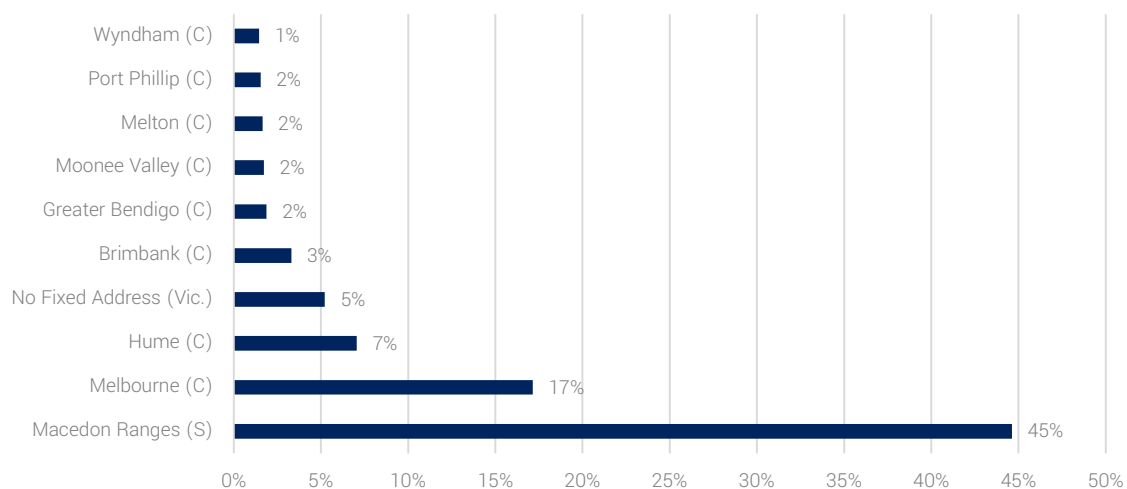
Source: ABS Census, 2016; Charter Keck Cramer, 2018

#### F49. AVERAGE HOUSEHOLD SIZE, 2016



Source: ABS Census, 2016

#### F50. RESIDENTS PLACE OF WORK BY LGA, WOODEND SUBURB,



Source: ABS Census, 2016.

### 6.3.6. PROPERTY VALUES

Median residential property values and trends are assessed in this section for houses, units and vacant land between 2007 and 2017 as published by the Valuer General. As shown in Table 56:

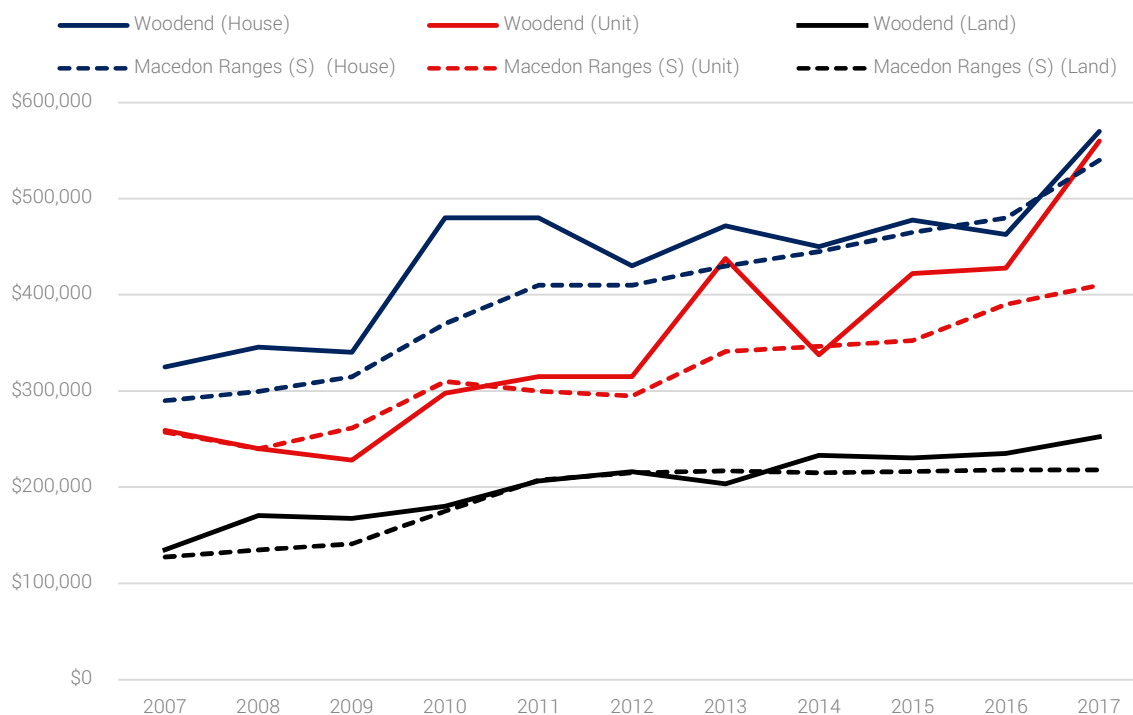
- Woodend’s median house price was \$570,000 in 2017, marginally higher than the municipal median of \$540,000. By the December Quarter of 2018, this had increased to \$695,300, a high rate of price growth;
- Woodend has experienced moderate price growth in houses and land, however, the fastest growth was in units at 8.0% per annum. However, there are only a small amount of unit sales in Woodend which may influence the data, which can be seen in fluctuating median prices in Figure 51. The median unit sale price for the December quarter of 2018 was \$375,000, showing the inconsistent nature of unit price growth;
- There has been particularly strong price growth for vacant lots, from \$252,500 in 2017 to \$380,000 in the December quarter of 2018 in Woodend;
- Median prices for house and land property types in Woodend has grown significantly between 2017 and 2018 and have higher prices than the municipal median values.

#### T56. HISTORIC PROPERTY VALUES BY TYPE

Type	Suburb	2007	2012	2017	AAGR (2007-17)
House	Woodend	\$325,000	\$430,000	\$570,000	5.8%
	Macedon Ranges (S)	\$290,000	\$410,000	\$540,000	6.4%
Unit	Woodend	\$259,000	\$315,000	\$560,000	8.0%
	Macedon Ranges (S)	\$257,250	\$295,000	\$410,000	4.8%
Vacant Land	Woodend	\$135,000	\$216,000	\$252,500	6.5%
	Macedon Ranges (S)	\$127,500	\$215,000	\$218,000	5.5%

Source: A Guide to Property Values, 2019

#### F51. MEDIAN RESIDENTIAL VALUES BY PROPERTY TYPE, 2007-17



Source: A Guide to Property Values, 2019

### 6.3.7. CURRENT MARKET CONDITIONS AND MARKET SEGMENTS

Consultation was undertaken with real estate agents to discuss current residential market conditions and market segments prominent in Woodend. The following comments were made:

- Agents highlighted that the property market in Woodend has been particularly strong, with properties being sought generally by people moving from Melbourne. This is a similar situation to that of Kyneton’s current market, however it was indicated that over the last five years, some of the demand for existing stock in Woodend has shifted to Kyneton;
- These buyers largely include retirees, selling in Melbourne and moving to Woodend, as well as young professionals and families who are utilising increased technology to access employment in Melbourne while living in Woodend;
- Agents identify that the most in demand type of lot is 4,000+ sqm, with people looking to access a lifestyle property. However, the majority of the lots on the market are in the range of 800-1,000 sqm;
- It was indicated that while being a popular lifestyle location has contributed to price growth, constrained supply of new lots has also been a significant factor;
- There are some unit developments occurring in Woodend, however it is not clear whether this will be an increasing trend. The demand for lifestyle lots indicates that unit development may continue on a status quo trajectory.

### 6.3.8. POPULATION AND DWELLING PROJECTIONS

Projections of population and dwelling requirements have been obtained from two sources:

- Victoria in Future 2019 (VIF2019), the official State government projections; and
- Forecast ID projections prepared by consultants .id for Macedon Ranges Shire.

VIF2019 projections are provided for data areas of SA2, LGA and VIFSA. Projections for the Woodend SA2 are adopted, which aligns to the ABS boundaries.

Forecast ID projections are for a data area known as the Woodend District. This does not exactly align with the Woodend SA2 boundary and includes the township of Tylden (535 people at 2016). Appendix B shows the data boundaries for these projections.

### POPULATION PROJECTION RESULTS

Table 57 shows the population projections published by VIF2019 and Forecast ID.

VIF2019 estimates the Woodend population to increase by approximately 2,200 residents from 2016 to 2036 at an average rate of 1.4% per annum. The projections indicate that the Woodend will accommodate approximately 13% of population growth in the municipality during this projection period.

Forecast ID projects an average annual growth rate of 0.9% per annum, resulting in an additional 1,450 residents in the Woodend District, much lower than the VIF2019 projection.

Forecast ID projects Macedon Ranges to have an additional population of approximately 17,900 residents over the projection period, with the Woodend District accommodating 8% of this growth.

### T57. POPULATION PROJECTIONS, VIF AND FORECAST ID

Source	Area	2016	2031	2036	Change (16-36)	AAG	AAGR
Victoria In Future	Woodend (SA2)	7,043	8,742	9,214	+2,171	+109	1.4%
	Macedon Ranges (S)	47,480	60,235	64,643	+17,163	+858	1.6%
Forecast ID	Woodend District	7,856	8,897	9,310	+1,454	+73	0.9%
	Macedon Ranges (S)	47,519	60,362	65,405	+17,886	+894	1.6%

Source: Victoria in Future, 2019; Forecast ID, 2019

## DWELLING PROJECTION RESULTS

As with population, both VIF2019 and Forecast ID provide projections of dwellings, including occupancy rates and household size. Table 55 shows projections for both of these sources, with relevant points as follows:

- VIF2019 projects the number of dwellings in the Woodend SA2 to increase by 1,194 dwellings over the period of 2016-2036, at an annual rate of 60 additional dwellings per annum. This projected rate is slightly higher than the historical rate of dwelling approvals in Woodend (53 dwelling per annum). By 2036, it is estimated that the Woodend SA2 will have approximately 4,100 dwellings;
- By comparison, Forecast ID projects the Woodend District to have an additional 887 dwellings over the period of 2016-2036, at an annual rate of 44 additional dwellings per annum;
- Both VIF2019 and Forecast ID project household occupancy in Woodend to remain at the status quo, maintaining high occupancy of above 92%;
- Both projections anticipate a decrease in household size over the projection period.

### T58. DWELLING PROJECTIONS, WOODEND SA2 AND WOODEND DISTRICT

Source	Indicator	2016	2021	2026	2031	2036	Total Change (16-36)	Annual Change (16-36)
Victoria In Future	Dwellings	2,867	3,235	3,531	3,801	4,060	+1,194	+60
	Occupancy Rate	93.5%	93.5%	93.5%	93.5%	93.5%	0.00%	
	Household Size	2.60	2.54	2.47	2.41	2.37	-0.22	
Forecast ID	Dwellings	3,214	3,510	3,715	3,906	4,101	+887	+44
	Occupancy Rate	92.0%	92.0%	92.0%	92.0%	92.0%	0.00%	
	Household Size	2.63	2.52	2.47	2.44	2.44	-0.19	

Source: Victoria in Future, 2019; Forecast ID, 2019.

### 6.3.9. ADOPTING A DWELLING DEMAND RATE

For the purposes of planning for long term residential land requirements in Woodend, a dwelling demand rate (or range) should be adopted. This assists in ascertaining the number of years of demand that the existing land supply is likely to cater for, and to inform any decisions regarding the quantum and type of additional land that should be considered for rezoning in a particular township.

The following indicators of overall dwelling demand in Woodend are noted:

- There has been an average of **53 new dwellings approved for construction each year in the SA2 since 2011**;
- VIF2019 projects that **60 additional dwellings will be required each year to 2036 in the Woodend SA2**;
- Forecast ID projects a future dwelling growth rate of **44 dwellings per annum across the broader region**. It is considered that the inclusion of Tylden within the Woodend District will not have a significant impact on population projections.

Not all of these dwellings will be required within the Woodend township. Given the policy direction for Woodend to maintain its residential role in the hierarchy, it is reasonable to assume that Woodend will continue to accommodate the current proportions of this dwelling growth.

Historic dwellings growth has seen the Woodend UCL accommodate approximately 90-95% of new dwellings between 2011 and 2016.

## T59. HISTORIC PROPORTION OF DWELLING GROWTH IN TOWNSHIP

	2011	2016	Change (2011-16)	UCL % of change
Woodend (UCL)	1,439	1,602	+163	
Woodend (SA2)	2,678	2,855	+177	92.1%
Woodend District	3,037	3,206	+169	96.4%

Source: ABS Census, 2011, 2016; Profile ID, 2019

The variation in growth projections from the various sources indicates some uncertainty in the future growth in Woodend. Property prices have had moderate, but inconsistent growth in recent years, while dwelling approvals are on an increasing trend. The development of Gemilfe (199 retirement living units), just outside the township boundary, is likely to cater for some short-demand generated by the ageing population.

Assuming that 90% of dwelling growth in the SA2 will occur within the township, an overall dwelling demand rate of between 40 and 54 new dwellings per annum is considered reasonable base scenario over the medium term based on population projections.

It not considered appropriate to adopt a "growth scenario" for Woodend, above what is projected by VIF2019.

### MEDIUM DENSITY DWELLINGS

The two broad types of dwellings to be provided in Woodend include separate dwellings and medium density dwellings (i.e. units and townhouses). The following comments are made regarding medium density dwellings within the Woodend market:

- Medium density dwellings have accounted for approximately 8% of all new dwellings approved for construction in Woodend, with no material increase over the past 5 years;
- 4% of lots created by subdivision were less than 400sqm over the period 2005 – 2018;
- Median dwelling prices for units have increased at a rate of 8% per annum in Woodend, demonstrating stronger than growth for housing prices. However, there has only been a small number of unit sales;
- There is a considerable difference between the median house prices (\$695,300) and unit prices (\$375,000) in Woodend. The more affordable price point of units compared with houses may result in an increased attractiveness of smaller dwellings to the market over time. However, it is not considered to be a major actor in the market;
- The proportion of residents aged over 65 years is on an increasing trend, which may increase demand for medium density dwellings. Recent development of Gemlife (199 unit dwellings) is likely to cater for this demand in the short-term; and
- Household sizes are projected to decrease, indicating there may be more lone person households demanding smaller unit type dwellings.

Based on this information, a demand breakdown of 90% separate dwellings and 10% medium density dwellings has been adopted for this study.



## SEPARATE DWELLING DEMAND RATE

Table 60 shows a summary of the dwelling demand rates recommended for Woodend.

### T60. SUMMARY OF DWELLING GROWTH RATE PROJECTIONS

	Scenario 1 (Forecast ID)	Scenario 2 (Midpoint)	Scenario 3 (VIF2019)
All dwellings (SA2)	44	52	60
% Woodend township	90%	90%	90%
Woodend Township all dwellings	40	47	54
% Separate dwellings	90%	90%	90%
Woodend township separate dwellings	<b>36</b>	<b>42</b>	<b>49</b>

Source: Urban Enterprise, 2019

## 6.4. ADEQUACY OF SUPPLY

Table 61 provides a comparison of existing land supply against projected demand. It is estimated that existing land supply will accommodate demand for separate dwellings for approximately 8-11 years.

### T61. SUMMARY OF RESIDENTIAL LAND SUPPLY

Scenario	Demand rate (separate dwellings per annum)	Lot capacity of zoned land	Years Supply
Scenario 1	36	396	11 years
Scenario 2	42	396	9 years
Scenario 3	49	396	8 years

Source: Urban Enterprise, 2019

## 7. ROMSEY

### 7.1. INTRODUCTION

This section provides an assessment of demand and supply for residential land in the Romsey township.

### 7.2. RESIDENTIAL SUPPLY

#### 7.2.1. DWELLING STOCK

A summary of the dwellings stock in Romsey (the Romsey Urban Centre Locality, ABS) is shown in Table 62, with the following findings:

- In 2016, Romsey contained 1,450 private dwellings, of which 93% were separate houses;
- Over 90% of dwellings contain 3 bedrooms or more, with 84% of dwellings either owned outright or with a mortgage and only 15% rented; and
- 93% of dwellings were occupied on Census night.

#### T62. SUMMARY OF DWELLING STOCK, ROMSEY (UCL)

		Romsey (UCL)	% of total*
<b>Dwellings</b>	Total Private Dwellings	1,450	N/A
<b>Dwelling Type</b>	Separate House	1,172	91.2%
	Semi-detached	38	3.0%
	Flat or apartment	65	5.1%
	Other	10	0.8%
<b>No. of bedrooms</b>	None	3	0.2%
	1 bedroom	29	2.3%
	2 bedrooms	87	6.9%
	3 bedrooms	626	49.4%
	4 or more bedrooms	523	41.2%
	Not stated	20	N/A
<b>Tenure</b>	Owned outright	386	30.5%
	Owned with mortgage	680	53.7%
	Rented	194	15.3%
	Other tenure type	6	0.5%
	Not stated	22	N/A
<b>Occupancy</b>	Rate (%)	93.0%	N/A

Source: ABS Census 2016. \*Note that answers "not stated" are not included in the calculations of proportion.

