



# Muswellbrook Shire Council Local Housing Strategy 2024



An initiative funded by the NSW Government  
through the NSW Regional Housing Strategic  
Planning Fund.

Supported by:



# Acknowledgement of Country

Muswellbrook Shire Council would like to respectfully acknowledge the local Aboriginal People who are the Traditional Owners and Custodians of the land.



# Contents

<b>1 Introduction .....</b>	<b>4</b>
Purpose .....	4
Structure .....	4
Context .....	5
Planning and policy landscape .....	6
<b>2 Evidence base .....</b>	<b>9</b>
<b>3 Projected housing demand scenarios .....</b>	<b>22</b>
Scenario 1 – Contraction of industry .....	24
Scenario 2 – Baseline .....	25
Scenario 3 – Diversification and growth of industry .....	26
<b>4 Housing directions .....</b>	<b>28</b>
Direction 1 – Development and renewal of housing in existing suburbs .....	29
Direction 2 – Greenfield development .....	34
Direction 3 – Temporary worker accommodation .....	36
Partnership direction – Secondary dwellings .....	38
Partnership direction – Increasing utilisation .....	39
Monitoring and evaluation .....	42
<b>Appendix A – Engagement summary .....</b>	<b>44</b>
<b>Appendix B – Economics of development in Muswellbrook Shire .....</b>	<b>52</b>
<b>Appendix C – Muswellbrook Shire Integrated Water Cycle Management Plan .....</b>	<b>54</b>
<b>Appendix D – Development activity .....</b>	<b>55</b>

# 1 Introduction

## Purpose

**The Muswellbrook Local Housing Strategy lays out a vision for the future of housing in Muswellbrook Shire.**

To meet evolving housing needs over the next two decades, Muswellbrook Shire requires a concentrated strategic framework that brings all residents and key stakeholders along in the process.

This strategy seeks to:

- Improve the affordability and availability of suitable housing across Muswellbrook Shire
- Ensure that Muswellbrook Shire has adequate housing to manage the peaks and troughs of temporary workforces
- Respond to the housing needs and aspirations of Muswellbrook residents captured in the Muswellbrook Shire 2022 - 2032 Community Strategic Plan
- Deliver on the planning priorities and actions of the Muswellbrook Local Strategic Planning Statement 2020 - 2040
- Set out and explain the direction of future housing development in Muswellbrook

The strategy contains directions and actions that will guide Muswellbrook Shire Council's strategic planning activities over the next ten years.

## Structure

**The Muswellbrook Local Housing Strategy has been developed with comprehensive evidence gathering and inputs from the community and key stakeholders.**

This strategy has four sections:

1. Introduction – provides context to the strategy and sets out its purpose
2. Evidence base – presents key data and engagement findings to highlight the historic and current state of housing in Muswellbrook Shire to and inform future housing needs
3. Projected housing demand scenarios – presents different population scenarios to provide insight into how much housing Muswellbrook Shire may need over the next 20 years
4. Housing directions – sets out directions to guide Council's activities and resources to deliver the housing it needs

# Context

The Wanaruah and Kamilaroi peoples of the Gamilaraay Nation are the traditional owners of the land that encompasses Muswellbrook Shire.

The Shire covers an area of 3,402 square kilometres and is centrally located in the Upper Hunter region, acting as the region's primary centre and providing a link between Newcastle, Tamworth and Dubbo along the Golden and New England Highways.

## Demographics and social services

Muswellbrook Shire's community is relatively young, with a median age of 37, compared to the New South Wales median age of 39. However, the population continues to age in line with trends across Australia. The Shire also has a relatively high proportion of Aboriginal and Torres Strait Islander residents at 11.7%, compared to the rest of NSW with 3.4%. The population is mainly concentrated in the towns of Muswellbrook, Denman and Sandy Hollow, with the rest of the population residing in smaller rural localities throughout the Shire.

The Shire's towns and villages provide various cultural, recreational and educational opportunities for residents to enjoy. As a regional centre, Muswellbrook is a base for several government agency offices, including the Hunter New England Local Health District, Corrective Services NSW, the Department of Communities and Justice and Services Australia.

## Natural environment

Muswellbrook Shire is at the junction of the Hunter and Goulburn River valleys, containing diverse natural landscapes that range from undulating hills and mountains to vast valley floors and floodplains. Approximately 43% of the Shire is protected National Park land, largely made up of the Wollemi National Park in the south and Goulburn River National Park in the west. Man-made and natural landscapes combine to create beautiful vistas that are visible throughout the Shire.

## Industry and growth

The Shire's growth in past decades has largely been driven by the power generation and mining industry, with populations following the ebbs and flows of these activities. The Shire also has a strong agricultural, healthcare, retail and equine presence. Muswellbrook's industries are planned to diversify in the future as coal mines close as they reach the end of their operational cycles, and Muswellbrook Shire works to attract new opportunities in renewable energy sector and related manufacturing activities.

# Planning and policy landscape

This section presents the strategic planning framework that Muswellbrook Shire Council operates in.

As shown in Figure 1 below, the NSW Government creates strategy and policy at a State and Regional level. These documents influence the focus and scope of the strategies and policies that are developed at a local level.



Figure 1 Housing strategy and policy landscape (Source: adapted from Department of Planning and Environment)

## State

### Environmental Planning and Assessment Act 1979

The Environmental Planning and Assessment Act 1979 (EP&A Act) is the premier land use planning law in NSW. The EP&A Act provides the framework in which all state and local government planning occurs. Objects of the Act include promoting the delivery and maintenance of affordable housing, and promoting the proper construction and maintenance of buildings, including the protection of the health and safety of their occupants.

### State Environmental Planning Policies (SEPPs)

SEPPs are broad state-level legislated planning controls which address state and regionally significant development issues. The aim of the SEPPs is to provide consistency across local government areas, therefore they override Local Environmental Plans (LEPs).

While many SEPPs may influence housing development, the main SEPPs that impact housing are SEPP (Housing) 2021, SEPP (Exempt and Complying Development Codes) 2008 and SEPP (Planning Systems) 2021.

- State Environmental Planning Policy (Housing) 2021

SEPP (Housing) 2021 contains state-wide provisions for infill, boarding, seniors, build-to-rent, co-living and other forms of housing. The principles of the SEPP include enabling more diverse housing types, housing that meets the needs of vulnerable community members, and minimising the climate and environmental impacts of new housing.

- State Environmental Planning Policy (Planning Systems) 2021

SEPP (Planning Systems) 2021 contains specific provisions for state and regionally significant development, including build-to-rent, infill and seniors housing.

- State Environmental Planning Policy (Exempt and Complying Development Codes) 2008

SEPP (Exempt and Complying Development Codes) 2008 (the Codes SEPP) enables low-rise residential development to occur without state or local government approval through a streamlined development certification process. The SEPP overrides local government controls and allows certain types of development that is of minimal environmental impact to be delivered without going through the traditional development assessment process.

### **Housing 2041: NSW Housing Strategy**

Housing 2041 presents a holistic NSW Government strategy and 20-year vision for housing delivery across the state. The strategy is built upon four pillars to facilitate improved housing delivery: supply, diversity, affordability and resilience. The strategy takes a system-based approach in coordinating NSW Government activities across different portfolios, sectors and partnerships with the view to improving the housing landscape in NSW.

## **Regional**

### **Hunter Regional Plan 2041**

The Hunter Regional Plan presents a 20-year strategic land use planning vision for the Hunter region. The plan aims to acknowledge and build upon common interests of councils within the region, while working towards facilitating increase housing diversity and affordability. The plan projects that Muswellbrook will require 1,200 additional dwellings to 2041 to meet demand and identifies opportunities for low rise housing in the Muswellbrook and Denman town centres to fulfill this need.

### **Hunter Regional Economic Development Strategy – 2023 Update**

The Hunter Regional Economic Development Strategy (REDS) provides a 20-year vision for the economic development of the Hunter Functional Economic Region (FER), which includes Muswellbrook Shire. The REDS notes that the region will require increased investment in housing to support industry growth, enhance liveability and attract and retain a skilled workforce.

## **Local**

### **Muswellbrook Local Environmental Plan 2009**

The Muswellbrook Local Environmental Plan (LEP) details the legislative controls for land use planning across the Muswellbrook Local Government Area, including provisions for residential development and accommodation. The LEP also contains additional local provisions related to rural worker dwellings and residential subdivision requirements.

### **Muswellbrook Development Control Plan 2009**

The Muswellbrook Development Control Plan (DCP) complements the provisions outlined in the Muswellbrook LEP, providing detailed guidelines for different land uses across the Local Government Area. The DCP contains three site and area specific guidelines which present unique planning controls that are applicable to development within those areas to enhance bespoke development outcomes.

### **Muswellbrook Shire 2022 – 2032 Community Strategic Plan**

The Muswellbrook Community Strategic Plan (CSP) presents a 10-year vision for the future of the Muswellbrook Shire. This plan outlines the needs, wants and aspirations of the community and identifies key strategies,

partnerships and actions that Council can use to achieve the vision. The plan identifies housing affordability and accessibility as one of the key opportunities and challenges in the Muswellbrook Shire.

#### **Muswellbrook Local Strategic Planning Statement 2020 – 2040**

The Muswellbrook Local Strategic Planning Statement (LSPS) provides a 20-year vision for land use planning strategy across Muswellbrook Shire. This vision is based on the needs, wants and priorities of the Muswellbrook community as identified in the CSP. The LSPS identifies themes, priorities and actions that will direct Council's strategic planning activities in working towards the 20-year vision. Several LSPS planning priorities focus on improving housing opportunities within the Shire, with particular focus on the availability, diversity and affordability of housing stock.

#### **Muswellbrook Disability Inclusion Action Plan 2022-2026**

The Muswellbrook Disability Inclusion Action Plan outlines Council's delivery goals for improving social equity and promoting the inclusion of people with disabilities over a 4-year period. The plan includes actions related to expanding seniors living arrangements and improving the affordability, liveability and amenity of Muswellbrook Shire.



## 2 Evidence base

This section presents an evidence base of key data and engagement findings to highlight the historic and current state of housing in Muswellbrook Shire. The purpose of this evidence base is to inform future housing needs by identifying community demographics, demand drivers and barriers to development.

The evidence base highlights six key insights:

- Population demographics are changing, impacting the types of housing our community wants and needs
- Incomes have not kept up with costs, impacting housing affordability for our community
- Housing supply is homogenous, limiting the diversity of housing options available to our community
- Although demand for housing is high, existing housing supply appears to be underutilised
- Economic activity results in a fluctuating local workforce
- Housing supply is constrained by the capacity and cost of infrastructure, and environmental and other feasibility factors

### Population demographics are changing, impacting the types of housing our community wants and needs

Muswellbrook Shire has seen a small steady population increase over the past two decades. On census night in 2021, the total population was 16,354. The current estimated population is 16,778 (REMPPLAN 2024). Figure 2 below depicts the change in population over time, showing that Muswellbrook has grown by 1,543 people between 2006 and 2024.

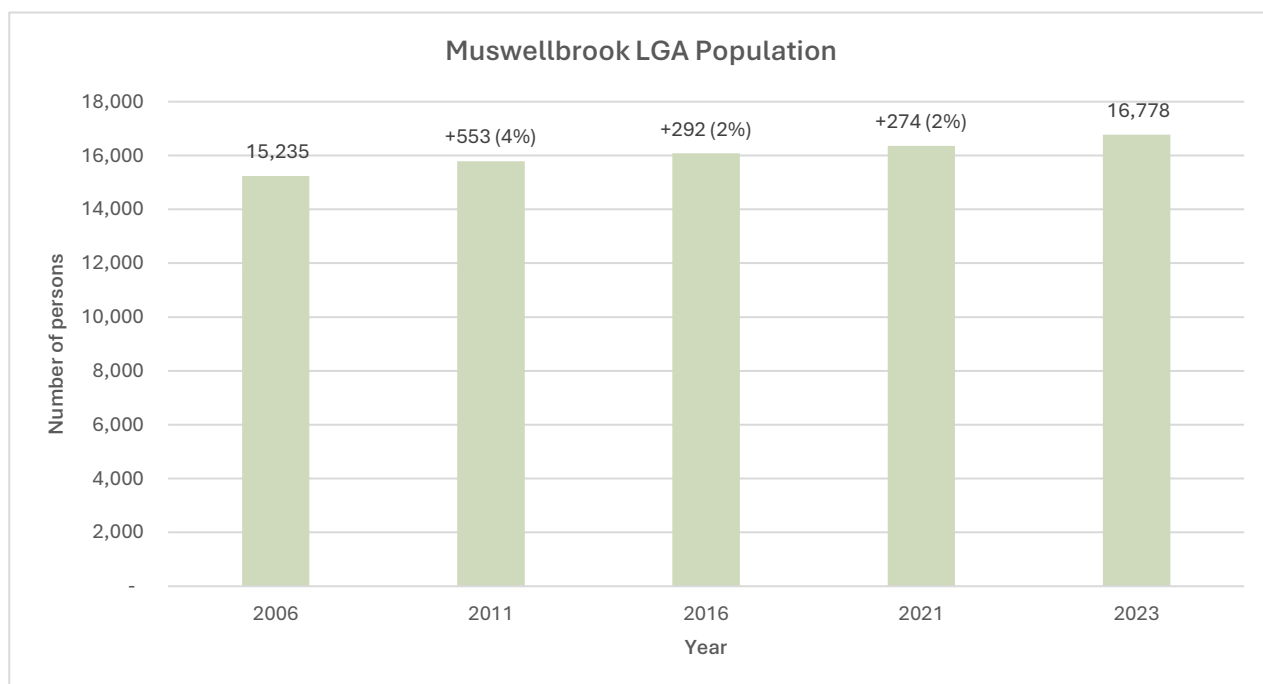


Figure 2 Muswellbrook Shire population growth (Source: ABS Census 2006, 2011, 2016 and 2021 & REMPLAN 2024<sup>1</sup>)

<sup>1</sup> Muswellbrook Economy, Jobs, and Business Insights, <https://app.remplan.com.au/muswellbrook/economy/summary>

## Age

Muswellbrook Shire has an ageing population. The percentage of residents over the age of 65 has increased from 11% to 15% between 2011 and 2021. Figure 3 below shows how the Muswellbrook population has aged in the past 10 years.

As the population ages, the demand for dwellings that are more suitable to older people or retirees is expected to increase. Several community survey respondents noted a strong desire to remain in the area as they age, and that there is an increased need for smaller dwellings to meet the needs of retirees and lone person households.

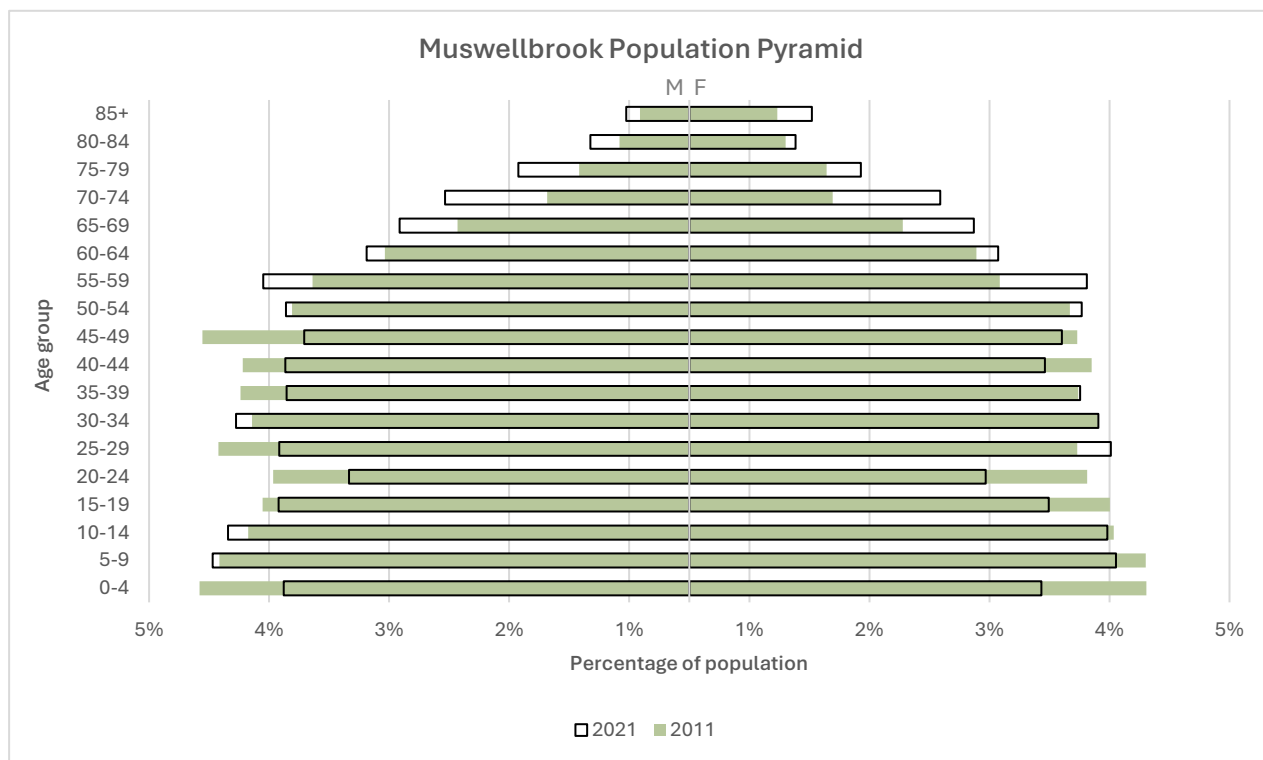


Figure 3 Muswellbrook Shire population pyramid (Source: ABS Census 2011 and 2021)

## Household composition

Households in Muswellbrook LGA are primarily made up of family or lone person households, with a significant number of one parent families. Figure 4 below shows that smaller households, such as couple families without children, one parent and lone person households, are increasing in both number and proportion, making up 63% of households in 2021 compared to 58% in 2011.