### 7.2.2. ZONED LAND

Figure 52 shows the residential zones within and immediately surrounding the township boundaries of Romsey. The majority of residential land in the township is zoned GRZ1, with a section of LDRZ.

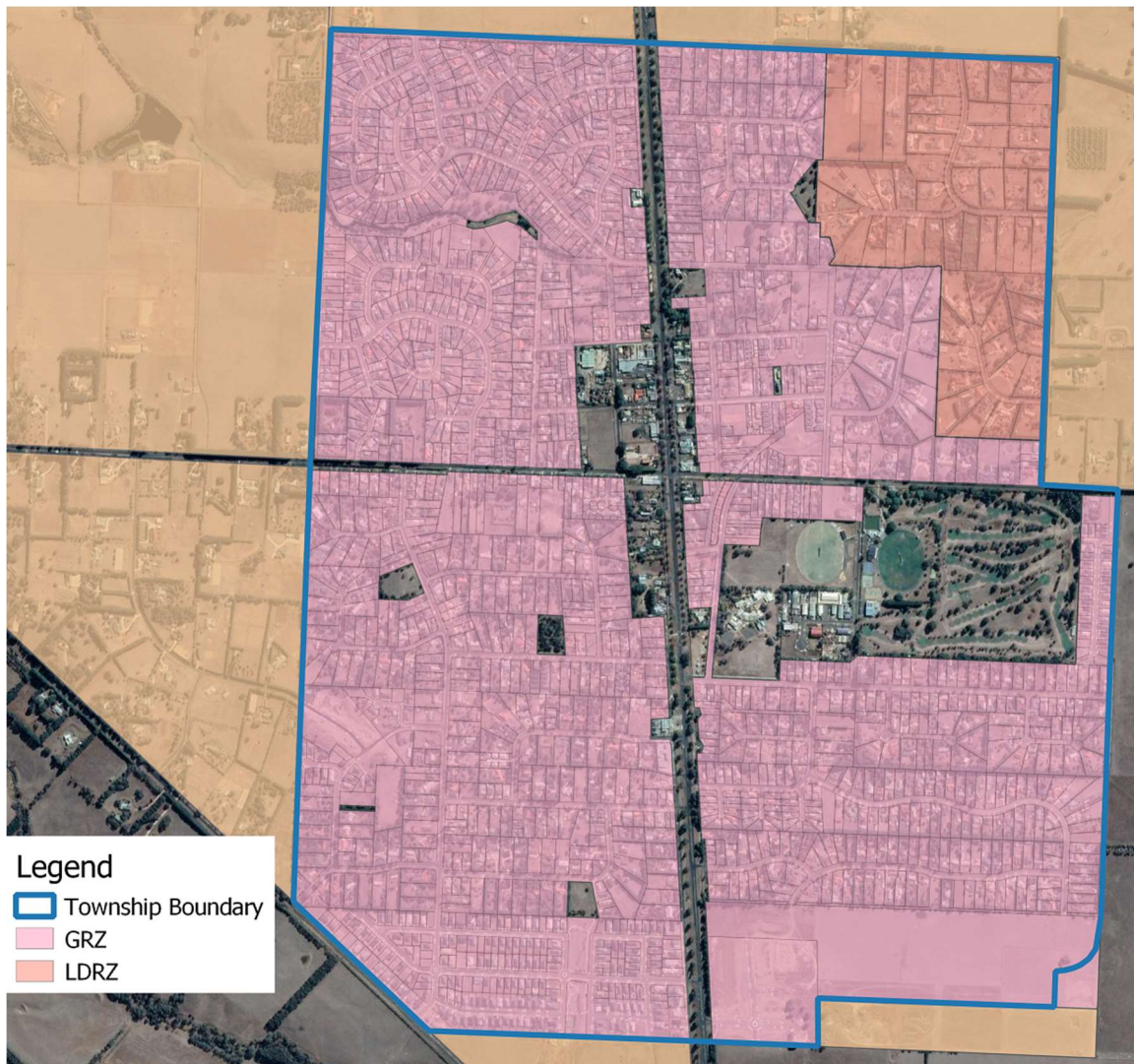
Council’s property database shows 1,800 lots in all residential zones within the township occupying 453 hectares of land. 97% of lots are within the GRZ (Table 63).

#### T63. RESIDENTIAL ZONED LOTS AND LAND AREA BY ZONE

Zone	Lot Area (ha)	No. of Lots	% of lots
GRZ1	401.36	1,741	97%
LDRZ	51.67	59	3%
<b>Total</b>	<b>453.03</b>	<b>1,800</b>	<b>100%</b>

Source: Council Rates Database, 2019.

#### F52. ROMSEY RESIDENTIAL PLANNING ZONES



Source: Urban Enterprise, 2019

### 7.2.3. VACANT LOTS

Vacant lots were identified by reference to Council's property database and verified using aerial imagery (January 2019). This process identified a total vacant land area of 47.63 hectares across 119 properties. Vacant supply exists almost entirely within the GRZ as shown in Table 64.

#### T64. SUPPLY OF VACANT LOTS AND LAND BY ZONE

Zone	Land Area (ha)	No. of Lots
GRZ1	46.01	117
LDRZ	1.62	2
<b>Total</b>	<b>47.63</b>	<b>119</b>

Source: Council Rates Database, 2019; Urban Enterprise verification.

### 7.2.4. ZONED LAND CAPACITY

The capacity of existing zoned land to accommodate dwellings depends on a range of factors, including whether the land is occupied, the size of the lot, minimum lot size controls and other planning requirements, and the intentions of individual landowners to subdivide or sell.

Estimates of the capacity of existing zoned land to accommodate additional dwellings have been made in this report by using a range of assumptions and methods as described in Appendix A. In addition to these 'default' methods, the following town-specific assumptions were also applied:

- Minimum lot size for subdivision were based on the minimum lot size shown in the Macedon Ranges Shire Planning Scheme for each specific zone and zone schedule (if applicable) as shown in Table 65.
- Known or proposed lot yields for major developments were adopted in place of the default lot yield assumptions for the following sites:
  - 2662 Melbourne-Lancefield Road, Romsey; and
  - 98 Tarrawarra Lane, Romsey.

In the absence of a services report to identify the location of sewerage infrastructure, all LDRZ lots are assumed to be off sewer.

#### T65. ROMSEY ADOPTED MINIMUM LOT SIZES

Zone	Location	Minimum lot size (sqm)
GRZ1	All	800*
LDRZ	All other on sewer**	2,000
	All other off sewer**	4,000

Source: Macedon Ranges Planning Scheme.

\*Assumption based on common GRZ1 lot sizes in Romsey subdivision plans.

### SUPPLY ASSESSMENT RESULTS

The results of the supply assessment are shown in Table 66, including three main types of land supply:

- Vacant lots with no subdivision potential ('single lots');
- Vacant lots with subdivision potential (either Broadhectare, Major or Minor); and
- Occupied 'Broadhectare' lots (i.e. those occupied lots with potential to create 20 or more additional lots).

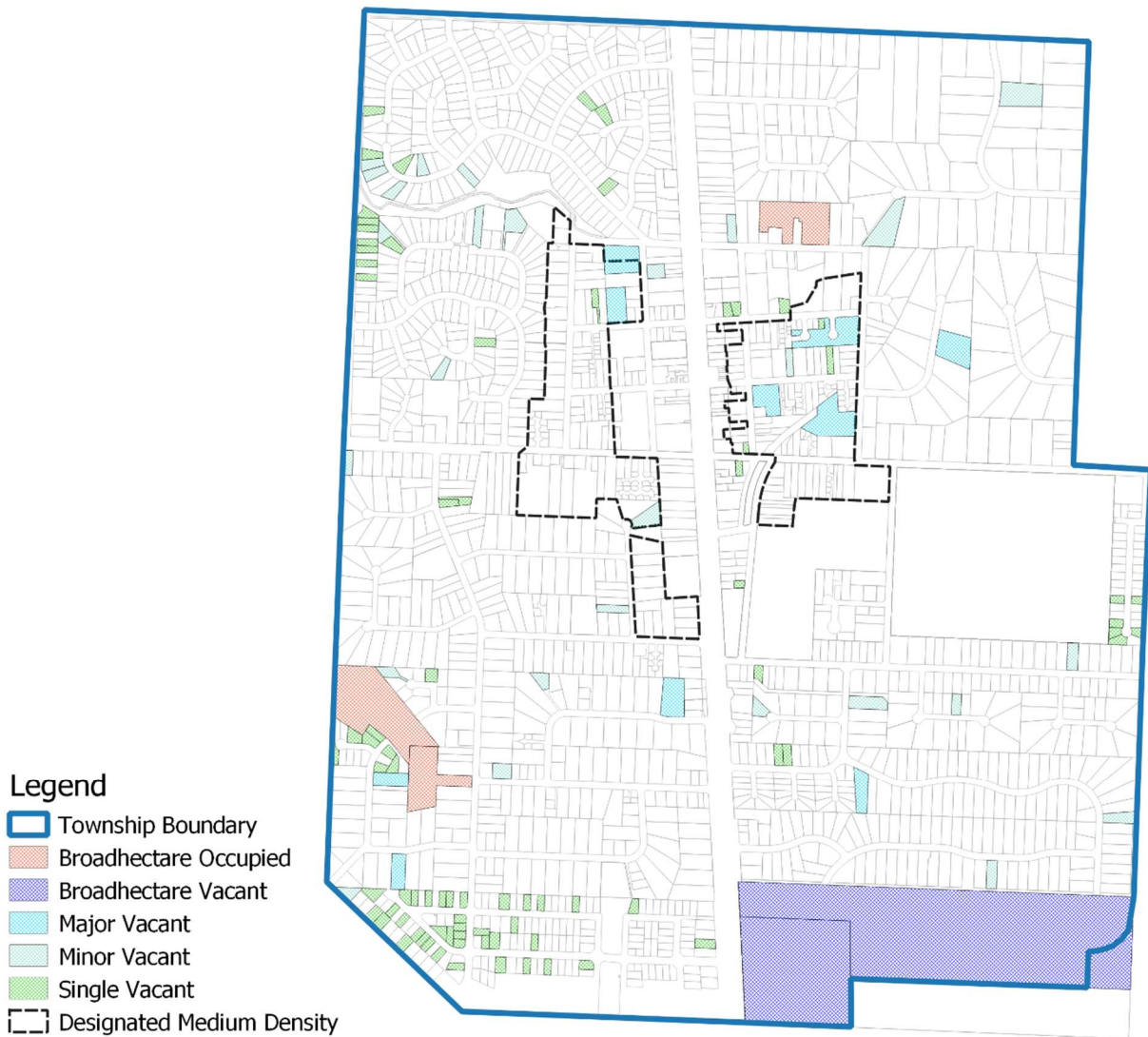
It is estimated that existing zoned land in Romsey has the capacity to accommodate 492 new residential lots for separate dwellings.

**T66. ESTIMATED RESIDENTIAL LAND SUPPLY (CAPACITY)**

ZONE	VACANT				OCCUPIED	TOTAL LOT CAPACITY
	Broadhectare	Major	Minor	Single lot	Broadhectare	
GRZ	228	66	58	81	47	480
LDRZ	0	0	4	0	0	4
<b>Total</b>	<b>228</b>	<b>66</b>	<b>62</b>	<b>81</b>	<b>47</b>	<b>488</b>

Source: Urban Enterprise, 2019.

**F53. ROMSEY RESIDENTIAL LAND SUPPLY MAP**



Source: Urban Enterprise, 2019

## **MEDIUM DENSITY**

The preceding assessment relates primarily to the capacity of zoned land to accommodate separate dwellings which comprise the overwhelming majority of the Romsey residential market.

The Macedon Ranges Planning Scheme identifies objectives to provide a greater mix of housing densities within the town to respond to changing demographics. Relevant strategies identify that Romsey should “provide at least 15 per cent of new dwellings in the form of medium density housing” (Clause 21.13-4, p.31). These areas of medium density housing are encouraged “within 400 metres walking distance of the Romsey town centre”, with specific locations for this shown in the Romsey Structure Plan.

These locations, and some surrounding areas, are affected by Design and Development Overlay 18 (DDO18). DDO18 identifies three precincts, one being a Medium Density Area which outlines objectives and standards for medium density development in the precinct.

As shown in Figure 53, a number of “major vacant” lots of future supply are identified within the designated medium density area. As such, the potential for increase lot capacity from these sites must be considered.

Although the broadhectare sites will continue to contribute the majority of the township’s capacity, the location of vacant sites within medium density areas means that medium density development will also play an important role in accommodating dwelling growth in the town. The scale of demand for medium density dwellings is considered in the residential demand section which follows.

## 7.3. RESIDENTIAL DEMAND

### 7.3.1. POPULATION GROWTH

Population growth has been assessed using the Estimated Residential Population (ERP) of the Romsey SA2, the smallest data area available. The boundaries for the Romsey SA2 are shown in Appendix B – the SA2 area includes the township of Romsey, Lancefield and surrounding areas such as Clarkefield.

Given the scale of the Romsey SA2, it is considered that the Usual Residential Population (URP) for the Romsey UCL should also be assessed. The UCL boundary aligns closely with to the township boundary for Romsey.

In 2018 the Romsey SA2 had a population of 10,043 people. The population increased by approximately 3,600 people between 2008 and 2018 at a rate of 1.88% per annum. This is a relatively high rate of growth, similar to the municipal average rate of 2% over the period. Romsey SA2 accommodated 20% of population growth in the municipality over the 10 year period.

#### T67. ABS REGIONAL POPULATION GROWTH

Area	2008	2013	2018	Population Change (2008-18)	AAG	AAG %
Romsey (SA2)	8,336	9,091	10,043	+1,707	+171	+1.88%
Macedon Ranges (LGA)	40,583	44,614	49,324	+8,741	+874	1.97%

Source: 3218.0 - Regional Population Growth, 2006-16; 3218.0 - Regional Population Growth, 2017-18. AAG = Average Annual Growth.

In 2016, Romsey UCL had a population of 3,868 people increasing by 190 people between 2011 and 2016 at a rate of 1.01% per annum. This growth is significantly less than the municipal rate of almost 2% over the same period.

#### T68. ABS CENSUS USUAL RESIDENTIAL POPULATION

Area	2011	2016	Population Change (2011-16)	AAG	AAG %
Romsey (UCL)	3,678	3,868	+190	+38	1.01%
Macedon Ranges (LGA)	41,860	46,100	+4,240	+848	1.95%

Source: ABS Census 2011, 2016.

### 7.3.2. DWELLING APPROVALS

The rate of dwelling growth in Romsey (SA2) has been reviewed by reference to ABS dwelling approvals which are summarised in Table 69 and Figure 54. The data shows that:

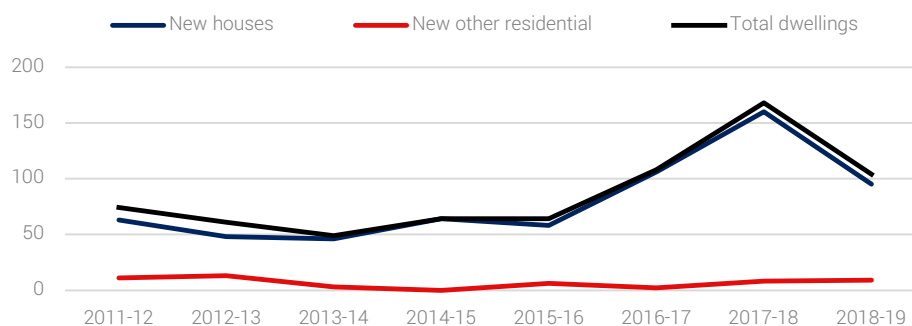
- Between 2011-12 and 2017-18 an average of 84 new dwellings were approved for construction per annum;
- Dwelling growth peaked in 2017-18 at 168 new dwellings, with the lowest growth in 2013-14 (49 dwellings). The number of dwelling approvals appears to be on an upwards trend in recent years;
- 93% of new dwellings approved were separate houses, with approximately 7% of dwellings being "other residential buildings" (units and apartments).