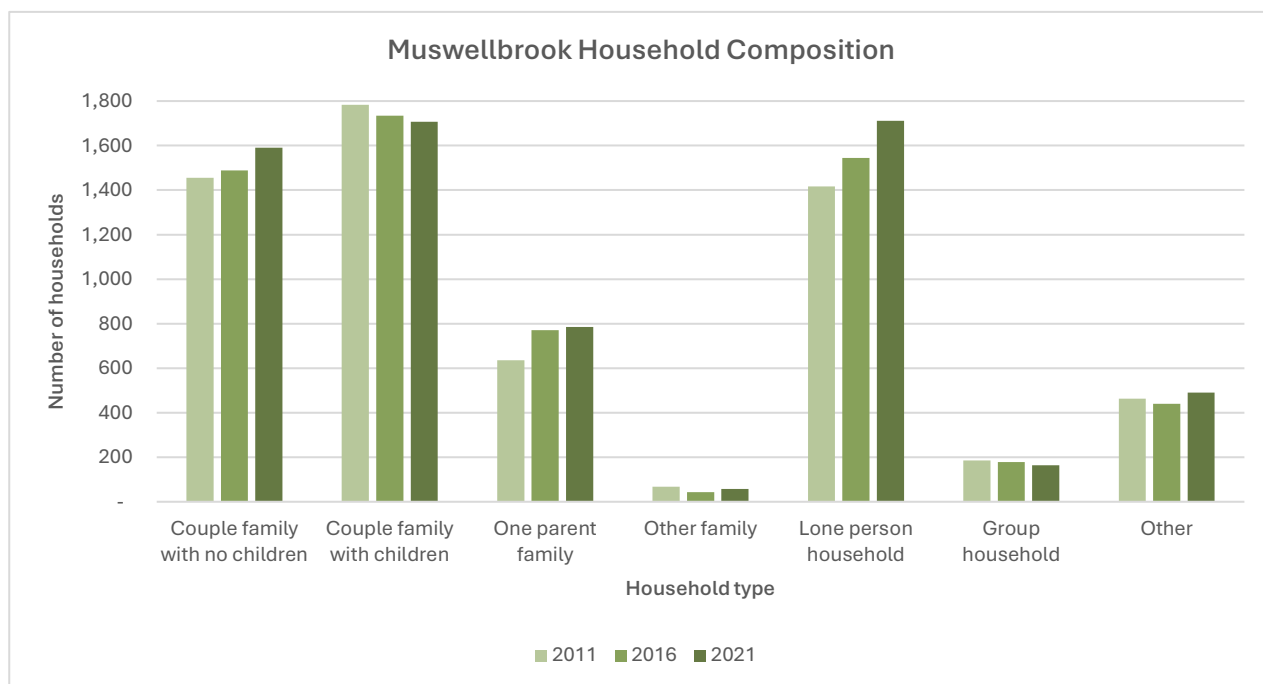


Figure 4 Muswellbrook Shire household composition (Source: ABS Census 2011, 2016, 2021)

The average size of Muswellbrook households has remained relatively constant within the past decade. Table 1 below shows that the average household size has decreased by 0.1 between 2011 and 2021.

Table 1 Muswellbrook Shire average household size (Source: ABS Census 2011, 2016, 2021)

2011	2016	2021
2.6	2.5	2.5

## Tenure

Dwelling tenure has remained relatively stable over the past decade. Most homes are owned outright or with a mortgage (58%). As shown in Figure 5, the number and rate of outright home ownership has slightly increased between 2011 and 2021. Approximately one third of all dwellings are rented, which is similar to the state average of 32%.

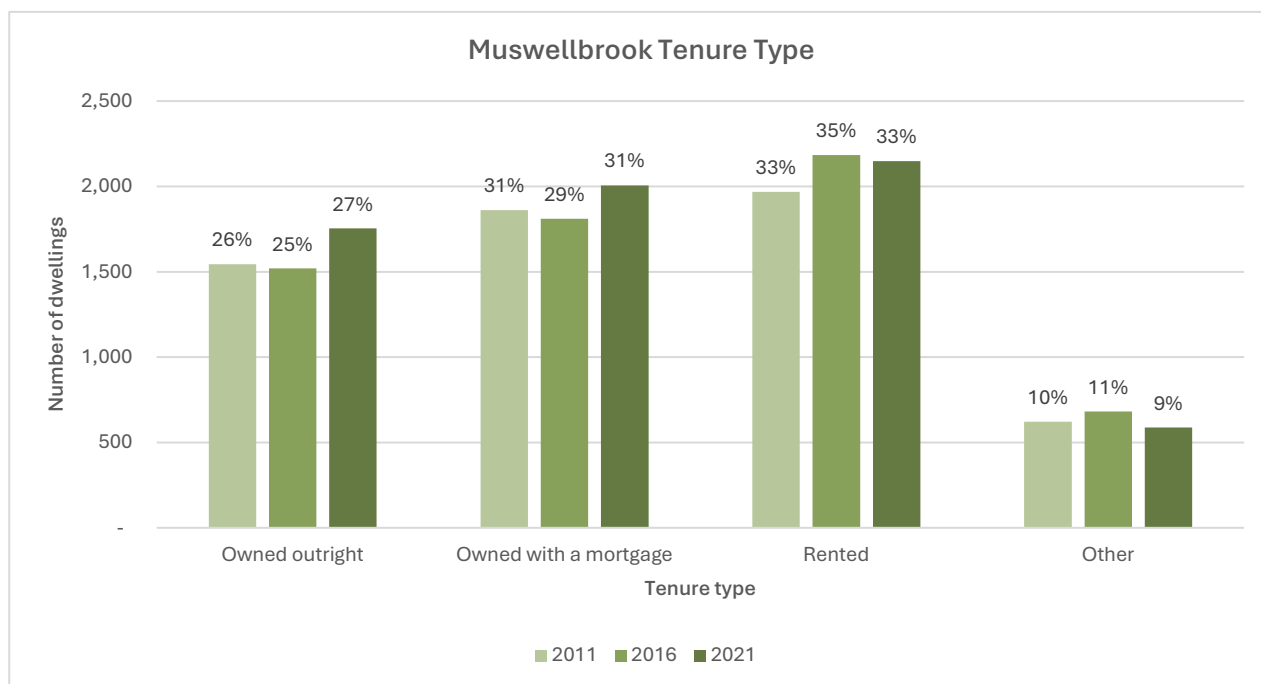


Figure 5 Muswellbrook Shire tenure type (Source: ABS Census 2011, 2016, 2021)

Census data shows that since 2006, a growing proportion of the Shire's residents live in the same address as they did a year before census night. Table 2 shows that in 2006, 76% of residents lived at the same address as they did a year ago. In 2016, approximately 80% of residents lived in the same address as they did a year ago. By 2021, almost 83% of residents lived in the same address as they did a year ago. This may suggest that over time, the Shire's population have become less mobile, as they stay in the same dwellings for longer.

Table 2 Address 1 year ago of Muswellbrook residents (Source: ABS Census 2006, 2011, 2016 and 2021)

Address 1 year ago	2006	2011	2016	2021
Same as Census year	76.1%	77.6%	79.5%	82.6%
Elsewhere in Australia	16.2%	17.7%	15.3%	15.8%
Overseas year before Census	0.5%	0.6%	0.5%	0.3%
Not stated	7.3%	8.0%	10.5%	9.0%

#### Key takeaway

The population is ageing, and households are getting smaller. The Housing Strategy needs to support the delivery of housing that respond to changing needs, so households are able to remain in the Shire across each stage of life.

# Incomes have not kept up with costs, impacting housing affordability for our community

## Affordability

Housing is considered unaffordable if a household spends more than 30% of their income on mortgage repayments or rent.<sup>2</sup> As shown in Table 3 below, over 30% of households that are renting are in a situation where housing is unaffordable. This rate is lower for homeowners, where 9% are experiencing unaffordable mortgage repayments.

Table 3 Households where mortgage and rent payments are more than 30% of household income in Muswellbrook (Source: ABS Census 2021)

Household type	Number	Percentage
Mortgage repayments are more than 30% of household income	182	9%
Rent payments are more than 30% of household income	629	31%

## Social housing needs

Many community survey respondents stated that renting is too expensive. Housing industry stakeholders also noted that rent prices have increased significantly in recent years, which has resulted in people having to move out of their current accommodation. This sees many people move in with other family members, into smaller overcrowded homes, or apply for social housing.

The demand for social housing far exceeds the supply in Muswellbrook Shire, with 19 priority and 117 general applicants on the waitlist as of 30 June 2023. Table 4 below shows expected waiting times for different sized dwellings. Currently the minimum wait time for social housing is 2 to 5 years.

Key stakeholders noted that the gap between demand and supply for social housing in Muswellbrook continues to grow, as many houses are falling into disrepair and are expensive to be brought back to standard, or are already empty as they aren't fit for purpose.

Table 4 NN06 Muswellbrook allocation zone social housing waitlist (Source: NSW Department of Communities and Justice 2023)

Property type	Expected waiting time for general applicants as of 30 June 2023
Expected waiting time for a studio/1-bedroom property	5 to 10 years
Expected waiting time for a 2-bedroom property	2 to 5 years
Expected waiting time for a 3-bedroom property	2 to 5 years
Expected waiting time for a 4+ bedroom property	10+ years

## Income disparity

Community service providers highlighted that they have seen an increase in specific at-risk groups, such as older men or full-time workers without a permanent place to stay, referred to as the 'working homeless' cohort. A likely driver behind this issue is the significant income imbalance across different industries.

<sup>2</sup> About affordable rental housing, [https://www.facs.nsw.gov.au/providers/housing/affordable/about?merge\\_chapters=true#:~:text=As%20a%20rule%20of%20thumb,30%25%20of%20gross%20household%20income](https://www.facs.nsw.gov.au/providers/housing/affordable/about?merge_chapters=true#:~:text=As%20a%20rule%20of%20thumb,30%25%20of%20gross%20household%20income)

Highlighted in Figure 6, mining workers are significantly more likely to have an ‘above moderate’ income when compared to the Shire’s other biggest industries. Over 90% of the mining workforce earn over \$52,000 annually, compared to 48% and 20% in the next two largest industries (health care and retail). This means that there is a vastly different capacity to pay for housing between workers of different industries.

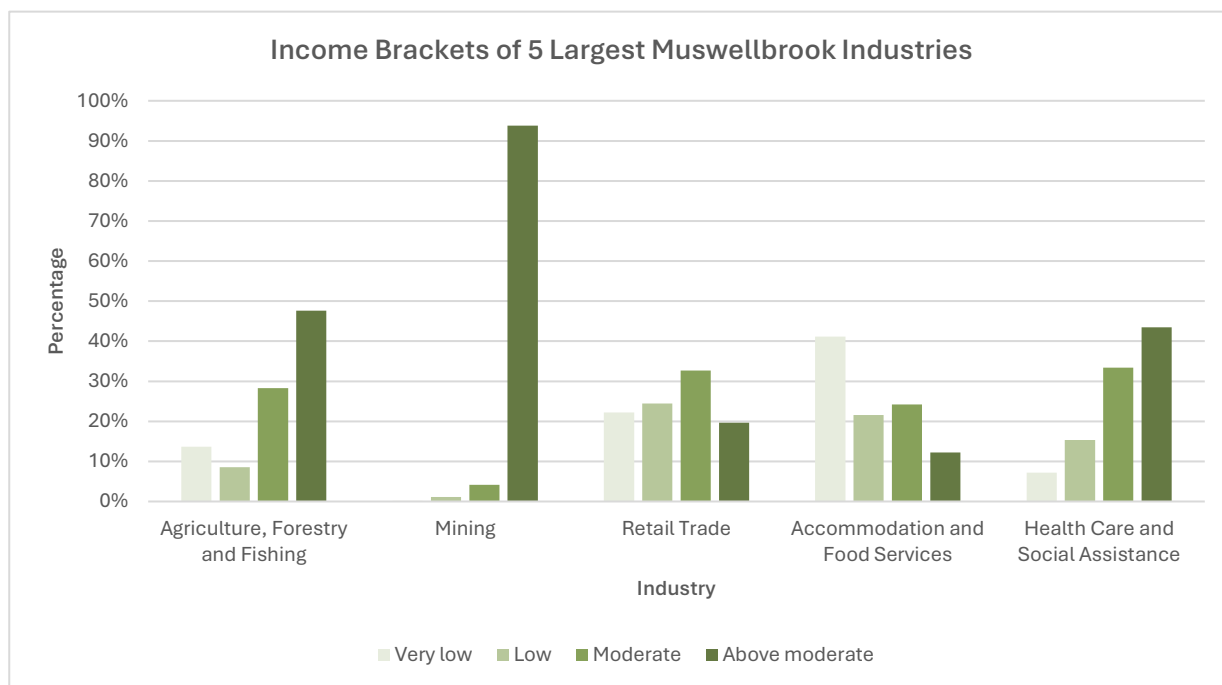


Figure 6 Income brackets of 5 largest industries in Muswellbrook (Source: ABS Census 2021)

As the workforce of lower paying industries and other residents have to compete with higher earners for housing, they are likely to lose out as they can’t afford the same rental or purchase costs. Industry stakeholders also noted that landlords often prefer tenants working in the mining industry as they have higher incomes and are perceived to maintain properties more effectively.

Several community survey respondents validated the notion that it is harder for people on single or low incomes who don’t work in mining to compete with them in the housing market.

Lower incomes in Muswellbrook are likely linked to lower education attainment when compared to the state average. Across New South Wales, approximately 28% of the population have a bachelor degree or higher, compared to only 9% of the Muswellbrook population.

#### Key takeaway

The incomes of Muswellbrook Shire households show vastly different capacities to pay for housing. The Housing Strategy needs to support the delivery of housing across the spectrum, so there are affordable options for all, and present strategies that consider the fluctuations in economic activity that increase competition and potentially increase prices.

## Housing supply is homogenous, impacting diversity of housing options available to our community

Most dwellings in Muswellbrook are separate houses (88%), and approximately 10% are semi-detached. As shown in Figure 7, the type of housing stock available in Muswellbrook has not significantly changed in the twenty years between 2006 and 2021.

Most public housing dwellings in Muswellbrook are separate houses, with approximately one third being semi-detached. Figure 8 shows that the number of public dwellings has not meaningfully increased in the five years between 2016 and 2021 and that the number and proportion of semi-detached dwellings has increased.

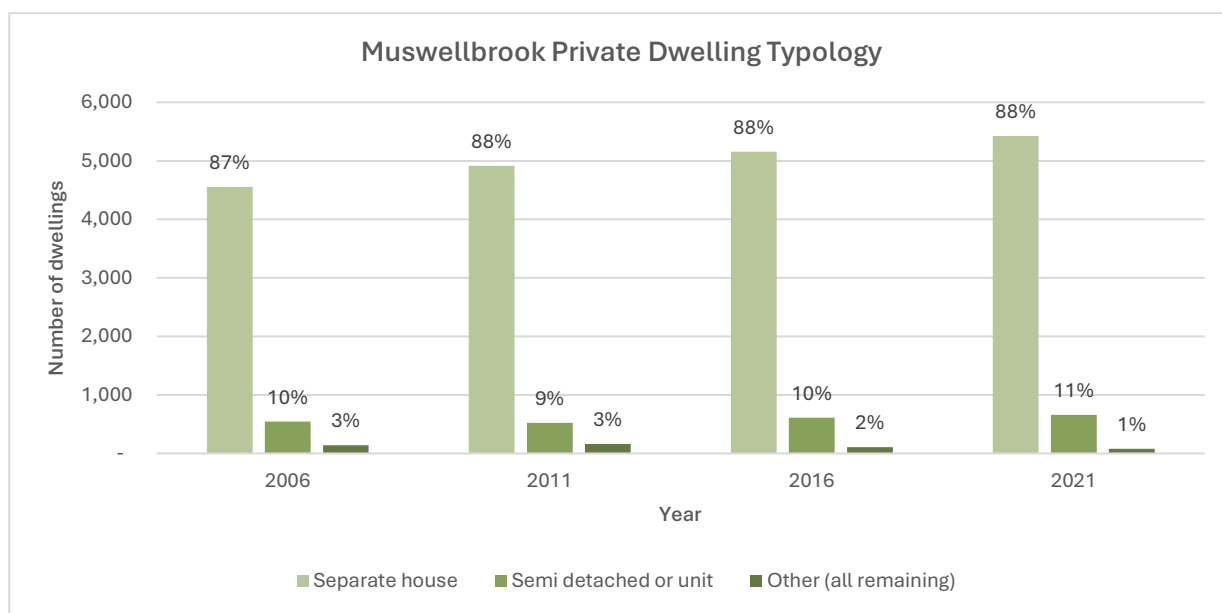


Figure 7 Muswellbrook Shire private dwelling typology (Source: ABS Census 2006, 2011, 2016, 2021)

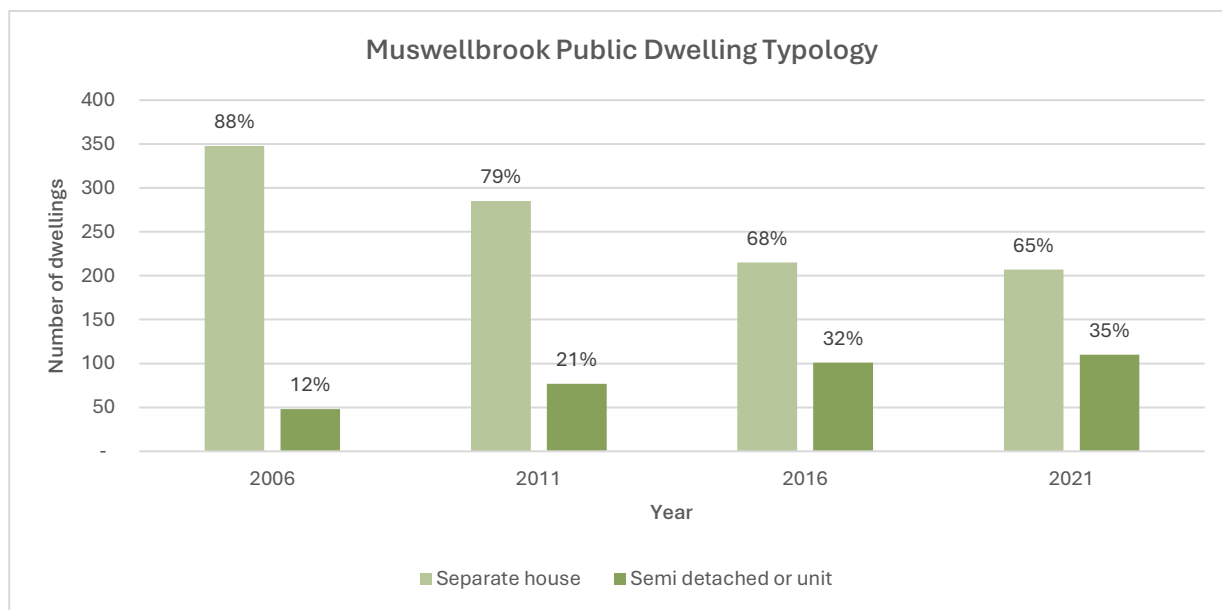


Figure 8 Muswellbrook Shire public dwelling typology (Source: ABS Census 2021)

Many community survey respondents believe that there are not enough housing options across the Shire. Approximately one-third of respondents said they wanted a larger plot of land to live on, while others expressed a desire to downsize to meet changing family needs or lifestyle choices as they enter retirement.

Housing industry stakeholders noted that there is significant overcrowding in some areas, attributed to a lack of suitable housing options and increasing unaffordability. Common household types in this cohort include young families looking to move out and the 'working homeless' who may be forced to stay with friends or family for an extended period until they can find a suitable place to rent.

Housing industry stakeholders also noted that it is very difficult for prospective tenants to find a suitable house to rent across the Shire. This means that some households may only be able to afford moving into houses that may be too small or do not otherwise adequately meet their needs.

#### Key takeaway

As there is currently little diversity of housing options in terms of size and type across the Shire, the Housing Strategy needs to support the delivery of different typologies of housing.

## Although demand for housing is high, existing housing supply appears to be underutilised

Residential vacancy rates<sup>3</sup> have decreased significantly in the last decade, suggesting an increasingly tight rental market and high demand for this type of housing. As shown in Figure 9, the residential vacancy rate has remained under 1% since June 2022, significantly lower than the 8% and 5% it started the decade at.