### T69. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, ROMSEY SA2

	New houses	New other residential	Total dwellings	New houses %	New other residential %
2011-12	63	11	74	85%	15%
2012-13	48	13	61	79%	21%
2013-14	46	3	49	94%	6%
2014-15	64	0	64	100%	0%
2015-16	58	6	64	91%	9%
2016-17	106	2	108	98%	2%
2017-18	160	8	168	95%	5%
2018-19	95	9	104	91%	9%
Average per year (2011-12 to 2018-19)	80	7	87	92%	8%

Source: ABS Building Approvals, 2011-2018

### F54. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, ROMSEY



Source: ABS Building Approvals, 2011-2018

### 7.3.3. NEW RESIDENTIAL SUPPLY

Data prepared by Charter Keck Cramer on subdivisions in Romsey is summarised in Table 70 and Figure 55. The data shows relates to new residential lots created and sold since 2005 in the Romsey Township, with the following relevant findings:

- Over the period 2005 – 2018, a total of 413 new residential lots were created and sold at an average of approximately 30 lots per annum. The most recent 3 year period (2016 – 2018) saw 153 new residential lots created at a rate of 51 per annum;
- As shown, in Figure 55, there has been a progressive increase in supply over the period. This reflects the upward trend in recent years shown in Figure 54;
- Almost all lots created and sold over the period are were greater than 800 sqm (88%).

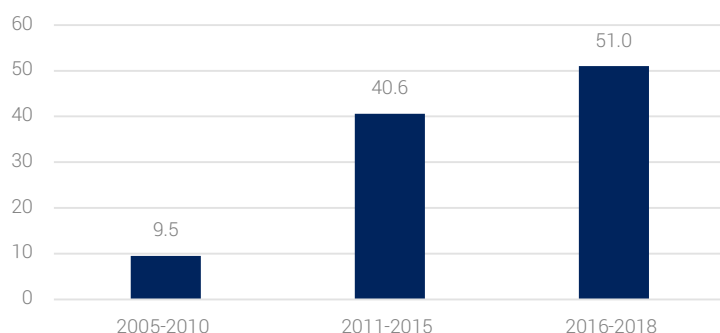
### T70. NEW LOTS CREATED BY LOT SIZE AND TIME PERIOD

Lot Size (sqm)	2005-2010	2011-2015	2016-2018	Total
0-400	14	7	9	30
400-600	8	1	4	13
600-800	2	6	0	8
800-1000	0	104	85	189
1000+	33	85	55	173
<b>Total</b>	<b>57</b>	<b>203</b>	<b>153</b>	<b>413</b>
Average per annum	9.5	40.6	51.0	29.5

Source: Charter Keck Cramer, 2018.



## F55. AVERAGE NEW LOTS CREATED PER ANNUM BY TIME PERIOD



Source: Charter Keck Cramer, 2018

It should be noted that the majority new lots created during the 2016-2018 period has been in the Lomandra Estate, which has developed approximately 250 lots since 2015. The development of this estate has been driving the new supply in Romsey.

### 7.3.4. FUTURE RESIDENTIAL SUBDIVISION ACTIVITY

Data provided by Charter Keck Cramer identified residential subdivisions in Romsey with planning approval between 2016 and 2018. The three known subdivisions are shown in Table 71, with a yield of 34 lots.

It appears that only one of the approved developments had commenced as of 2018.

These circumstances indicate relatively high level of dwelling approvals (Figure 54) and lot construction (Figure 55) experienced in recent years can be expected to continue in the short term, with some approvals ready to commence development.

#### T71. MAJOR SUBDIVISION APPROVALS 2016-2018 – PLANNING PERMITS - ROMSEY

Address	Status	Date of approval	Zone	Number of Lots	Progressed at 2018	Marketing Status
142 Barry Street, Romsey	Approved	2/6/2016	GRZ	8	No	Not yet marketed
98 Tarrawarra Lane, Romsey	Approved	13/9/2018	GRZ	16	No	Not yet marketed
1 Benjamin Place, Romsey	Approved	15/1/2016	GRZ	10	Yes	Not yet marketed
<b>Total</b>				<b>34</b>		

Source: Charter Keck Cramer, 2018.

Discussions with Council officers in May 2019 identified that one other development proposal is currently under planning consideration for multi-stage subdivision. This development is a 228 lot subdivision at Melbourne-Lancefield Road, Romsey.

When considering this with the 34 lots identified in Table 71, there are approximately 250 lots approved or proposed for subdivision in Romsey. This significant potential new lot supply indicates that the increase in recent rates of development is likely to continue in the short term. However, it is noted that the completion of the Lomandra Estate (which was driving the majority of lot construction over the period 2015-19) will slow the rate of lot supply without other active developments.

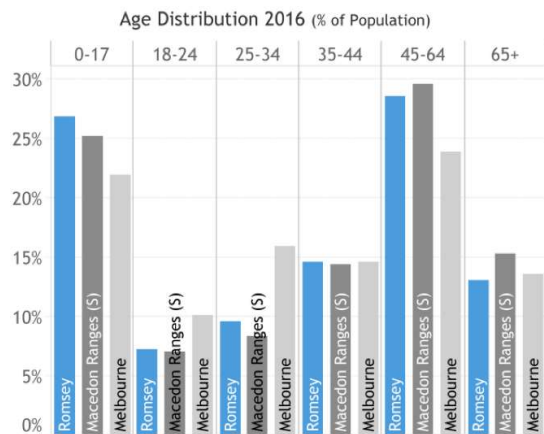
### **7.3.5. DEMOGRAPHIC PROFILE**

Figures 56 to 62 provide an overview of the demographic profile of Romsey residents. This profile adopts and builds on previous analysis undertaken by Charter Keck Cramer.

The key findings are as follows:

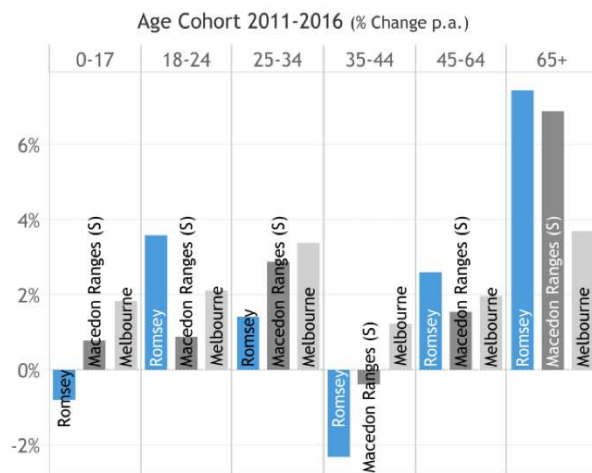
- Romsey has a comparably large cohort of residents aged 0-17 years, with the proportion of young population being greater than both Macedon Ranges and Melbourne. However, Romsey's largest cohort is the 45-64 year age group.
- Analysis of change in age demographic shows that Romsey has had comparably strong growth in the 18-24 year, 45-64 year and over 65 year age cohorts, with most significant growth experienced in those aged 65 years and over.
- Average income for all working age populations in Romsey is similar, at just over \$40,000 per annum. This is lower than both Macedon Ranges and Melbourne for all age cohorts;
- Approximately 36% of Romsey's working population work within the Macedon Ranges, while the Hume and Melbourne municipalities are the next most common places of work; and
- Household sizes in Romsey (2.8 people per dwelling) are slightly larger than both Macedon Ranges (2.7) and Melbourne (2.7). The higher proportion of couple with children households and lower proportion of lone person households, along with the age profile suggests that there is family demographic in Romsey.

### F56. AGE DISTRIBUTION, 2016



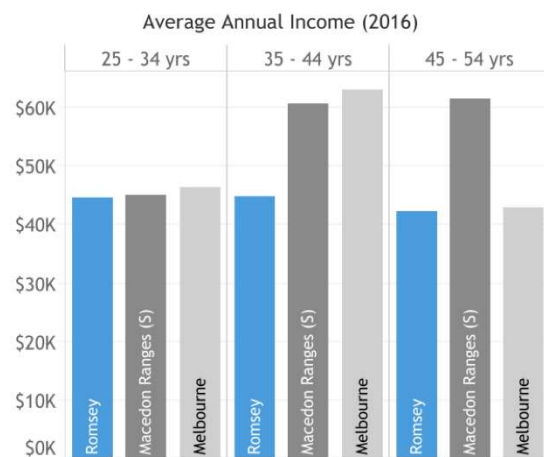
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F57. CHANGE IN AGE COHORT, 2011-2016



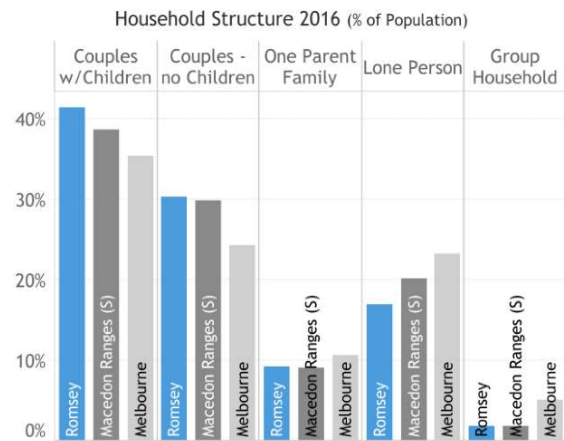
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F58. AVERAGE ANNUAL INCOME, 2016



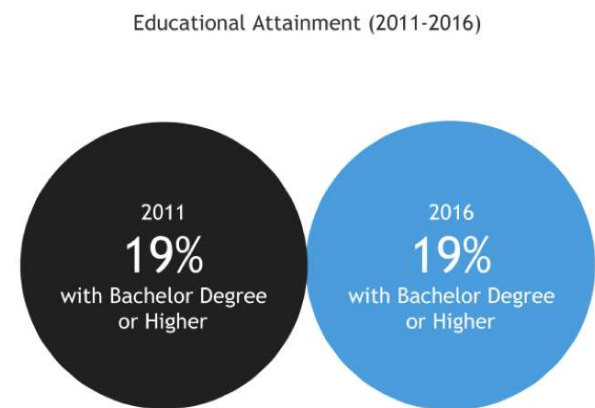
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F59. HOUSEHOLD STRUCTURE, 2016



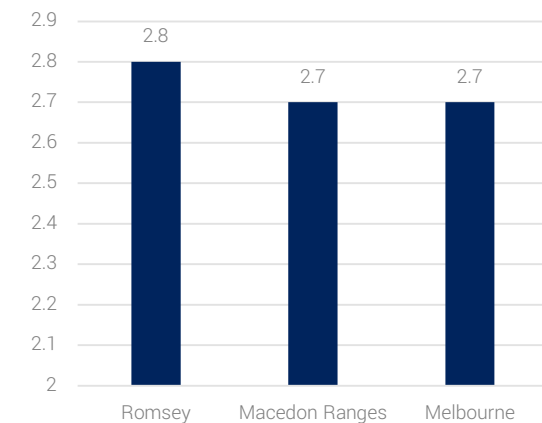
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F60. EDUCATIONAL ATTAINMENT, 2011-2016



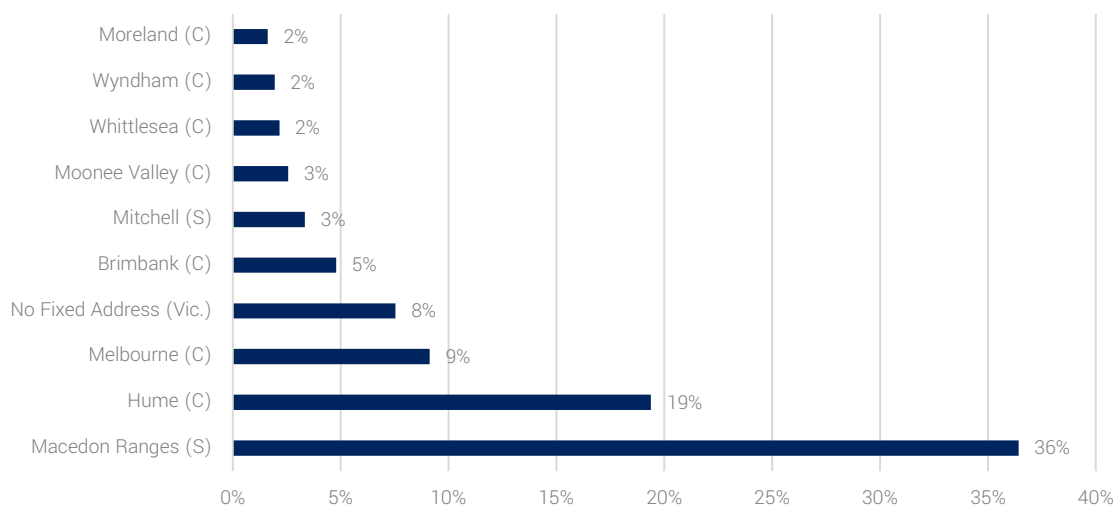
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F61. AVERAGE HOUSEHOLD SIZE, 2016



Source: ABS Census, 2016

## F62. RESIDENTS PLACE OF WORK BY LGA, ROMSEY SUBURB,



Source: ABS Census, 2016.

### 7.3.6. PROPERTY VALUES

Median residential property values and trends are assessed in this section for houses, units and vacant land between 2007 and 2017 as published by the Valuer General. As shown in Table 72:

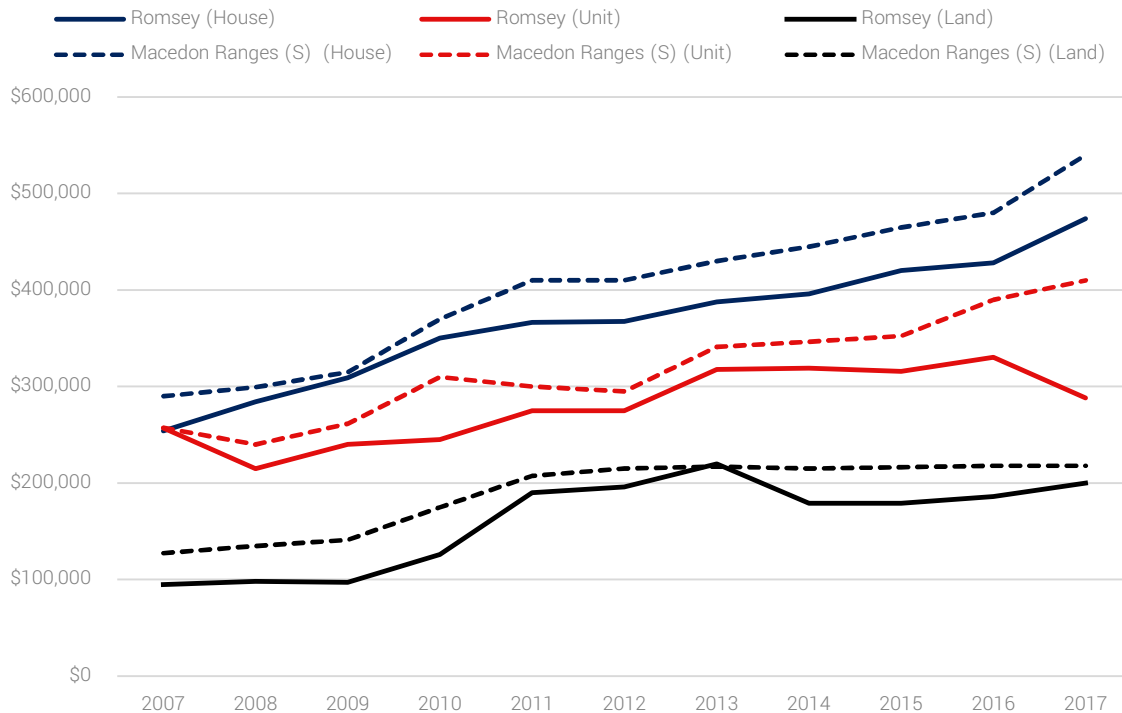
- Romsey's median house price was \$428,000 in 2017, marginally higher than the municipal median of \$540,000. By the December Quarter of 2018, this had increased to \$570,000, at a high rate of growth;
- Romsey has experienced strong price growth across the property types of houses and vacant land, with the fastest growth being in vacant land at 7.7% per annum.
- Unit prices have had lower growth at only 1.1% per annum. However, this rate is skewed by a high value in 2007 and a low value in 2017. The rate between 2008 and 2016 was 5.5% per annum, which is more reflective of the growth trend over the period. By the December quarter of 2018, the unit price had increased to \$395,000;
- There has been particularly strong price growth for vacant lots, from \$200,000 in 2017 in Romsey to above \$300,000 based on the lot sale prices of Lomandra Estate and Autumn View in 2018; and
- Property values have experienced a moderate rate of growth over the period, but are still lower than the municipal median.