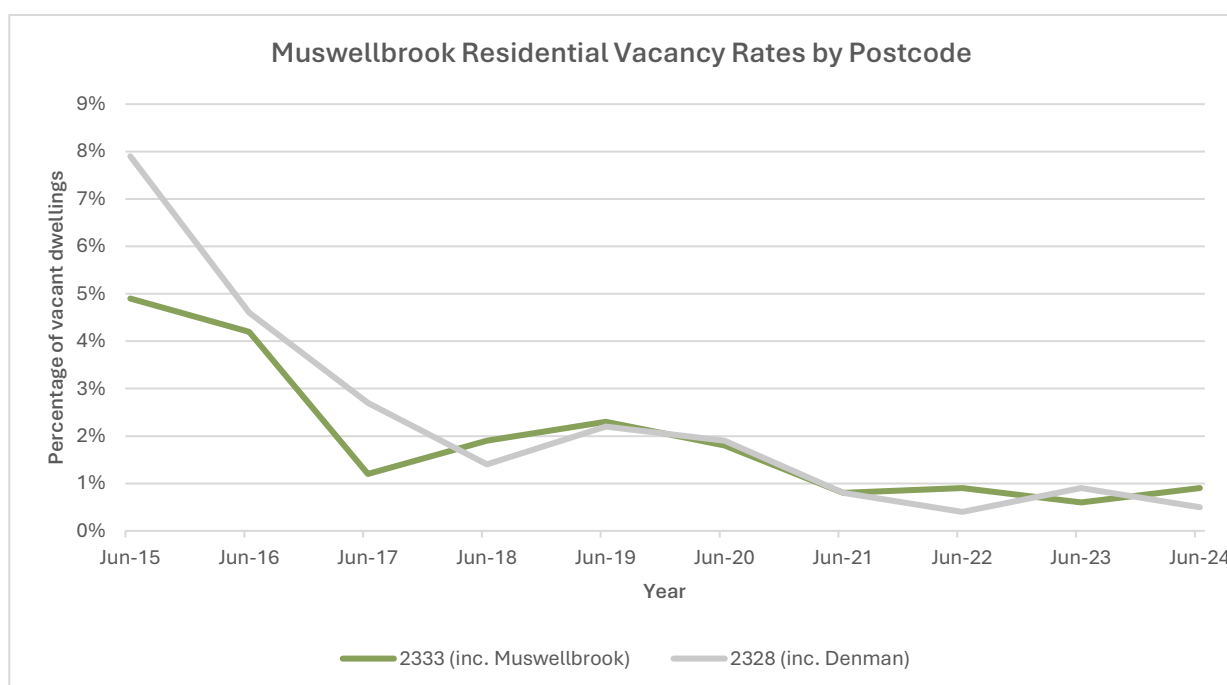


Figure 9 Muswellbrook residential vacancy rate by postcode (Source: SQM Research 2024)

<sup>3</sup> Vacancy rate refers to the number of available rental dwellings as a proportion of the total number of dwellings being rented ([https://sqmresearch.com.au/graph\\_vacancy.php](https://sqmresearch.com.au/graph_vacancy.php))

Despite this low vacancy rate census data suggests that there is high level of underutilisation across Muswellbrook Shire, with most dwellings having at least one spare bedroom, and over half having two or more spare bedrooms. Shown in Figure 10 below, there was a notable increase in dwellings with two or more spare bedrooms between 2016 and 2021.

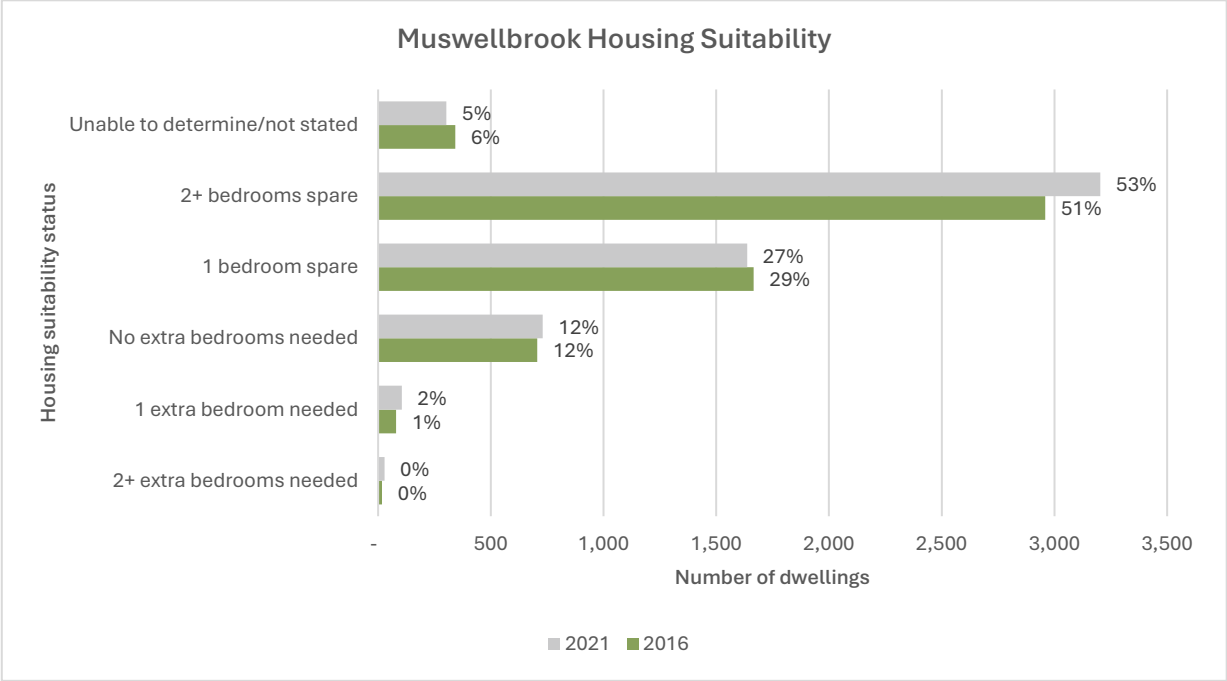


Figure 10 Muswellbrook Shire housing suitability (Source: ABS Census 2016, 2021)

### Data limitations

In contrast, anecdotal evidence suggests that some of these bedrooms may be informally occupied, as there is a large active community on platforms such as Flatmates.com.au and Facebook Marketplace offering rooms for rent to largely drive-in-drive-out or fly-in-fly-out workers.

Even with high demand for housing, the number of unoccupied dwellings in Muswellbrook Shire appears to have increased between 2006 and 2021. As shown in Table 5, the share has increased from 8.4% to 11% since 2006, though it has reduced from a peak of 14.6% in recent years. This further demonstrates the underutilisation of existing dwellings across the Shire.

Table 5 Muswellbrook dwelling unoccupancy rate (Source: ABS Census 2006 2011, 2016, 2021)

	2006	2011	2016	2021
Rate of unoccupied dwellings	8.4%	10.3%	14.6%	11.0%

Stakeholders noted that despite an overall lack of housing availability, some rental houses may remain vacant for extended periods because there are no suitable tenants, which may be due to their prior rental history or uncertain medium-term income.

### Key takeaway

While data identifies a high level of underutilisation of houses in Muswellbrook Shire, anecdotal evidence suggests that this may be inaccurate. The Housing Strategy needs to support measures to better understand utilisation where the size of housing matches the size of households and their needs and explore policies that encourage increased use of existing stock.

# Economic activity results in a fluctuating local workforce

## Temporary workforce

Mining is Muswellbrook Shire's largest industry, employing approximately 3,500 people (32% of local workers). Power generation has also been another large source of employment. Activities associated with these two industries (during both operation and construction) require a workforce that is more temporary in nature, such as:

- Temporary construction workers to set up operations or undertake major shutdowns/repairs
- ARTC trackwork workers required every 6-8 weeks
- Drive-in-drive-out (DIDO) and fly-in-fly-out (FIFO) workers on a rotating shift schedule who live in Muswellbrook part-time.

This type of workforce results in peaks and troughs in demand for housing as operations ramp up or down. This places pressure on the housing system, as these workers are still likely to seek permanent accommodation despite only needed it for specific periods of time. Housing industry stakeholders noted that the influx of temporary mining workers has resulted in rent increases across the Shire, reducing the ability of long term residents to afford housing.

Construction of renewable energy infrastructure across Muswellbrook and the broader Hunter Renewable Energy Zone (REZ) will also require a significant number of temporary workers during their construction phase.

Current projections estimate that the number of permanent and temporary workers associated with these industries will peak at approximately 8,800 in 2026, up from 7,400 in 2024. This shows that there is an urgent need find a housing solution that can temporarily accommodate this influx of workers.

EnergyCo has commissioned a range of studies to consider the impacts of the major projects in the New England Renewable Energy Zone (REZ). These studies encompass Muswellbrook Shire as the electricity transmission bulk corridor that links the REZ to other parts of NSW passes through the Local Government Area. Accommodation for temporary construction workforces is one of the initiatives expected to be addressed in these studies.

## Land use conflict

Further, as it is generally incompatible for houses to be located close to mining activities (due to dust, noise, light pollution and vibration), existing mine operations have resulted in the temporary or permanent loss of housing on the western edge of Muswellbrook and rural lifestyle lots more generally. More than 300 dwellings have been removed due to mining activities. Further losses should be replaced with new stock in more suitable locations.

### Key takeaway

Muswellbrook Shire's local economy experiences a boom-and-bust cycle that is heavily influenced by the mining industry that operates in the LGA, which impacts demand for housing. The Housing Strategy needs to support measures that better manage the resulting fluctuations in demand, to reduce the impact that it has on the longer term housing market.

# Housing supply is constrained by infrastructure capacity and costs, and environmental and other feasibility factors

## Environmental factors

A number of factors in Muswellbrook Shire present constraints to housing development:

- Flood and bushfire risk – Restricts the location of residential development due to the risk of natural hazards. While development may still be possible in some affected areas, it likely requires design mitigations which increase costs and add complexity to the approvals process
- Topography – Building on steep lots quickly becomes unfeasible for housing, as developing on and around these areas is significantly more costly
- Mining activity – The town of Muswellbrook is ringed by active coal mines and their associated buffer areas. Much of this land is also incompatible with residential development
- Native and threatened flora and fauna – the protection of certain flora and fauna species restrict the locations of potential residential growth areas. Further, securing biodiversity offsets within the Shire is likely to be difficult, resulting in additional costs to the delivery of greenfield residential development.

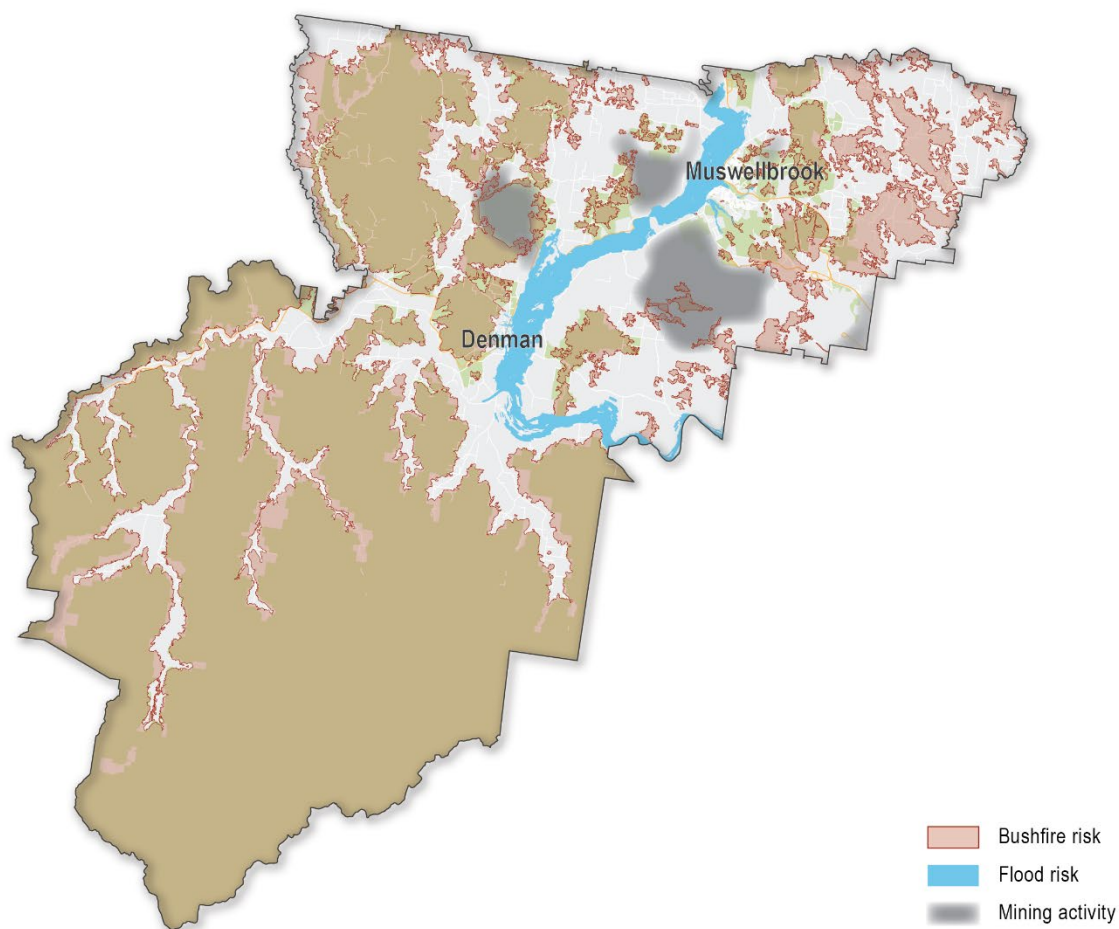


Figure 11 Housing constraints map

## Feasibility factors

Development activity fluctuates across time in response to broader economic trends. Table 6 highlights these fluctuations in Muswellbrook Shire by presenting a summary of development activity since 2019.

Table 6 Development activity summary

	2019	2020	2021	2022	2023	2024 <sup>4</sup>
<b>Subdivision approvals</b>	15	4	8	7	12	11
New lots created	3	16	1	4	72	199
<b>DA approvals</b>	60	48	69	65	50	23
Demolitions	23	13	4	3	3	4
New dwellings	25	28	48	46	40	19
Secondary dwellings	1	2	6	6	2	3
Dual occ./multi-dwelling	3	0	1	1	2	0
<b>DA approvals with an OC<sup>5</sup></b>	20	30	42	29	13	1
<b>OC as % of DA approvals</b>	69%	100%	76%	55%	30%	5%

This data suggests that there is an increasing gap between approval and completions, highlighting the presence of challenges when converting a planned development to a dwelling that someone can live in. Such challenges are likely linked to factors impacting feasibility, including:

- Cost of labour and materials
- Market willingness and/or capacity to pay
- Cost of associated infrastructure delivery

High level analysis demonstrates that the cost of labour and materials, combined with market capacity to pay, has negatively impacted feasibility of certain dwelling typologies in Muswellbrook Shire. This has likely resulted in a trend of lower completion rates in more recent years (Table 7, see Appendix B for details).

Table 7 High level development feasibility analysis in Muswellbrook

Typology	Detached suburban	Rural lifestyle	Apartment building	Semi-detached
Estimated build cost	\$605,000	\$850,000	\$328,000	\$532,000
Potential sale price	\$682,000	\$939,000	\$300,000	\$350,000
Feasibility	✓	✓	✗	✗

<sup>4</sup> Up to and including August 2024.

<sup>5</sup> Note this number reflects the total amount of Occupation Certificates (OCs) issued for approved DAs of the respective year. The OC may have been issued in a different year.

## Infrastructure factors

As the cost of construction continue to increase, the delivery of essential infrastructure (e.g. roads, sewer, water and electricity) prior to building houses can significantly impact feasibility and halt development from occurring. This is particularly the case in Muswellbrook Shire as infrastructure costs are often higher than metropolitan areas and other regional centres. Comparing Muswellbrook Shire and Hunter Water’s headwork charges demonstrates this cost difference (Table 8).

Table 8 Water and sewer headwork charges<sup>6</sup>

	Water headworks (per equivalent tenement)	Sewer headworks (per equivalent tenement)	
<b>Muswellbrook Shire</b>			
	\$9,317		\$7,233
<b>Hunter Water<sup>7</sup></b>			
5 DSP areas	\$1,000 - 2,800	8 DSP areas	\$2,000 – 4,999
3 DSP areas	\$3,600 – 5,100	2 DSP areas	\$5,000 – 7,000
1 DSP area	\$8,950	10 DSP area	\$7,000+

Further, Muswellbrook Shire’s Development Contribution Plan has not been updated in over a decade. This means that the plan is unlikely to reflect future infrastructure demand based on updated population projections. This results in the risk of infrastructure capacity not being sufficient, or funding and cost-sharing responsibilities being inadequate.

### Case study – Eastbrook Links Estate

The Eastbrook Links Estate in the southeast of Muswellbrook was approved for subdivision in 2004 and is being developed over 32 stages. As of 2024, Stages 1-18 have been built. Stages 19-32 are currently delayed due to an intersection upgrade required at Bimbadeen Drive and New England Highway. As the cost of this upgrade is too significant for the developer to fund, the development of new housing east of Henry Dangar Drive has halted.



<sup>6</sup> As Hunter Water has different charges depending on Development Servicing Plan (DSP) areas, these have been broken down into approximate ranges

<sup>7</sup> Hunter Water Developer Charges, <https://storymaps.arcgis.com/stories/bfeace5c9ba143c9a3541914677778a7>

### Other factors

In addition to feasibility and infrastructure factors highlighted above, other factors impacting the delivery of new housing may include reluctant landowners and low investment confidence. As Muswellbrook Shire's economy is influenced by fluctuations in mining and related activity, the boom and bust cycles are likely to result in tentativeness for long-term investing in the Shire. This trend may be demonstrated by the significant amount of vacant land zoned for residential uses that has not been taken up by the market for development.

#### Key takeaway

Muswellbrook Shire's housing landscape is influenced by a range of complex environmental, infrastructure, financial factors. The Housing Strategy needs to explore measures to breakdown some of these hurdles, better understand its future infrastructure needs, and explore innovative ways to deliver housing when the market is unable to.



# 3 Projected housing demand scenarios

This section presents three population scenarios in Muswellbrook Shire over the next two decades. The purpose of these scenarios is to demonstrate a plausible range of demand for housing into the future. As the future can't be predicted, scenarios allow us to anticipate the possible extent of change, and how this change may impact the need and demand for housing.

These scenarios test how changes in the economy can influence the size and make-up of the population living in the LGA, allowing us to model the types and number of households Muswellbrook Shire may have. The three scenarios explored are:

Scenario 1 - Contraction of industry	Scenario 2 – Baseline	Scenario 3 – Diversification and growth of industry
<ul style="list-style-type: none"> <li>• Slowing economic activity results in people leaving Muswellbrook Shire as they seek employment opportunities elsewhere</li> <li>• Total population declines</li> </ul>	<ul style="list-style-type: none"> <li>• Population change is relatively consistent with historic trends of migration, births and deaths</li> <li>• Total population increases</li> </ul>	<ul style="list-style-type: none"> <li>• Increased economic activity across the Hunter results in workers and households moving to Muswellbrook Shire</li> <li>• Total population increases</li> </ul>

Figure 12 presents a summary of all three scenarios to 2041, which shows a potential future population that ranges from approximately 16,000 to 18,800 people.