### T72. HISTORIC PROPERTY VALUES BY TYPE

Type	Suburb	2007	2012	2017	AAGR (2007-17)
House	Romsey	\$254,000	\$367,500	\$428,000	6.4%
	Macedon Ranges (S)	\$290,000	\$410,000	\$540,000	6.4%
Unit	Romsey	\$257,000	\$275,000	\$288,000	1.1%
	Macedon Ranges (S)	\$257,250	\$295,000	\$410,000	4.8%
Vacant Land	Romsey	\$95,000	\$166,500	\$200,000	7.7%
	Macedon Ranges (S)	\$127,500	\$215,000	\$218,000	5.5%

Source: A Guide to Property Values, 2019

### F63. MEDIAN RESIDENTIAL VALUES BY PROPERTY TYPE, 2007-17



Source: A Guide to Property Values, 2019

### 7.3.7. CURRENT MARKET CONDITIONS AND MARKET SEGMENTS

Consultation was undertaken with real estate agents to discuss current residential market conditions and market segments prominent in Romsey. The following comments were made:

- Agents identified that recent greenfield developments have experienced strong lot sales, with early stages being particularly high in demand. In addition, there has been significant expressions of interest in the release of future stages at these new greenfield developments;
- Sales in the greenfield lots have increased significantly as the stock has become limited in the later stages of development. Re-selling of lots from these development is generally much higher than the initial purchase price. This strong price growth provides an indication of demand exceeding supply, and the likelihood of latent for greenfield lots in Romsey;
- Agents identified that Romsey has a competitive advantage associated with larger lots of at least 800sqm and 900sqm on average in the growth areas, with lower land prices than those in the northern Melbourne municipalities;
- Advice from agents and information provided around the medium term annual lot sales of the greenfield developments identify that the average rate of lot sales is 72 lots per annum between July 2014 and April 2017. However, the final year of sales from one greenfield development increased to 108 lots per annum, indicating strong demand for new dwellings in the Romsey growth area;
- In more recent months, the market has softened a little, largely due to the broader market decline in Metropolitan Melbourne. Agents indicated that many buyers from Melbourne's north-east growth areas, such as Rockbank and Caroline Springs, have not been able to sell their houses, or are selling for less.

The comments of agents confirmed the analysis in previous sections which indicated that there has been a significant increase in demand for new lots completed.

### 7.3.8. POPULATION AND DWELLING PROJECTIONS

Projections of population and dwelling requirements have been obtained from two sources:

- Victoria in Future 2019 (VIF2019), the official State government projections; and
- Forecast ID projections prepared by consultants .id for Macedon Ranges Shire.

VIF2019 projections are provided for data areas of SA2, LGA and VIFSA. Projections for the Romsey SA2 are adopted, which aligns to the ABS boundaries.

Forecast ID projections are for a data area known as the Romsey District. This does not align with the Romsey SA2 boundary, as it does not include the Lancefield District (3,050 at 2016). Appendix B shows the data boundaries for these projections.

#### POPULATION PROJECTION RESULTS

Table 73 shows the population projections published by VIF2019 and Forecast ID.

VIF2019 estimates the Romsey SA2 population to increase by approximately 3,400 residents from 2016 to 2036 at an average rate of 1.5% per annum. This projection is lower than the recent population growth rate for the broader SA2 of 1.9% per annum between 2008 and 2018. The projection indicates that the Romsey SA2 will accommodate approximately 20% of population growth in the municipality during this projection period.

Forecast ID projects an average annual growth rate of 2.0% per annum, resulting in an additional 2,950 residents in the Romsey District.

Forecast ID projects Macedon Ranges to have an additional population of approximately 17,900 residents over the projection period, with the Romsey District accommodating 11% of this growth.

#### T73. POPULATION PROJECTIONS, VIF AND FORECAST ID

Source	Area	2016	2031	2036	Change (16-36)	AAG	AAGR
Victoria In Future	Romsey (SA2)	9,663	12,199	13,065	+3,402	+170	1.5%
	Macedon Ranges (S)	47,480	60,235	64,643	+17,163	+858	1.6%
Forecast ID	Romsey District	6,135	8,542	9,084	+2,949	+147	2.0%
	Macedon Ranges (S)	47,519	60,362	65,405	+17,886	+894	1.6%

Source: Victoria in Future, 2019; Forecast ID, 2019

#### DWELLING PROJECTION RESULTS

As with population, both Victoria in Future and Forecast ID provide projections of dwellings, including occupancy rates and household size. Table 70 shows projections for both of these sources, with relevant points as follows:

- VIF2019 projects the number of dwellings in the Romsey SA2 to increase by 1,593 dwellings over the period of 2016-2036, at an annual rate of 80 additional dwellings per annum. This projected rate is similar to the historical rate of dwellings approvals in Romsey SA2 (84 dwelling per annum). By 2036, it is estimated that the Romsey SA2 will have an estimated 5,306 dwellings
- By comparison, Forecast ID projects the Romsey District to have an additional 1,302 dwellings over the period of 2016-2036, at an annual rate of 65 additional dwellings per annum.
- While VIF2019 projects household occupancy in Romsey to remain at the status quo, Forecast ID estimates a slight decrease in occupancy. Forecast ID projects on the basis of a similar dwelling occupancy rate than VIF2019;
- Both projections anticipate a decrease in household size over the respective projection periods.

#### T74. DWELLING PROJECTIONS, ROMSEY SA2 AND ROMSEY DISTRICT

Source	Indicator	2016	2021	2026	2031	2036	Total Change (16-36)	Annual Change (16-36)
Victoria In Future	Dwellings	3,713	4,102	4,532	4,923	5,306	+1,593	+80
	Occupancy Rate	96.7%	96.7%	96.7%	96.7%	96.7%	0.00%	
	Household Size	2.69	2.64	2.59	2.56	2.54	-0.14	
Forecast ID	Dwellings	2,282	2,677	3,043	3,331	3,584	+1,302	+65
	Occupancy Rate	96.3%	96.3%	96.1%	96.0%	95.9%	-0.3%	
	Household Size	2.79	2.73	2.71	2.67	2.64	-0.15	

Source: Victoria in Future, 2019; Forecast ID, 2019.

#### 7.3.9. ADOPTING A DWELLING DEMAND RATE

For the purposes of planning for long term residential land requirements in Romsey, a dwelling demand rate (or range) should be adopted. This assists in ascertaining the number of years of demand that the existing land supply is likely to cater for, and to inform any decisions regarding the quantum and type of additional land that should be considered for rezoning in a particular township.

The following indicators of overall dwelling demand in Romsey are noted:

- There has been an average of **84 new dwellings approved for construction each year in the SA2 since 2011**;
- Victoria in Future projects a future dwelling growth rate of **80 dwellings per annum across the Romsey SA2**.
- Forecast ID projects that **65 additional dwellings will be required each year to 2036 in the Romsey District**;

As mentioned, the SA2 growth rates include Lancefield. Therefore, not all of these projected dwellings will be required within the Romsey township. Between 2011 and 2016, the Romsey UCL accommodated 35% of dwellings growth in the SA2 and 69% of the Romsey District area.

#### T75. HISTORIC PROPORTION OF DWELLING GROWTH IN TOWNSHIP

	2011	2016	Change (2011-16)	UCL % of change
Romsey (UCL)	1,372	1,450	+78	
Romsey (SA2)	3,498	3,720	+222	35.1%
Romsey District	2,151	2,264	+113	69.0%

Source: ABS Census, 2011, 2016; Forecast ID 2019

Romsey saw a period of relatively low growth between 2011 and 2016. In recent years, however, there has been a significant increase in dwelling growth in Romsey due to the development of Lomandra Estate, such that the majority of the SA2 dwelling growth has occurred within the township.

Assuming that 60% of dwelling growth in the SA2 will occur within the township, and 90% of dwellings growth in the District, an overall dwelling demand rate of between 48 and 59 new dwellings per annum would apply over the medium term based on population projections. This range is considered reasonable (albeit likely conservative) for current purposes.

In addition to this approach, it is noted that the analysis in this report indicated the likelihood of a degree of latent demand for separate dwellings in Romsey. Under these circumstances, it is considered appropriate to also consider 'Growth Scenario' for planning purposes, based on average recent sales rates of greenfield developments in Romsey. An annual dwelling growth rate in the order of 72 new dwellings per annum is recommended for this scenario.

## MEDIUM DENSITY DWELLINGS

The two broad types of dwellings to be provided in Romsey include separate dwellings and medium density dwellings (i.e. units and townhouses). The following comments are made regarding medium density dwellings within the Romsey market:

- Medium density dwellings have accounted for approximately 7% of all new dwellings approved for construction in Romsey, with no material increase over the past 5 years;
- 7% of lots created by subdivision were less than 400sqm over the period 2005 – 2018;
- Median dwelling prices for units have increased at a rate of 1.1% per annum in Romsey, a very low rate of growth compared to other property types. However, this rate is influenced by a high value in 2007 and a low value in 2017. Excluding these years, the rate between 2008 and 2016 is 5.5% per annum, a steady rate of growth, suggesting moderate demand for units;
- Median separate house prices have grown strongly in Romsey and there is now a considerable price difference between units (\$395,000) and houses (\$570,000). This represents a more affordable property type and an alternative that may be attractive to downsizers as well as first home buyers;
- Household sizes are projected to significantly decrease over the projection period. However, Romsey has a low proportion of lone person households and is attracting families to new growth areas; and
- Policy indicates the intention to increase the proportion of medium density dwellings in Romsey with the aim to “provide at least 15 per cent of new dwellings in the form of medium density housing” (Clause 21.13-4).

Based on this information, a demand breakdown of 90% separate dwellings and 10% medium density dwellings has been adopted for this study.

## SEPARATE DWELLING DEMAND RATE

Table 76 shows a summary of the dwelling demand rates recommended for Romsey.

### T76. SUMMARY OF DWELLING GROWTH RATE PROJECTIONS

	Scenario 1 (VIF2019)	Scenario 2 (Forecast ID)	Scenario 3 (Greenfield lot sales)
All dwellings (SA2 / District)	80	65	N/A
% Romsey township	60%	90%	N/A
Romsey Township all dwellings	48	59	72
% Separate dwellings	90%	90%	100%
Romsey township separate dwellings	<b>44</b>	<b>53</b>	<b>72</b>

Source: Urban Enterprise, 2019

## 7.4. ADEQUACY OF SUPPLY

Table 77 provides a comparison of existing land supply against projected demand. It is estimated that existing land supply will accommodate demand for separate dwellings for approximately 7-11 years.

### T77. SUMMARY OF RESIDENTIAL LAND SUPPLY

Scenario	Demand rate (separate dwellings per annum)	Lot capacity of zoned land	Years Supply
Scenario 1	44	488	11 years
Scenario 2	53	488	9 years
Scenario 3	72	488	7 years

Source: Urban Enterprise, 2019

It is noted that a significant number of existing vacant lots in Romsey are understood to have already been sold to purchasers with the intention of constructing a dwelling in the short term. This could result in a substantial amount



of the remaining lot supply being quickly consumed in the short term and the need for additional land being brought forward in Romsey.

## 8. LANCEFIELD

### 8.1. INTRODUCTION

This section provides an assessment of demand and supply for residential land in the Lancefield township.

### 8.2. RESIDENTIAL SUPPLY

#### 8.2.1. DWELLING STOCK

A summary of the dwellings stock in Lancefield (the Lancefield Urban Centre Locality, ABS) is shown in Table 78, with the following findings:

- In 2016, Lancefield contained 613 private dwellings, of which 98% were separate houses;
- Approximately 85% of dwellings contain more than 3 bedrooms, with 81% of dwellings either owned outright or with a mortgage and only 19% rented; and
- 95% of dwellings were occupied on Census night.

#### T78. SUMMARY OF DWELLING STOCK, LANCEFIELD (UCL)

		Lancefield (UCL)	% of total*
<b>Dwellings</b>	Total Private Dwellings	613	N/A
<b>Dwelling Type</b>	Separate House	529	97.8%
	Semi-detached	12	2.2%
	Flat or apartment	0	0.0%
	Other	0	0.0%
<b>No. of bedrooms</b>	None	0	0.0%
	1 bedroom	21	3.8%
	2 bedrooms	60	10.9%
	3 bedrooms	296	53.9%
	4 or more bedrooms	172	31.3%
	Not stated	14	N/A
<b>Tenure</b>	Owned outright	197	36.0%
	Owned with mortgage	248	45.3%
	Rented	102	18.6%
	Other tenure type	0	0.0%
	Not stated	13	N/A
<b>Occupancy</b>	Rate (%)	94.8%	N/A

Source: ABS Census 2016. \*Note that answers "not stated" are not included in the calculations of proportion.

### 8.2.2. ZONED LAND

Figure 64 shows the residential zones within and immediately surrounding the township boundaries of Lancefield. The majority of residential land in the township is zoned GRZ1, with a minor amount of LDRZ.

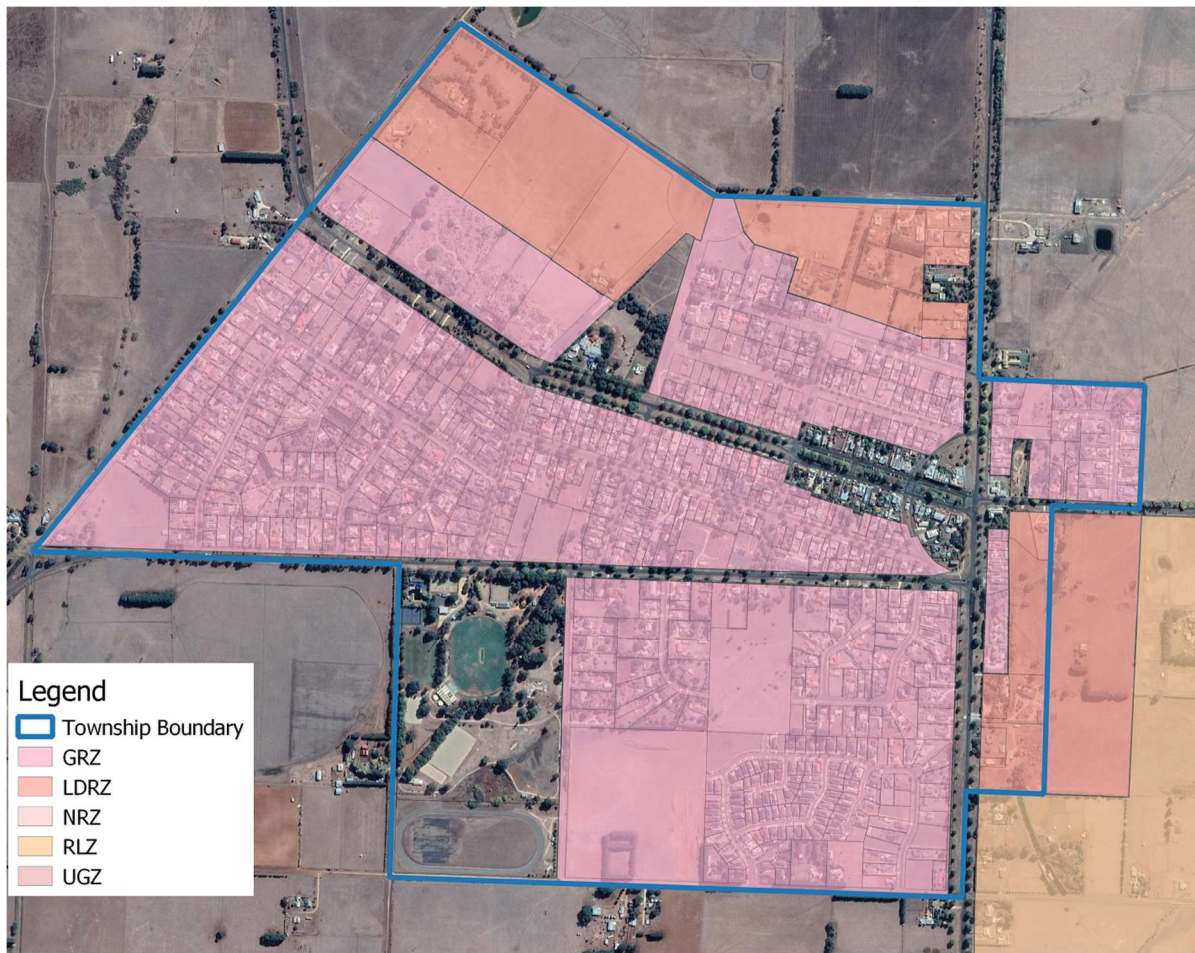
Council’s property database shows 724 lots in all residential zones within the township occupying 183 hectares of land. 97% of lots are within the GRZ (Table 79).

#### T79. RESIDENTIAL ZONED LOTS AND LAND AREA BY ZONE

Zone	Lot Area (ha)	No. of Lots	% of lots
GRZ1	147.76	699	97%
LDRZ	35.14	25	3%
<b>Total</b>	<b>182.91</b>	<b>724</b>	<b>100%</b>

Source: Council Rates Database, 2019.

#### F64. LANCEFIELD RESIDENTIAL PLANNING ZONES



Source: Urban Enterprise, 2019

### 8.2.3. VACANT LOTS

Vacant lots were identified by reference to Council’s property database and verified using aerial imagery (January 2019). This process identified a total vacant land area of 29.96 hectares across 43 properties. The majority of vacant supply exists within the GRZ as shown in Table 80.

## T80. SUPPLY OF VACANT LOTS AND LAND BY ZONE

Zone	Land Area (ha)	No. of Lots
GRZ1	17.14	38
LDRZ	12.81	5
<b>Total</b>	<b>29.96</b>	<b>43</b>

Source: Council Rates Database, 2019; Urban Enterprise verification.

### 8.2.4. ZONED LAND CAPACITY

The capacity of existing zoned land to accommodate dwellings depends on a range of factors, including whether the land is occupied, the size of the lot, minimum lot size controls and other planning requirements, and the intentions of individual landowners to subdivide or sell.

Estimates of the capacity of existing zoned land to accommodate additional dwellings have been made in this report by using a range of assumptions and methods as described in Appendix A. In addition to these 'default' methods, the following town-specific assumptions were also applied:

Minimum lot size for subdivision were based on the minimum lot size shown in the Macedon Ranges Shire Planning Scheme for each specific zone and zone schedule (if applicable) as shown in Table 81.

In the absence of a services report to identify the location of sewerage infrastructure, all LDRZ lots are assumed to be off sewer.

## T81. LANCEFIELD ADOPTED MINIMUM LOT SIZES

Zone	Location	Minimum lot size (sqm)
GRZ1	All	800*
LDRZ	All other on sewer	2,000
	All other off sewer	4,000

Source: Macedon Ranges Planning Scheme.

\*Assumption based on common GRZ1 lot sizes from aerial measurements of recent subdivisions in Lancefield.

## SUPPLY ASSESSMENT RESULTS

The results of the supply assessment are shown in Table 82, including three main types of land supply:

- Vacant lots with no subdivision potential ('single lots');
- Vacant lots with subdivision potential (either Broadhectare, Major or Minor); and
- Occupied 'Broadhectare' lots (i.e. those occupied lots with potential to create 20 or more additional lots).

It is estimated that existing zoned land in Lancefield has the capacity to accommodate 334 new residential lots for separate dwellings.

## T82. ESTIMATED RESIDENTIAL LAND SUPPLY (CAPACITY)

ZONE	VACANT				OCCUPIED	TOTAL LOT CAPACITY
	Broadhectare	Major	Minor	Single lot	Broadhectare	
GRZ	71	26	20	25	163	305
LDRZ	0	22	6	1	0	29
<b>Total</b>	<b>71</b>	<b>48</b>	<b>26</b>	<b>26</b>	<b>163</b>	<b>334</b>

Source: Urban Enterprise. 2019.

### F65. LANCEFIELD RESIDENTIAL LAND SUPPLY MAP



Source: Urban Enterprise, 2019

### MEDIUM DENSITY

The preceding assessment relates primarily to the capacity of zoned land to accommodate separate dwellings which comprise almost the entire Lancefield residential market.

There is no policy support in the Planning Scheme for medium density development within the township.

As such it is considered that medium density dwellings will play a negligible role in meeting the demand for dwellings in Lancefield. The scale of demand for medium density dwellings is considered further in the residential demand section which follows.

## 8.3. RESIDENTIAL DEMAND

### 8.3.1. POPULATION GROWTH

Population growth has been assessed using the Estimated Residential Population (ERP) of the Romsey SA2, the smallest data area available for the Lancefield township. The boundaries for the Romsey SA2 are shown in Appendix B – the SA2 area includes the township of Lancefield, Romsey and surrounding areas such as Clarkefield.

Given the scale of the Romsey SA2, it is considered that the URP for the Lancefield UCL should also be assessed. The UCL boundary aligns closely with to the township boundary for Lancefield.

In 2018 the Romsey SA2 had a population of 10,043 people. The population increased by approximately 1,700 people between 2008 and 2018 at a rate of 1.88% per annum. This is a moderate rate of growth, similar the municipal average rate of 2% over the period. Romsey SA2 accommodated 20% of population growth in the municipality over the 10 year period.

#### T83. ABS REGIONAL POPULATION GROWTH

Area	2008	2013	2018	Population Change (2008-18)	AAG	AAG %
Romsey (SA2)	8,336	9,091	10,043	+1,707	+171	+1.88%
Macedon Ranges (LGA)	40,583	44,614	49,324	+8,741	+874	1.97%

Source: 3218.0 - Regional Population Growth, 2006-16; 3218.0 - Regional Population Growth, 2017-18. AAG = Average Annual Growth.

In 2016, Lancefield UCL had a population of 1,462 people increasing by 200 people between 2011 and 2016 at a rate of 2.99% per annum. This growth is higher than the municipal rate of almost 2% over the same period, albeit from a much lower base.

#### T84. ABS CENSUS USUAL RESIDENTIAL POPULATION

Area	2011	2016	Population Change (2011-16)	AAG	AAG %
Lancefield (UCL)	1,262	1,462	+200	+40	2.99%
Macedon Ranges (LGA)	41,860	46,100	+4,240	+848	1.95%

Source: ABS Census 2011, 2016..

### 8.3.2. DWELLING APPROVALS

The rate of dwelling growth in Romsey (SA2) has been reviewed by reference to ABS dwelling approvals which are summarised in Table 69 and Figure 54.

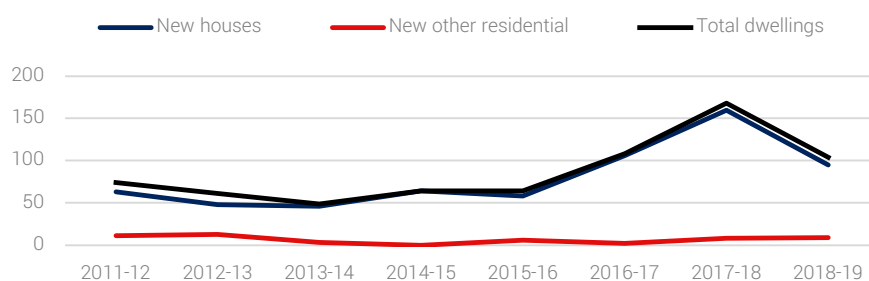
93% of new dwellings approved were separate houses, with approximately 7% being “other residential buildings” (units and apartments).

### T85. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, ROMSEY SA2

	New houses	New other residential	Total dwellings	New houses %	New other residential %
2011-12	63	11	74	85%	15%
2012-13	48	13	61	79%	21%
2013-14	46	3	49	94%	6%
2014-15	64	0	64	100%	0%
2015-16	58	6	64	91%	9%
2016-17	106	2	108	98%	2%
2017-18	160	8	168	95%	5%
2018-19	95	9	104	91%	9%
<b>Average per year (2011-12 to 2018-19)</b>	<b>80</b>	<b>7</b>	<b>87</b>	<b>92%</b>	<b>8%</b>

Source: ABS Building Approvals, 2011-2018

### F66. ABS DWELLING APPROVALS, 2011-12 TO 2017-18, ROMSEY



Source: ABS Building Approvals, 2011-2018

Data prepared by Charter Keck Cramer on subdivisions in Lancefield is summarised in Table 86 and Figure 67. The data shows relates to new residential lots created and sold since 2005 in the Lancefield Township, with the following relevant findings:

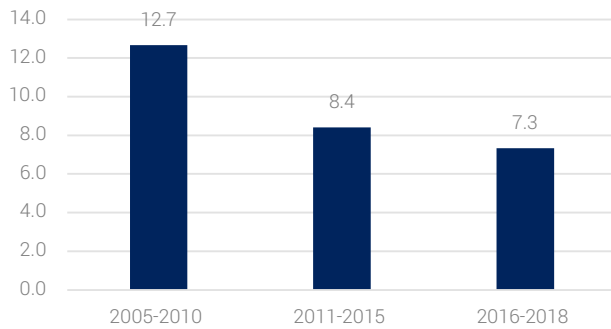
- Over the period 2005 – 2018, a total of 140 new residential lots were created and sold at an average of approximately 10 lots per annum. the most recent 3 year period (2016 – 2018) saw 22 new residential lots created at a rate of 7 per annum;
- As shown, in Figure 67, there was a higher supply during 2005-10, before reducing in recent years. This trend is not reflective of Figure 66 due to the impact of increasing development in Romsey in recent;
- The most common lot type created and sold in Lancefield over the period is lots between 400 sqm and 600 sqm (40%).

### T86. NEW LOTS CREATED BY LOT SIZE AND TIME PERIOD

Lot Size (sqm)	2005-2010	2011-2015	2016-2018	Total
0-400	1	0	0	1
400-600	40	13	3	56
600-800	14	3	9	26
800-1000	11	6	2	19
1000+	10	20	8	38
<b>Total</b>	<b>76</b>	<b>42</b>	<b>22</b>	<b>140</b>
<b>Average per annum</b>	<b>12.7</b>	<b>8.4</b>	<b>7.3</b>	<b>10.0</b>

Source: Charter Keck Cramer, 2018.

### F67. AVERAGE NEW LOTS CREATED PER ANNUM BY TIME PERIOD



Source: Charter Keck Cramer, 2018

### 8.3.3. FUTURE RESIDENTIAL SUBDIVISION ACTIVITY

There has been no information provided by Council on approved residential development proposals in Lancefield.

### 8.3.4. DEMOGRAPHIC PROFILE

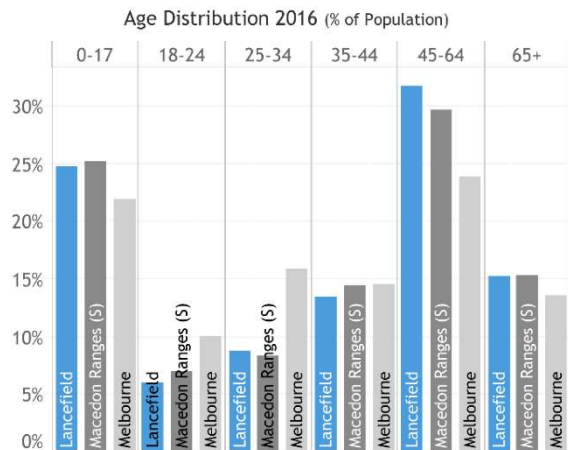
Figures 68 to 74 provide an overview of the demographic profile of Lancefield residents. This profile adopts and builds on previous analysis undertaken by Charter Keck Cramer.

The key findings are as follows:

- Lancefield's largest age cohort are those aged 45-64 years. Other age cohorts are generally similar to that of the Macedon Ranges municipality;
- Analysis of change in age demographic shows that Lancefield is growing most significantly in those aged 25-34 years and over 65 years. There has been a large decrease in those aged 18-24 and smaller decreases in those from 35 to 64 years.
- Average income in Lancefield is marginally higher than both Macedon Ranges and Melbourne for both 25-34 year and 35-44 year cohorts. However, Lancefield residents have lower income than the municipal Macedon Ranges area for those aged 45-54 years. This trend in income by age group follows the trend that exists in Melbourne;
- Approximately 45% of Lancefield's working population work within the Macedon Ranges, while the Hume and Melbourne municipalities are the next most common places of work; and
- Household sizes in Lancefield (2.5 people per dwelling) are lower than both Macedon Ranges (2.7) and Melbourne (2.7), due to much lower proportion of family with children households and a greater proportion of lone person households. Additionally, there is also a higher proportion of couple without children households. This indicates that there is an ageing population, with a larger proportion of older couples. There are some family households, but lower proportions than other towns.

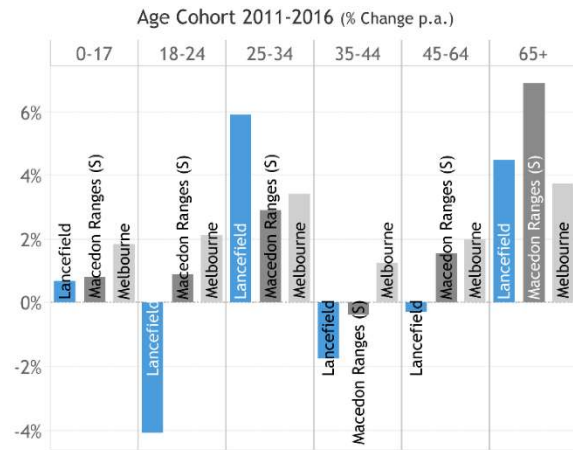


### F68. AGE DISTRIBUTION, 2016



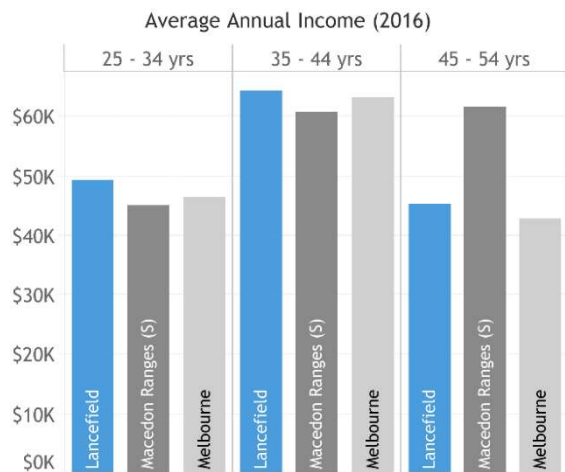
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F69. CHANGE IN AGE COHORT, 2011-2016



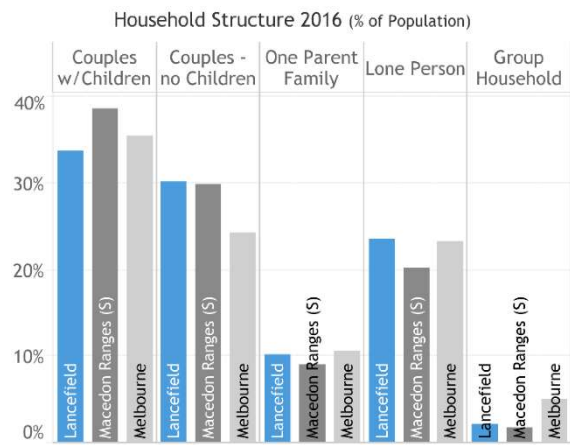
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F70. AVERAGE ANNUAL INCOME, 2016



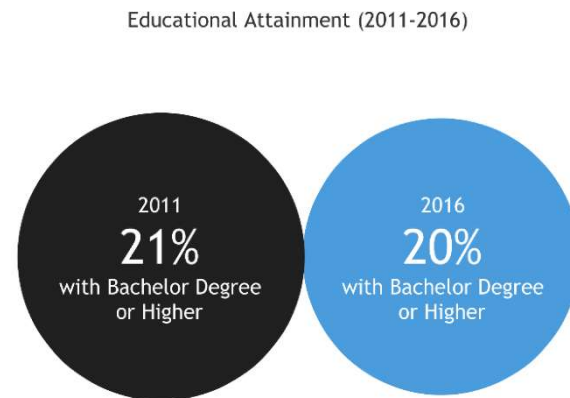
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F71. HOUSEHOLD STRUCTURE, 2016



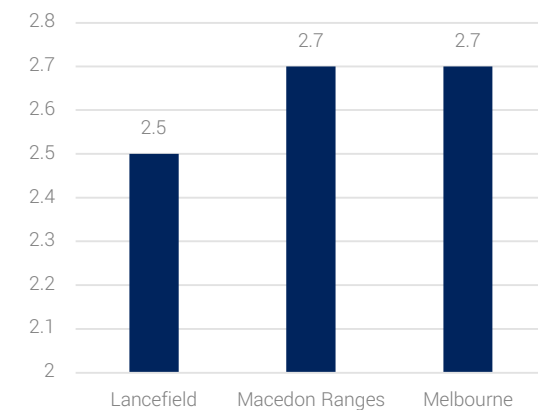
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F72. EDUCATIONAL ATTAINMENT, 2011-2016



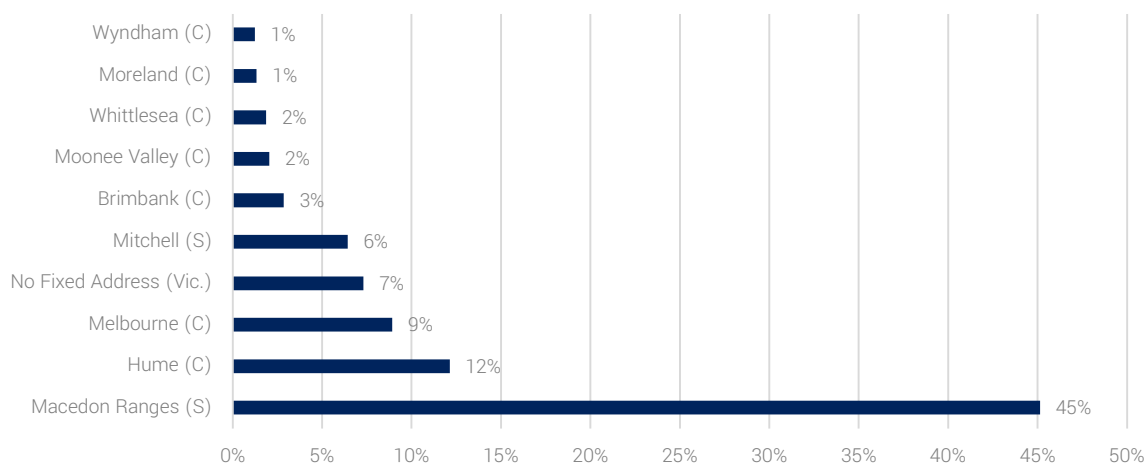
Source: ABS Census, 2016; Charter Keck Cramer, 2018

### F73. AVERAGE HOUSEHOLD SIZE, 2016



Source: ABS Census, 2016

#### F74. RESIDENTS PLACE OF WORK BY LGA, LANCEFIELD SA2,



Source: ABS Census, 2016.