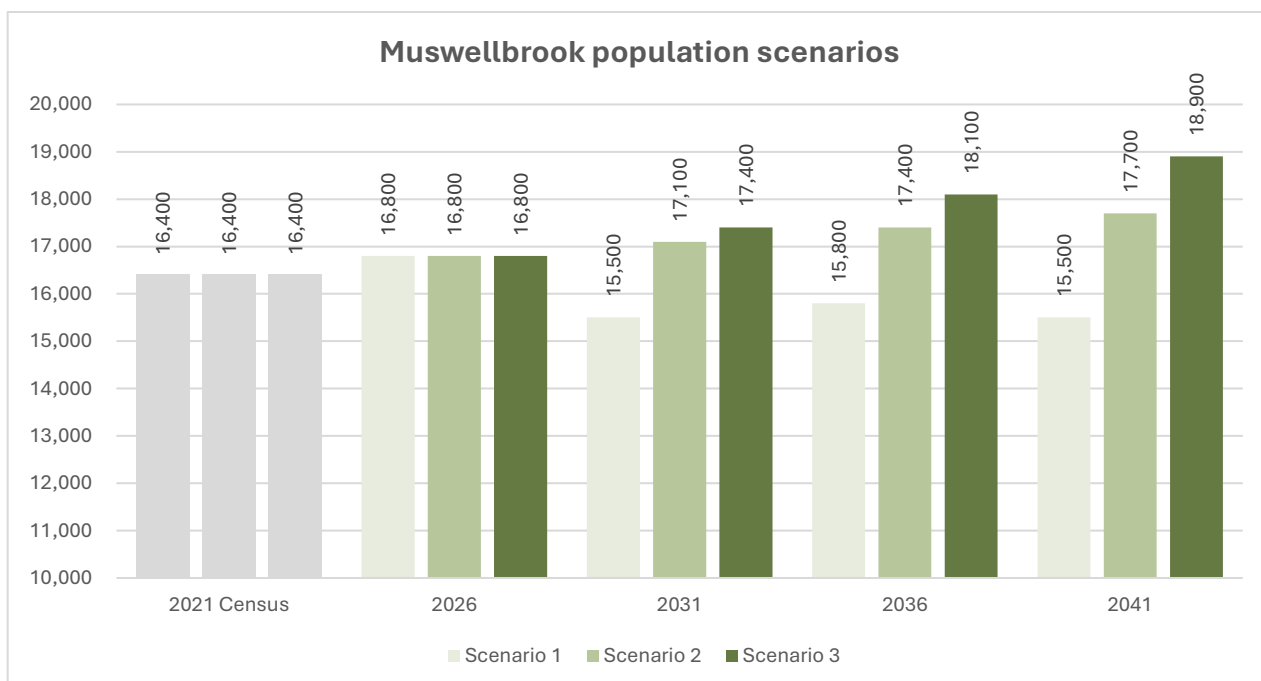


Figure 12 Muswellbrook projected housing demand scenarios

A review of Council’s Integrated Water Cycle Management Strategy highlights that the population scenario used to identify and plan for future water needs is lower than Scenario 3 (high growth). A detailed comparison is presented in Appendix C. Details of each scenario are highlighted in the following sections.

## Scenario 1 – Contraction of industry

In this scenario, the initial period of growth is largely the result of increased mining and infrastructure related activity. Following this peak, slowing economic activity results in workers and their households leaving the Shire as they seek employment opportunities elsewhere. This low growth scenario sees a short-term increase in Muswellbrook Shire’s population to 2026, followed by decrease between 2026 and 2041. The population is expected to decrease by approximately 300 between 2021 and 2041.

The average household size decreases faster compared to Scenarios 2 and 3 as there are less family households, and more couple only and lone person households.

	2021	2026	2031	2036	2041
Total population	16,400	16,800	15,500	15,800	15,500
Implied dwellings	7,300	7,900	7,500	7,800	7,700

Figure 13 below presents the likely age breakdown of the population in this scenario, which could result in the following high level impacts on housing:

- Need for temporary housing solutions to manage shorter-term peak in demand for housing
- Number of dwellings required increases by a small amount
- Greater demand for smaller dwellings
- Greater demand for senior living options
- Greater demand for more affordable options

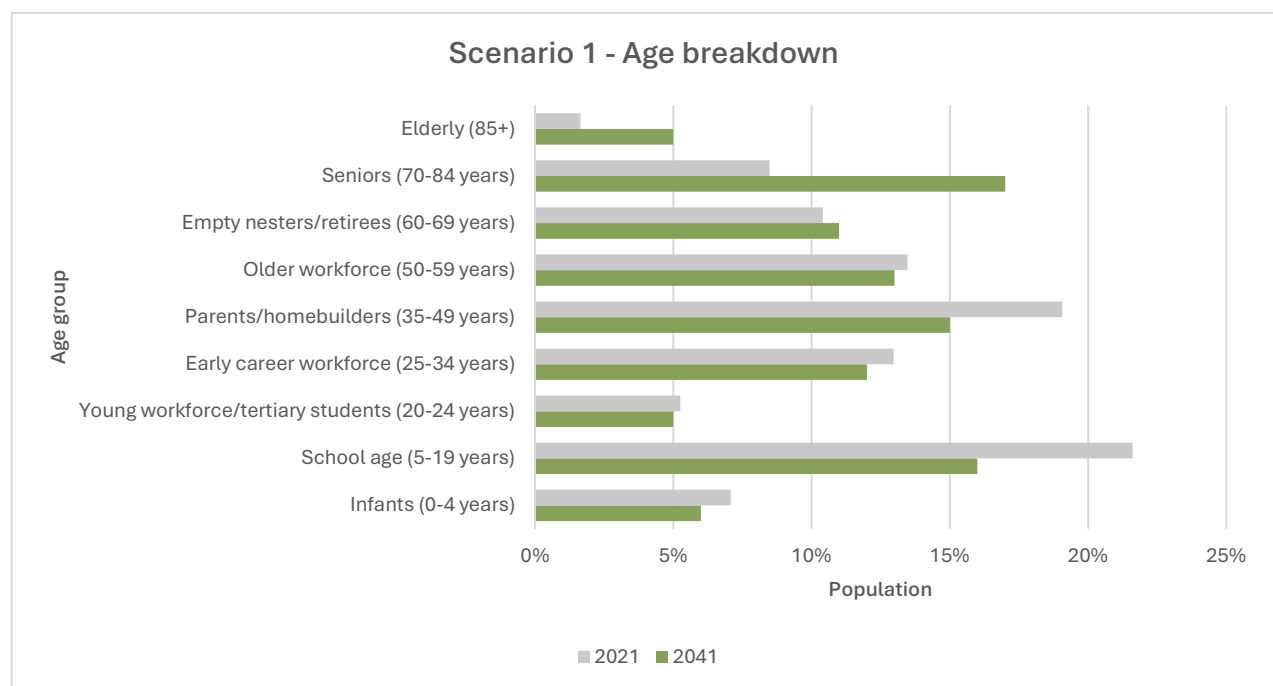


Figure 13 Scenario 1 age group breakdown

## Scenario 2 – Baseline

This moderate growth scenario is the NSW Department of Planning’s Main Series projection. These projections are based on historic birth, migration and death trends, and influenced by the population’s age profile. In this scenario, Muswellbrook Shire’s population increases by approximately 1,000 between 2021 and 2041. The average household size is projected to decrease during this time as well, resulting in proportionately more housing needed to accommodate a similarly sized population.

	2021	2026	2031	2036	2041
Total population	16,400	16,800	17,100	17,400	17,700
Implied dwellings	7,300	7,900	8,200	8,400	8,700

Figure 14 below presents the likely age breakdown of the population in this scenario, which could result in the following high level impacts on housing:

- Need for temporary housing solutions to manage shorter-term peak in demand for housing
- Number of dwellings required increases by a greater amount (compared to Scenario 1)
- Greater demand for smaller dwellings
- Greater demand for senior living options