#### 8.3.5. PROPERTY VALUES

Median residential property values and trends are assessed in this section for houses, units and vacant land between 2007 and 2017 as published by the Valuer General. As shown in Table 87:

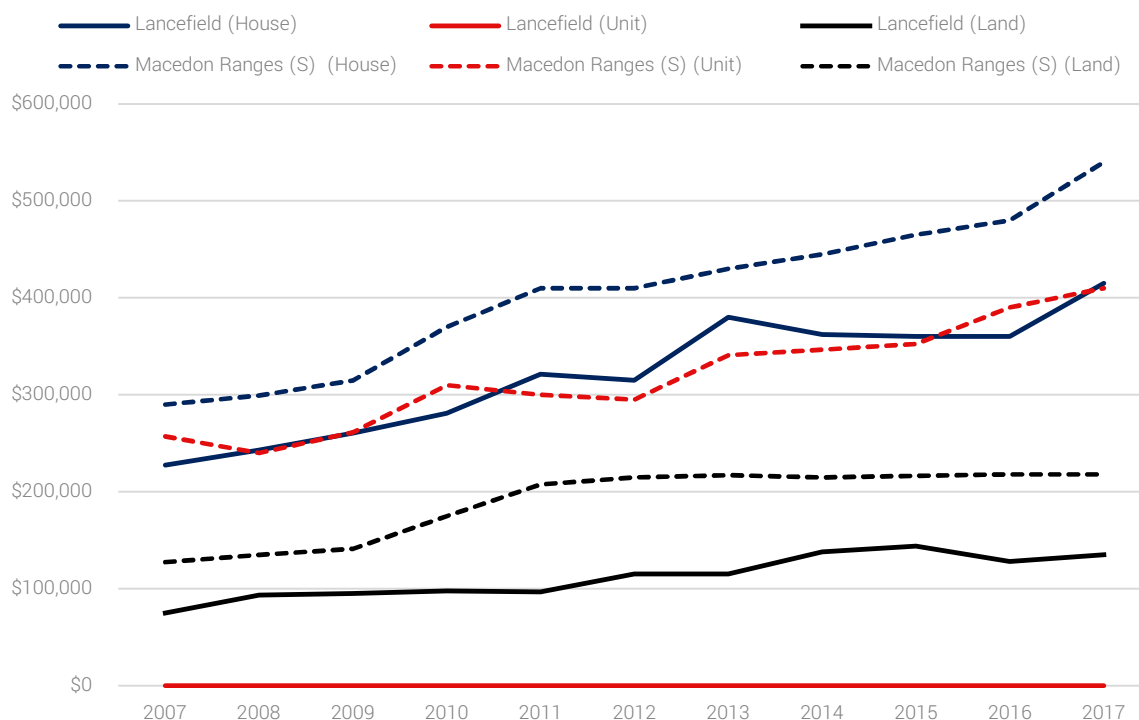
- Lancefield's median house price was \$415,000 in 2017, lower than the municipal median of \$540,000. By the December Quarter of 2018, this had increased to \$472,500, a moderate rate of price growth;
- Lancefield has experienced moderate price growth across both residential property types with data available (houses and vacant land) with the fastest growth being in houses at 6.2% per annum;
- Price growth for vacant lots has been similar, growing from \$135,000 in 2017 to \$200,000 in the December quarter of 2018 in Lancefield; and
- Prices across all residential property types are significantly less than the average prices for the municipality, which may appeal to young families, as indicated by the trends in age cohort change.

#### T87. HISTORIC PROPERTY VALUES BY TYPE

Type	Suburb	2007	2012	2017	AAGR (2007-17)
House	Lancefield	\$227,500	\$321,000	\$415,000	6.2%
	Macedon Ranges (S)	\$290,000	\$410,000	\$540,000	6.4%
Unit	Lancefield	N/A	N/A	N/A	N/A
	Macedon Ranges (S)	\$257,250	\$300,000	\$410,000	4.8%
Vacant Land	Lancefield	\$75,000	\$96,500	\$135,000	6.1%
	Macedon Ranges (S)	\$127,500	\$207,500	\$218,000	5.5%

Source: A Guide to Property Values, 2019

## F75. MEDIAN RESIDENTIAL VALUES BY PROPERTY TYPE, 2007-17



Source: A Guide to Property Values, 2019

### 8.3.6. POPULATION AND DWELLING PROJECTIONS

Projections of population and dwelling requirements have been obtained from two sources:

- Victoria in Future 2019 (VIF2019), the official State government projections; and
- Forecast ID projections prepared by consultants .id for Macedon Ranges Shire.

VIF2019 projections are provided for data areas of SA2, LGA and VIFSA. Projections for the Romsey SA2 are adopted, which aligns to the ABS boundaries.

Forecast ID projections are for a data area known as the Lancefield District. This does not align with the Romsey SA2 boundary, as it does not include the Romsey District (population of 6,135 at 2016). Appendix B shows the data boundaries for these projections.

#### POPULATION PROJECTION RESULTS

Table 88 shows the population projections published by VIF2019 and Forecast ID.

VIF2019 estimates the Romsey SA2 population to increase by approximately 3,400 residents from 2016 to 2036 at an average rate of 1.5% per annum. The projections indicate that the Romsey SA2 will accommodate approximately 20% of population growth in the municipality during this projection period.

Forecast ID projects an average annual growth rate of 1.7% per annum, resulting in an additional 1,200 residents in the Lancefield District. This projection estimates that the Lancefield District will accommodate 7% of the additional 17,900 population in Macedon Ranges to 2036.

## T88. POPULATION PROJECTIONS, VIF AND FORECAST ID

Source	Area	2016	2031	2036	Change (16-36)	AAG	AAGR
Victoria In Future	Romsey (SA2)	9,663	12,199	13,065	+3,402	+170	1.5%
	Macedon Ranges (S)	47,480	60,235	64,643	+17,163	+858	1.6%
Forecast ID	Lancefield District	3,051	3,929	4,262	+1,211	+61	1.7%
	Macedon Ranges (S)	47,519	60,362	65,405	+17,886	+894	1.6%

Source: Victoria in Future, 2019; Forecast ID, 2019

## DWELLING PROJECTION RESULTS

As with population, both Victoria in Future and Forecast ID provide projections of dwellings, including occupancy rates and household size. Table 89 shows projections for both of these sources, with relevant points as follows:

- VIF2019 projects the number of dwellings in the Romsey SA2 to increase by 1,593 dwellings over the period of 2016-2036, at an annual rate of 80 additional dwellings per annum. This projected rate is similar to the historical rate of dwellings approvals in Romsey SA2 (84 dwelling per annum). By 2036, it is estimated that the Romsey SA2 will have an estimated 5,306 dwellings
- By comparison, Forecast ID projects the Lancefield District to have an additional 615 dwellings over the period of 2016-2036, at an annual rate of 31 additional dwellings per annum.
- While VIF2019 projects household occupancy in Romsey SA2 to remain at the status quo, Forecast ID estimates a slight decrease in occupancy of the Lancefield District. Forecast ID projects on the basis of a lower dwelling occupancy rate than VIF2019;
- Both projections anticipate a decrease in household size over the respective projection periods.

## T89. DWELLING PROJECTIONS, ROMSEY SA2 AND LANCEFIELD DISTRICT

Source	Indicator	2016	2021	2026	2031	2036	Total Change (16-36)	Annual Change (16-36)
Victoria In Future	Dwellings	3,713	4,102	4,532	4,923	5,306	+1,593	+80
	Occupancy Rate	96.7%	96.7%	96.7%	96.7%	96.7%	0.00%	
	Household Size	2.69	2.64	2.59	2.56	2.54	-0.14	
Forecast ID	Dwellings	1,275	1,427	1,595	1,733	1,890	+615	+31
	Occupancy Rate	93.8%	93.6%	93.3%	93.1%	93.0%	-0.8%	
	Household Size	2.53	2.46	2.44	2.42	2.41	-0.12	

Source: Victoria in Future, 2019; Forecast ID, 2019.

### 8.3.7. ADOPTING A DWELLING DEMAND RATE

For the purposes of planning for long term residential land requirements in Lancefield, a dwelling demand rate (or range) should be adopted. This assists in ascertaining the number of years of demand that the existing land supply is likely to cater for, and to inform any decisions regarding the quantum and type of additional land that should be considered for rezoning in a particular township.

The following indicators of overall dwelling demand in Lancefield are noted:

- There has been an average of **84 new dwellings approved for construction each year in the SA2 since 2011**;
- Victoria in Future projects a future dwelling growth rate of **80 dwellings per annum across the Romsey SA2**.
- Forecast ID projects that **31 additional dwellings will be required each year to 2036 in the Lancefield District**;

Not all of these projected dwellings will be required within the Lancefield township. Between 2011 and 2016, the Lancefield UCL accommodated 27% of dwellings growth in the SA2 and 50% of the Lancefield District area.

## T90. HISTORIC PROPORTION OF DWELLING GROWTH IN TOWNSHIP

	2011	2016	Change (2011-16)	UCL % of change
Lancefield (UCL)	554	613	+59	
Romsey (SA2)	3,498	3,720	+222	26.6%
Lancefield District	1,137	1,254	+117	50.4%

Source: ABS Census, 2011, 2016; Forecast ID 2019

Assuming that 25% of dwelling growth in the SA2 will occur within the township, and 50% of dwellings growth in the District, an overall dwelling demand rate of between 16 and 20 new dwellings per annum is considered reasonable over the medium term based on population projections.

It is not considered appropriate to adopt a growth scenario for assessing the adequacy of supply in Lancefield.

### MEDIUM DENSITY DWELLINGS

The two broad types of dwellings to be provided in Lancefield include separate dwellings and medium density dwellings (i.e. units and townhouses). The following comments are made regarding medium density dwellings within the Lancefield market:

- Medium density dwellings have accounted for approximately 7% of all new dwellings approved for construction in Romsey SA2. In 2016, ;
- Only 1 lot created by subdivision was less than 400sqm over the period 2005 – 2018;
- There is no data available for sales of units in Lancefield between 2007 and 2017, suggesting there has been no sales activity of units during this time;
- The proportion of residents aged over 65 years is increasing, however at a rate less than the Macedon Ranges Shire average; and
- Household sizes are projected to decrease, and lone person households represent a larger proportion of households in Lancefield than the broader municipality.

Based on this information, it is considered reasonable to adopt 95% separate dwellings for this study.

### SEPARATE DWELLING DEMAND RATE

Table 91 shows a summary of the dwelling demand rates recommended for Lancefield.

## T91. SUMMARY OF DWELLING GROWTH RATE PROJECTIONS

	Scenario 1 (Forecast ID)	Scenario 2 (VIF2019)
All dwellings (SA2 / District)	31	80
% Lancefield township	50%	25%
Lancefield Township all dwellings	16	20
% Separate dwellings	95%	95%
Lancefield township separate dwellings	15	19

Source: Urban Enterprise, 2019

## 8.4. ADEQUACY OF SUPPLY

Table 92 provides a comparison of existing land supply against projected demand. It is estimated that existing land supply will accommodate demand for separate dwellings for approximately 18-22 years.

### T92. SUMMARY OF RESIDENTIAL LAND SUPPLY

Scenario	Demand rate (separate dwellings per annum)	Lot capacity of zoned land	Years Supply
Scenario 1	15	334	22 years
Scenario 2	19	334	18 years

Source: Urban Enterprise, 2019

# APPENDICES

## APPENDIX A LAND SUPPLY METHOD AND ASSUMPTIONS

The assessment of residential land supply is based on the following key steps and assumptions:

- Council's property database (received February 2019) is used as the 'base' for the assessment, with each property allocated an Australian Valuation Property Classification Code (**AVPCC**) indicating the current land use and any vacancies;
- Property database land uses and vacancies were reviewed and verified (or amended) through analysis of aerial photography of each township current at January 2019;
- Properties were classified as vacant if shown in the property database as 'vacant' and the aerial photography confirms that no dwelling is evident. If not vacant, properties were classified as occupied;
- All lots were also classified in terms of the number of lots that could be created through subdivision under the planning zone and associated minimum lot sizes that apply through the Macedon Ranges Planning Scheme. Lots were categories are either:
  - Broadhectare (if the lot area was of a size that would enable the creation of more than 20 additional lots through subdivision);
  - Major (if between 5 and 20 net additional lots could be created);
  - Minor (if between 1 and 5 net additional lots could be created); and
  - Lots with no further subdivision potential (including either vacant or occupied lots).
- For Broadhectare and Major lots, the following allowances were made for encumbrances, local roads and open space:
  - Broadhectare: 30% discount for encumbered land, local roads and open space;
  - Major: 10% discount for local roads and open space.

In some cases, information specific to individual lots or proposed developments was provided to Urban Enterprise by Council. In these cases, this information was applied in place of the default assumptions set out above. Information provided included specific dwelling yields approved or proposed as defined by

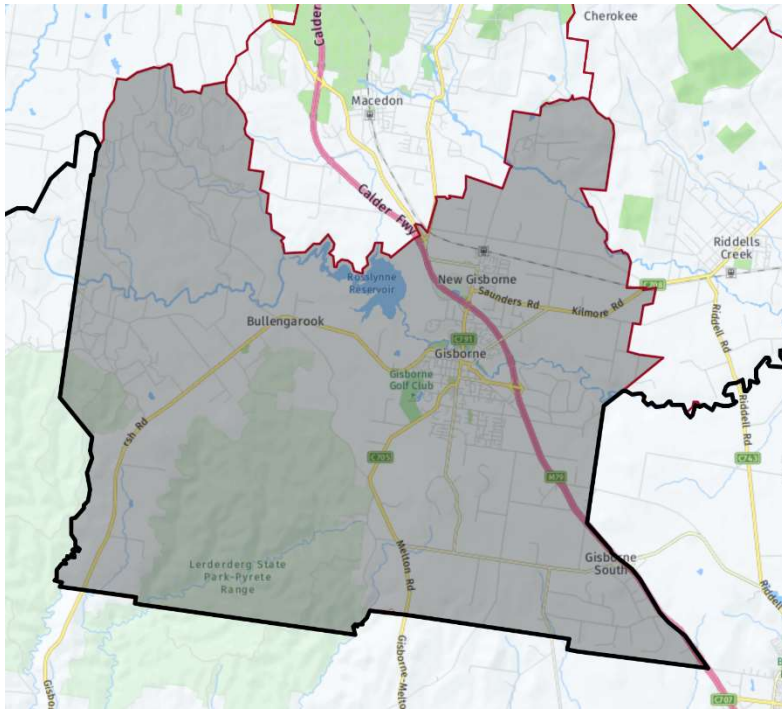
- Development Plans;
- Subdivision permits approved or under consideration by Council;
- Subdivision Plans and stage masterplans.



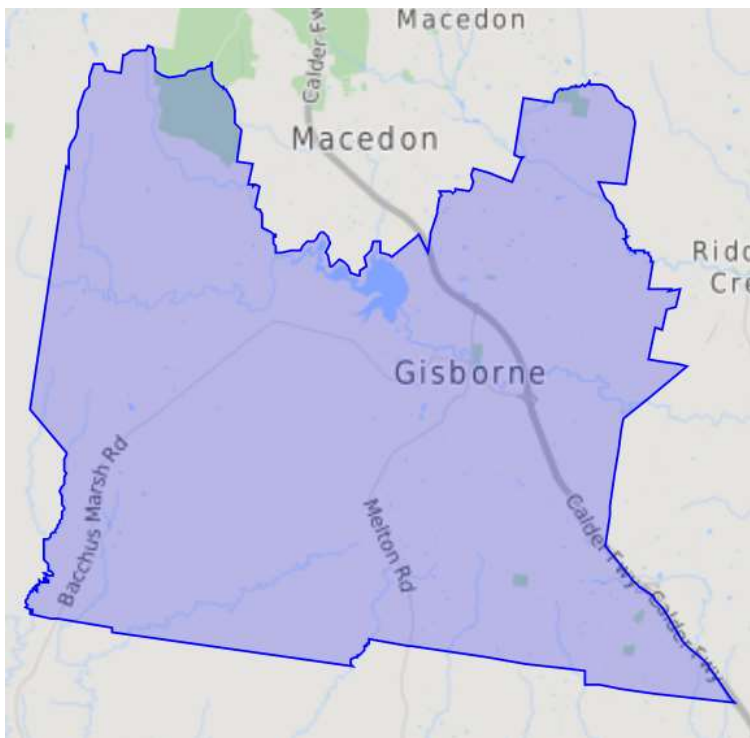


## GISBORNE

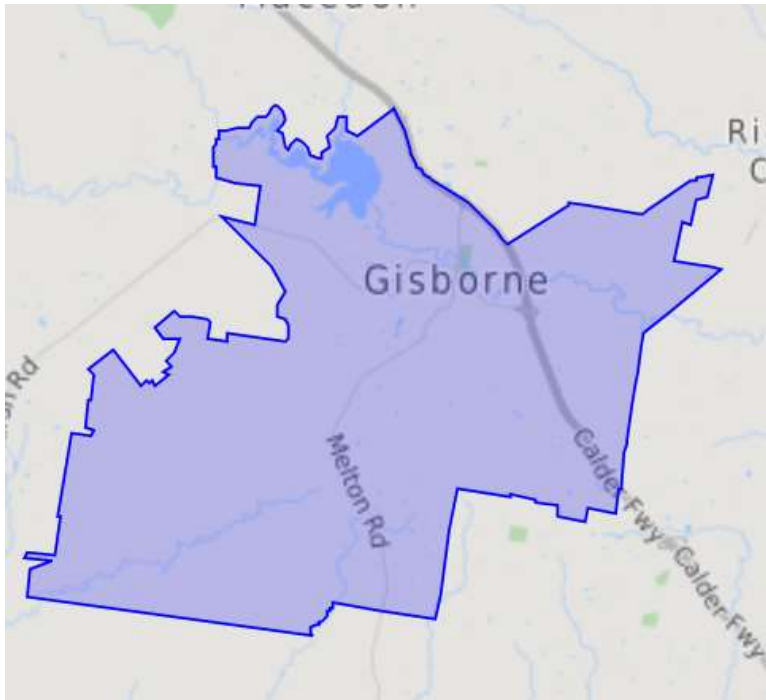
### F78. GISBORNE DISTRICT, PROFILE ID



### F79. GISBORNE SA2, 2016



F80. GISBORNE SUBURB, 2016



F81. NEW GISBORNE SUBURB, 2016

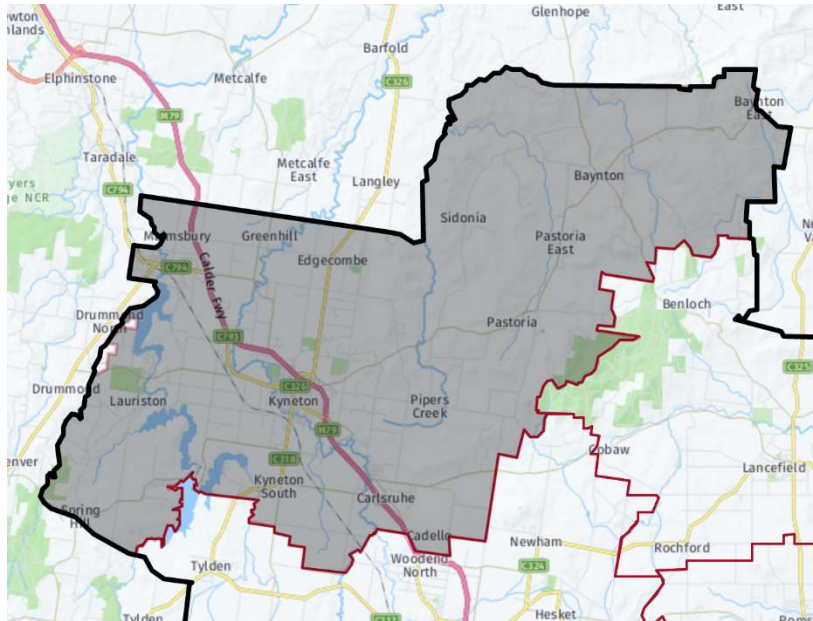


F82. GISBORNE UCL, 2016

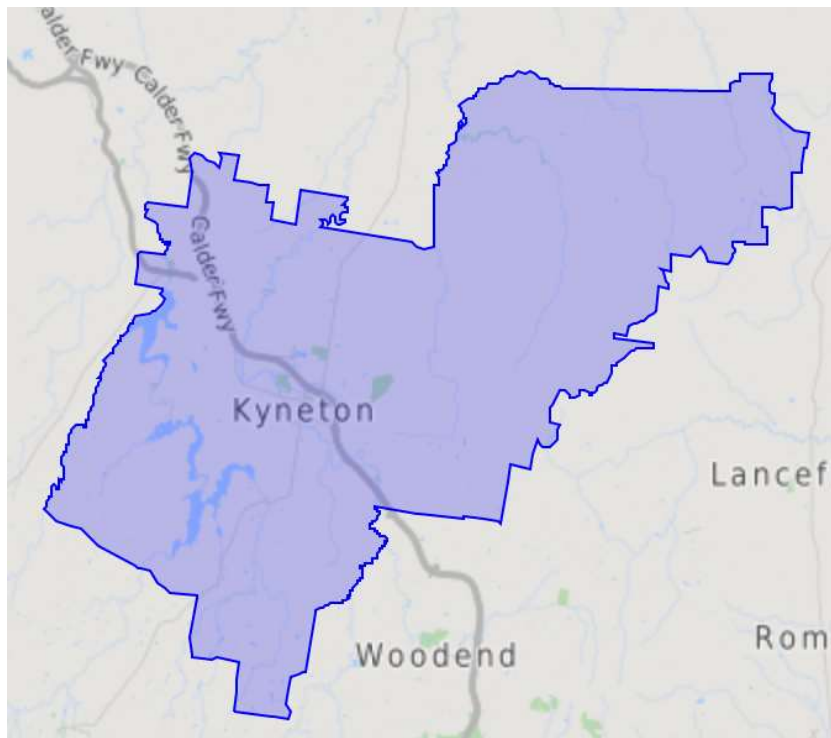


## KYNETON

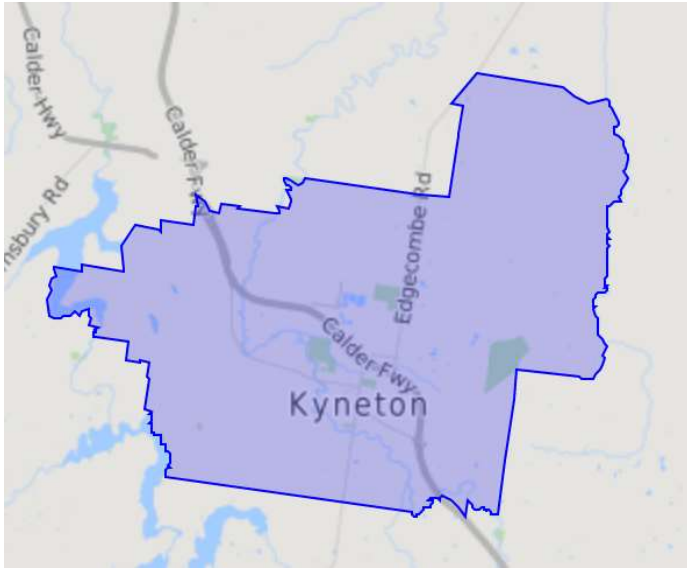
### F83. KYNETON DISTRICT, FORECAST ID



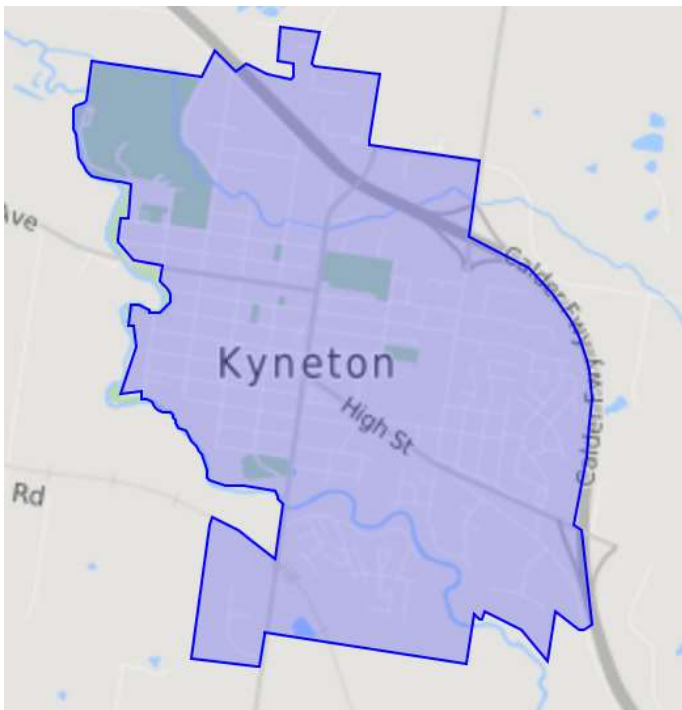
### F84. KYNETON SA2



**F85. KYNETON SUBURB**

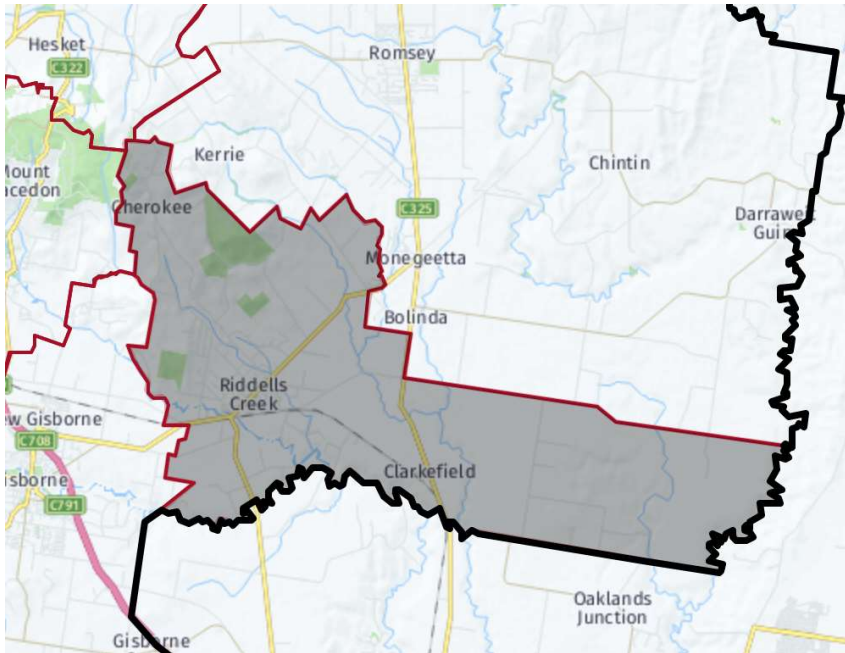


**F86. KYNETON UCL**

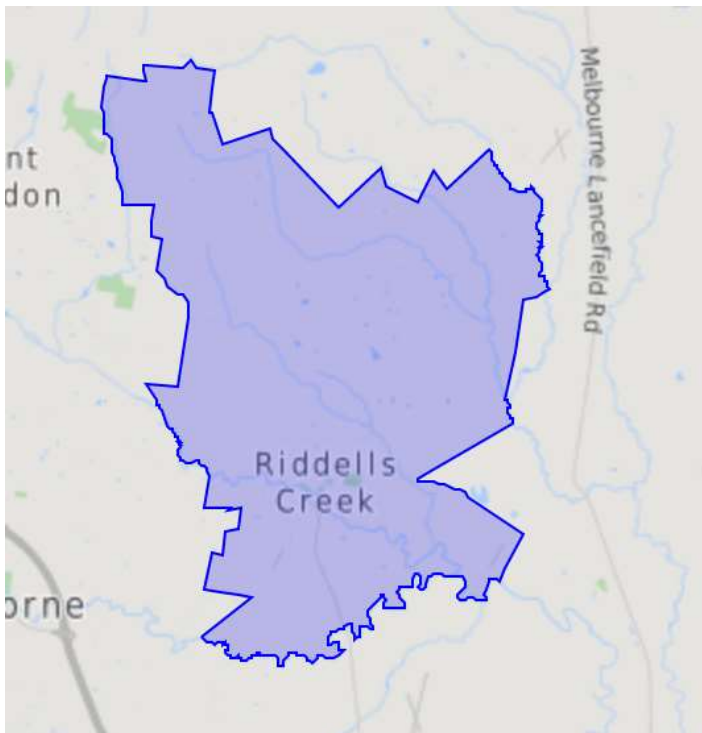


## RIDDELLS CREEK

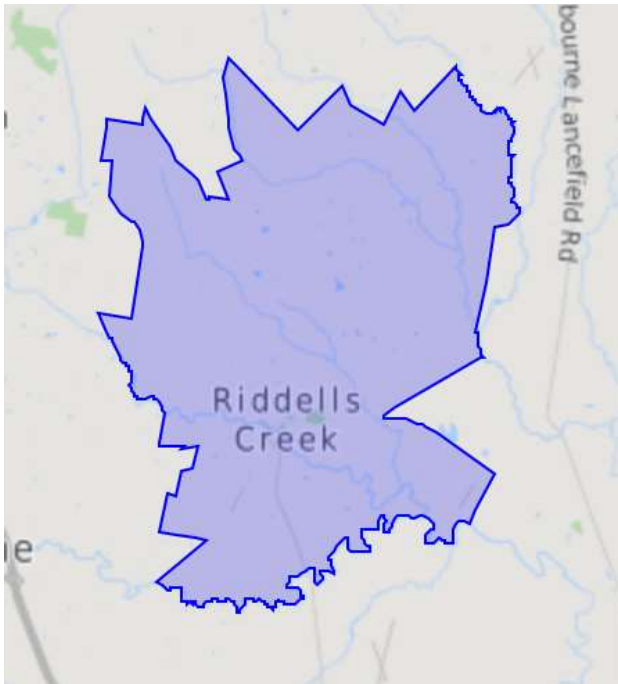
### F87. RIDDELLS CREEK DISTRICT, FORECAST ID



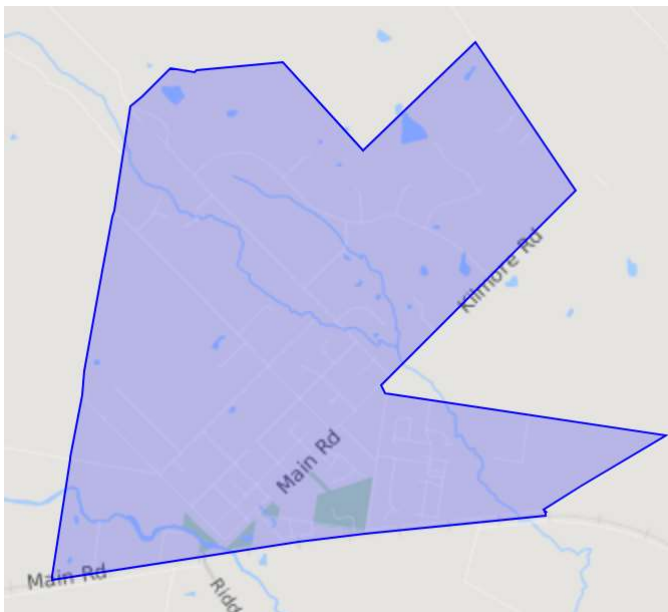
### F88. RIDDELLS CREEK SA2



**F89. RIDDELLS CREEK SUBURB**



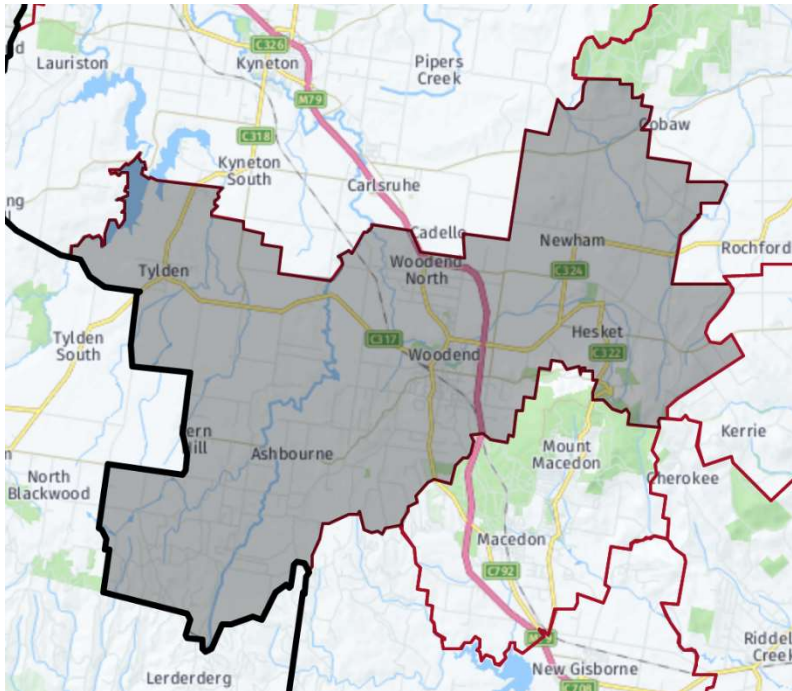
**F90. RIDDELLS CREEK UCL**



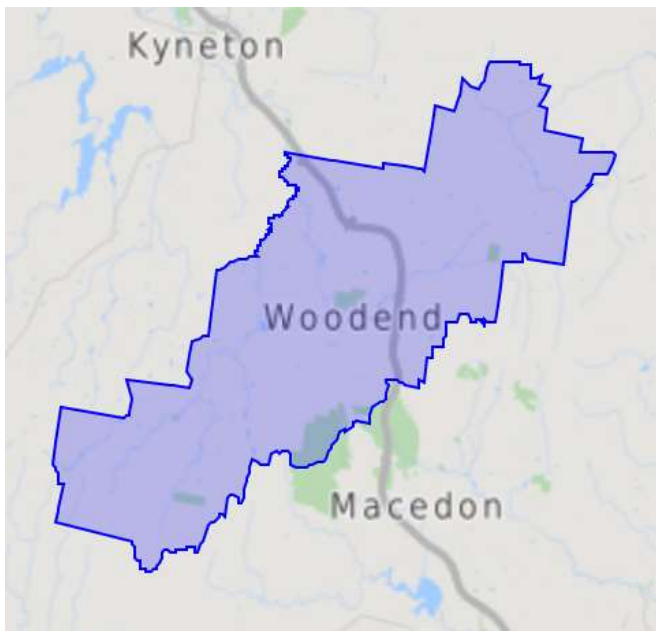


## WOODEND

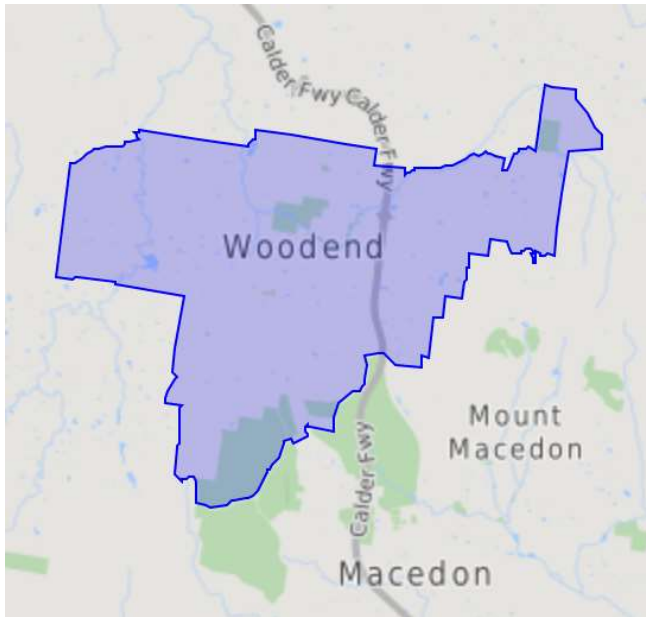
### F91. WOODEND DISTRICT, FORECAST ID



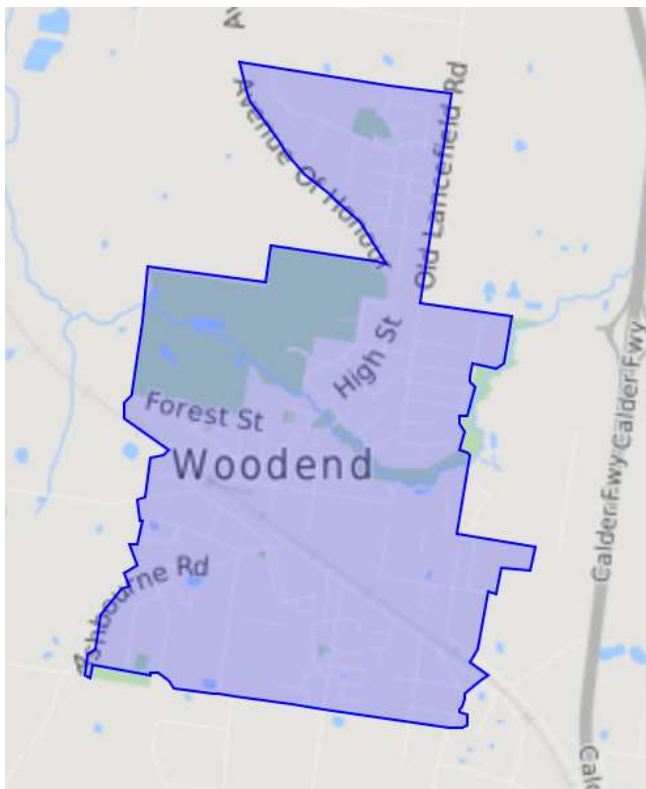
### F92. WOODEND SA2



**F93. WOODEND SUBURB**

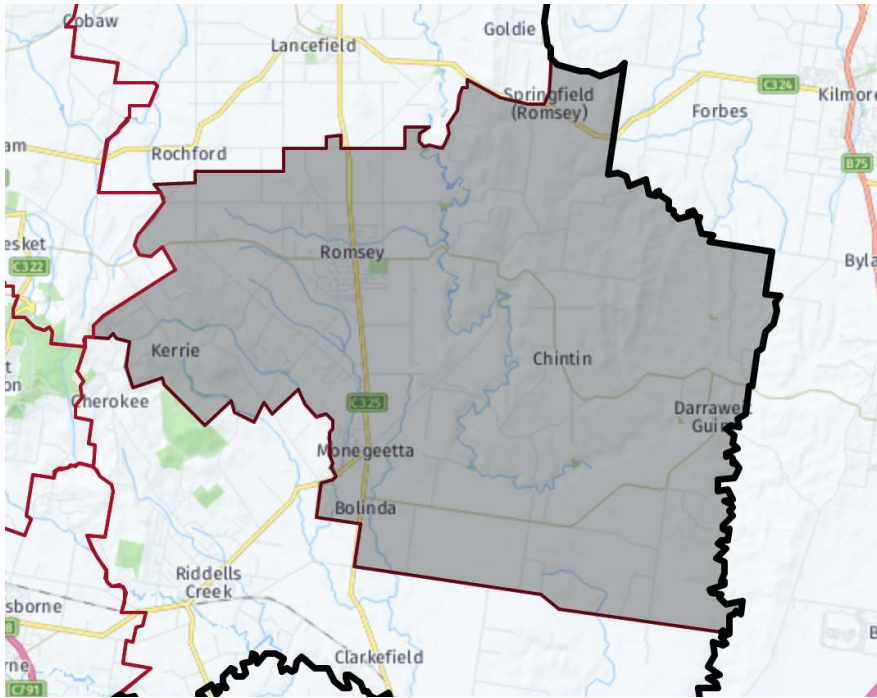


**F94. WOODEND UCL**

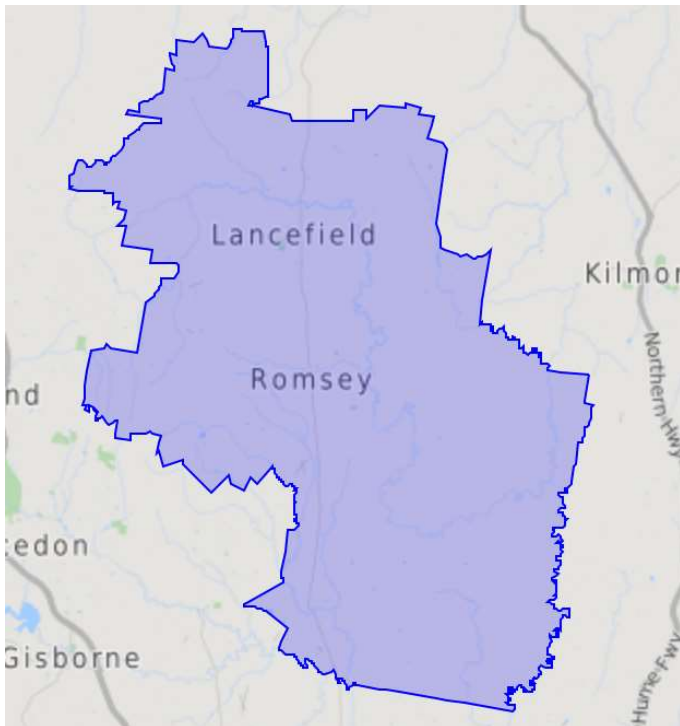


**ROMSEY**

**F95. ROMSEY DISTRICT, FORECAST ID**



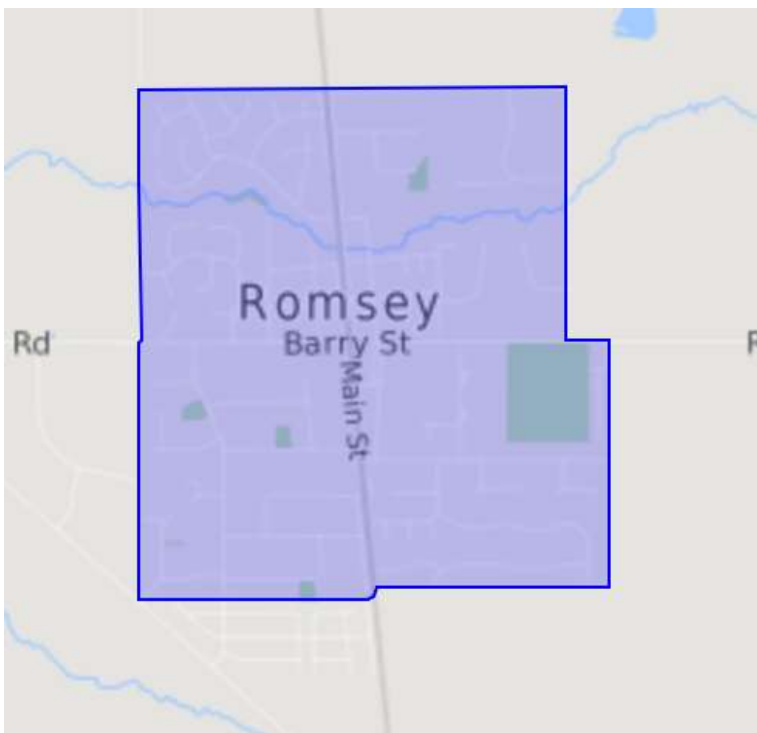
**F96. ROMSEY SA2**



**F97. ROMSEY SUBURB**

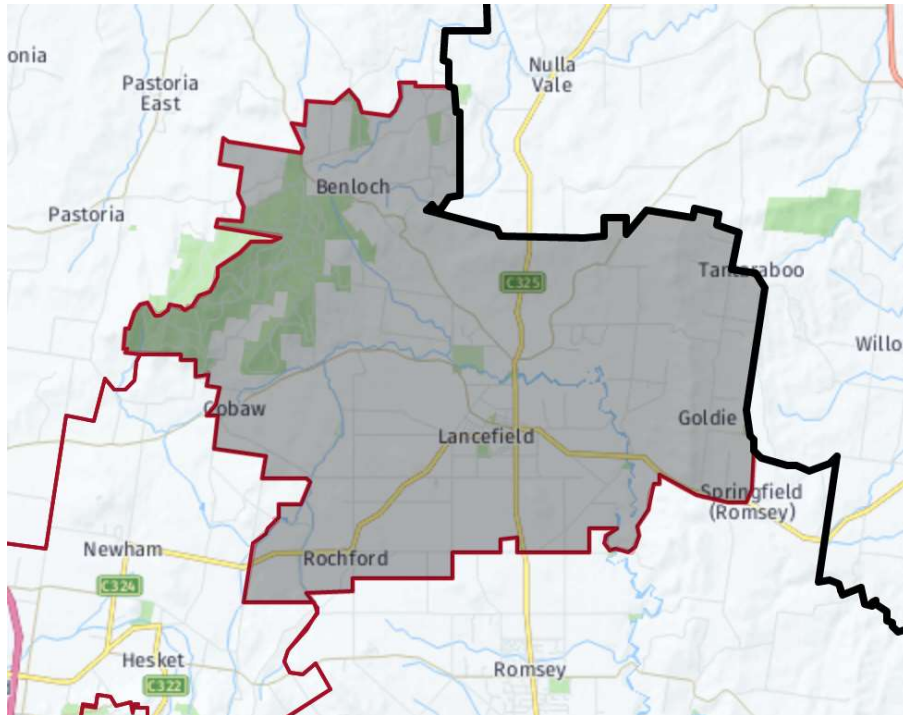


**F98. ROMSEY UCL**

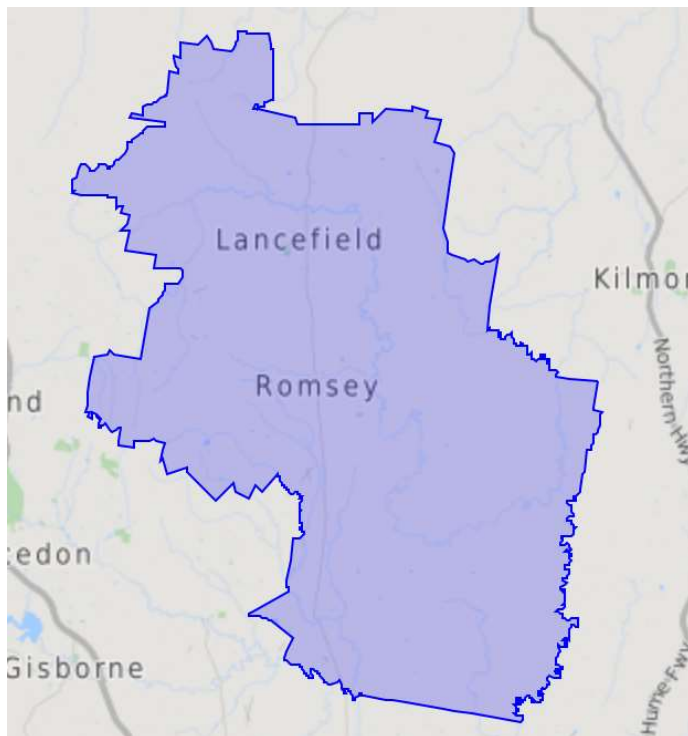


## LANCEFIELD

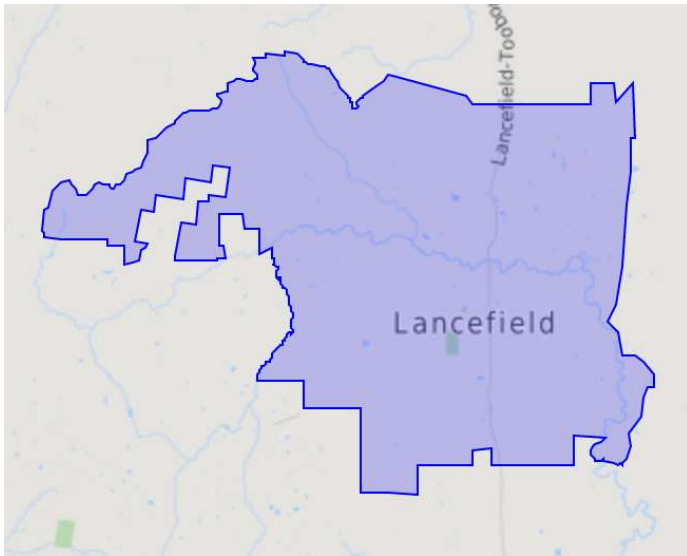
### F99. LANCEFIELD DISTRICT, FORECAST ID



### F100. ROMSEY SA2



**F101. LANCEFIELD SUBURB**



**F102. LANCEFIELD UCL**