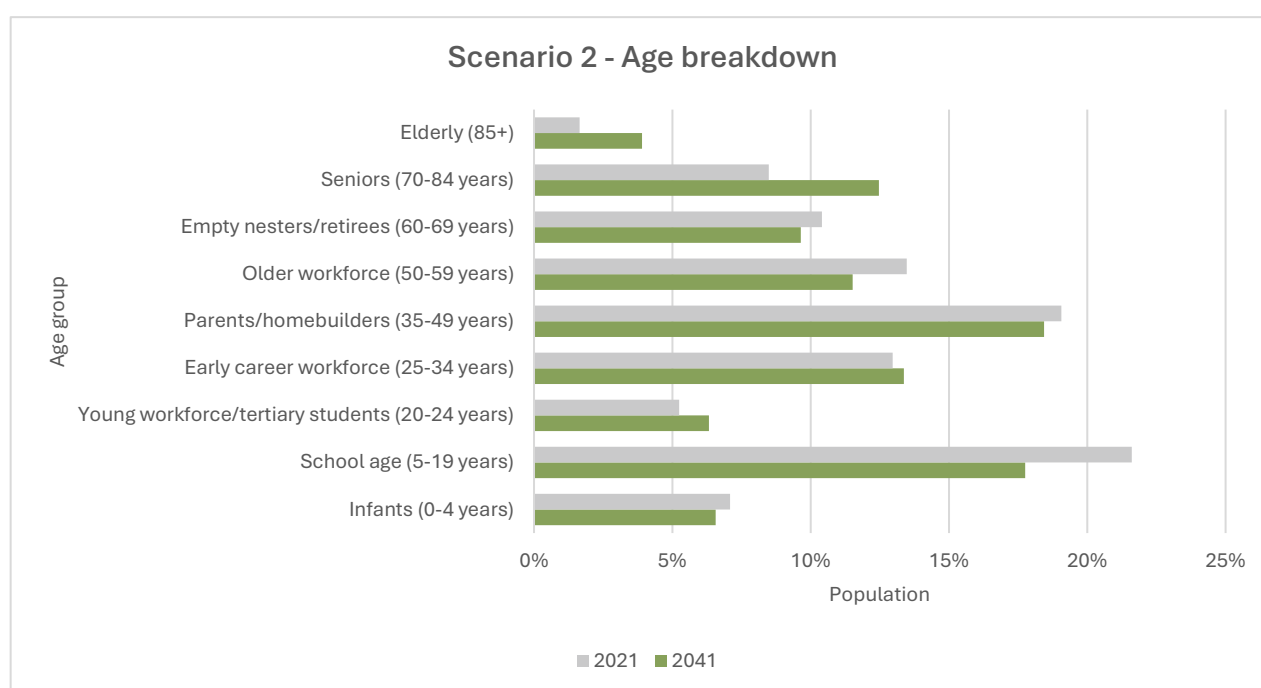


Figure 14 Scenario 2 age group breakdown

## Scenario 3 – Diversification and growth of industry

In this scenario, increased economic activity across the Hunter results in workers and households moving to Muswellbrook Shire. As a result, the net total households leaving Muswellbrook Shire decreases, and the population increases by approximately 2,500 people between 2021 and 2041. This high growth scenario sees the greatest increase in the population to 2041.

The average household size decreases however, this occurs at a slower rate compared to Scenarios 1 and 2, as there are more family households coming and staying in the Shire. A greater proportion of the population is younger than the other scenarios, though the population is still ageing overall.

	2021	2026	2031	2036	2041
Total population	16,400	16,800	17,400	18,100	18,900
Implied dwellings	7,300	7,900	8,300	8,800	9,200

Figure 15 below presents the likely age breakdown of the population in this scenario, which could result in the following high level impacts on housing:

- Number of dwellings required increases by a significant amount (compared to Scenario 1 and 2)
- Greater demand for diverse stock across the housing spectrum
- Greater demand for senior living options

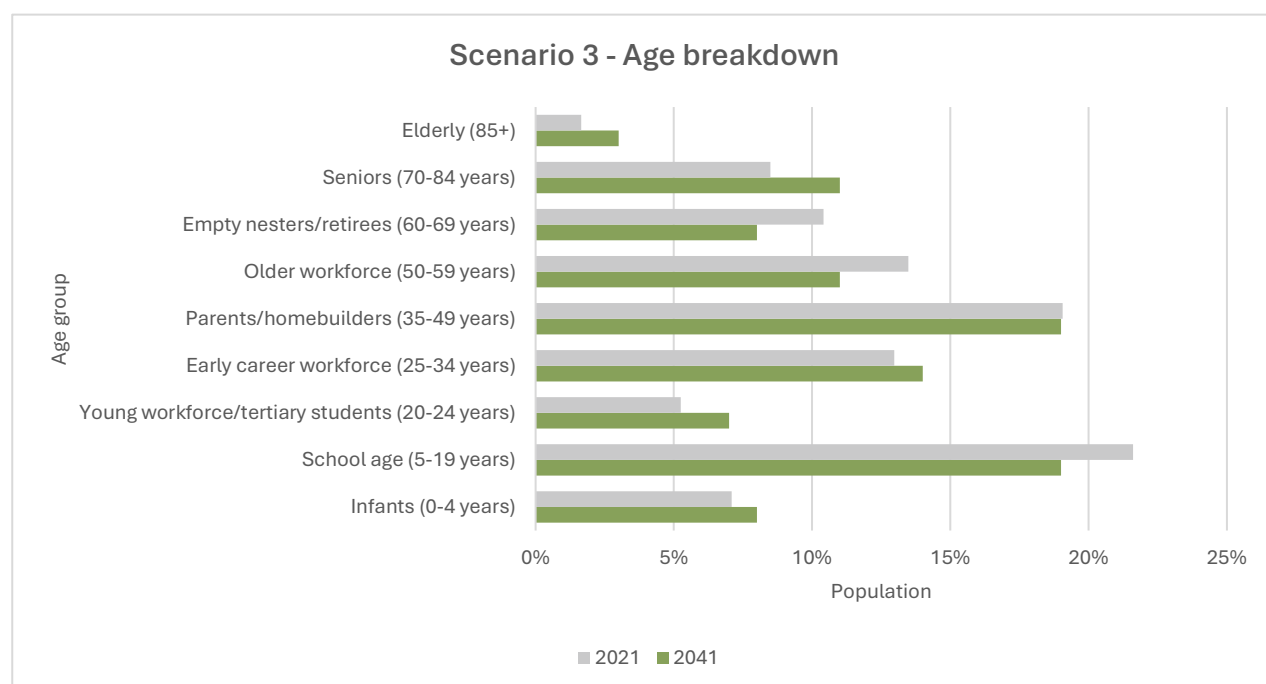


Figure 15 Scenario 3 age group breakdown

# Future housing in Muswellbrook Shire

As Muswellbrook Shire undergoes a period of transition over the next two decades, future need for housing remains uncertain. The three projected demand scenarios demonstrate that the range of plausible futures varies from a population that slowly contracts over time, to one that grows by 15%.

## Opportunities and challenges

Broadly, the Shire will be able to meet longer-term demand for housing through infill development in existing urban areas, and in areas that have already been identified for greenfield development. As demonstrated in the evidence base however, there appear to be significant feasibility barriers that halt the development of new housing at scale. Addressing this would enable more consistent delivery of new housing in Muswellbrook and Denman and support construction of a greater diversity of housing options across Muswellbrook Shire.

Though the demand for housing may vary in the future, it is essential that Council works to continue attracting investment and housing renewal across the Shire, in order to arrest a cycle of decay even in the scenario where the demand for housing does not increase. This is important to ensure the liveability and amenity of Muswellbrook Shire is maintained for residents and they can find a place to live that matches their needs.

## Housing directions

Against this backdrop, the directions and actions identified as part of this strategy focus on:

- Supporting the delivery of diverse housing typologies across the spectrum that responds to changing needs, so households are able to remain in the Shire across each stage of life
- Better management of the fluctuations in economic activity and the resulting peaks and troughs in demand for housing, reducing the impact that it has on the longer-term housing market
- Exploring ways to increase usage of underutilised housing stock, such as those that are currently vacant or have multiple unused rooms
- Collaborating with key stakeholders to leverage the development of temporary housing and infrastructure for permanent housing in the future
- Exploring updates to existing controls and policies that may improve feasibility, reduce barriers to development, and support greater diversity of housing options
- Forging and supporting partnerships to deliver innovative housing models that can build housing at a larger scale

## 4 Housing directions

This section presents Local Housing Strategy directions that will enable the delivery of housing in alignment with priorities. The strategy identifies two types of directions:

- Key directions – Actions for council to take to support delivery of housing that meets the future needs of the community
- Partnership directions – Opportunities to encourage stakeholder and community-led alternatives to increasing housing supply

The following table presents a summary of actions required to support the implementation of each direction.

Key Direction 1 – Development and renewal of housing in existing suburbs	
1.1	Investigate and test the feasibility and effectiveness of incentives to encourage infill development
1.2	Facilitate partnerships with stakeholders that can collaborate on demonstration projects that deliver housing at scale
1.3	Engage with State Government and Community Housing Providers to explore opportunities to renew existing social and affordable housing, and the delivery of new social and affordable housing
1.4	Review the Muswellbrook LEP 2009 controls to facilitate diverse infill development
1.5	Review and update the Development Control Plan to encourage sustainable and resilient housing design
1.6	Review Development Control Plan controls to facilitate well-designed, diverse infill development
1.7	Develop collateral illustrating good examples of small scale attached residential development
Key Direction 2 – Greenfield development	
2.1	Undertake infrastructure planning to understand sequencing of infrastructure needs to support development of housing on identified greenfield sites
2.2	Monitor subdivision and development activity to inform updates to infrastructure delivery plans
2.3	Collaborate with landholders to address barriers to developing sites
2.4	Review the Muswellbrook LEP 2009 to better reflect future urban growth potential
2.5	Investigate implementation of development conditions to prevent net reduction of dwellings
Key Direction 3 – Temporary worker accommodation	
3.1	Undertake detailed assessment of priority sites to identify suitability for both temporary and permanent housing
3.2	Investigate changes to Local Environmental Plan or Development Control Plan controls to allow for temporary worker accommodation
3.3	Collaborate with modular, temporary and portable housing developers to identify and advocate for options that are better aligned with Muswellbrook Shire's character to minimise impacts on the local community
3.4	Explore shared accommodation options that can house the temporary workforce from multiple projects at different points in time

Partnership Direction – Secondary dwellings	
<b>PD1</b>	Investigate the potential effectiveness and feasibility of secondary dwelling incentives
<b>PD2</b>	Collaborate with industry to raise awareness on the processes, costs and benefits involved in the development of secondary dwellings to landowners
Partnership Direction – Increasing utilisation	
<b>PD3</b>	Investigate the potential effectiveness or feasibility of incentives to facilitate increased bedroom utilisation
<b>PD4</b>	Advocate to Federal and State Government for changes to relevant policies that could encourage increased bedroom utilisation
<b>PD5</b>	Develop and run community campaigns to identify and engage homeowners of underutilised dwellings with incentives to lease out empty rooms
<b>PD6</b>	Explore partnerships to deliver a platform or alternative mechanism to facilitate pairing homeowners with prospective tenants



## Direction 1 – Development and renewal of housing in existing suburbs

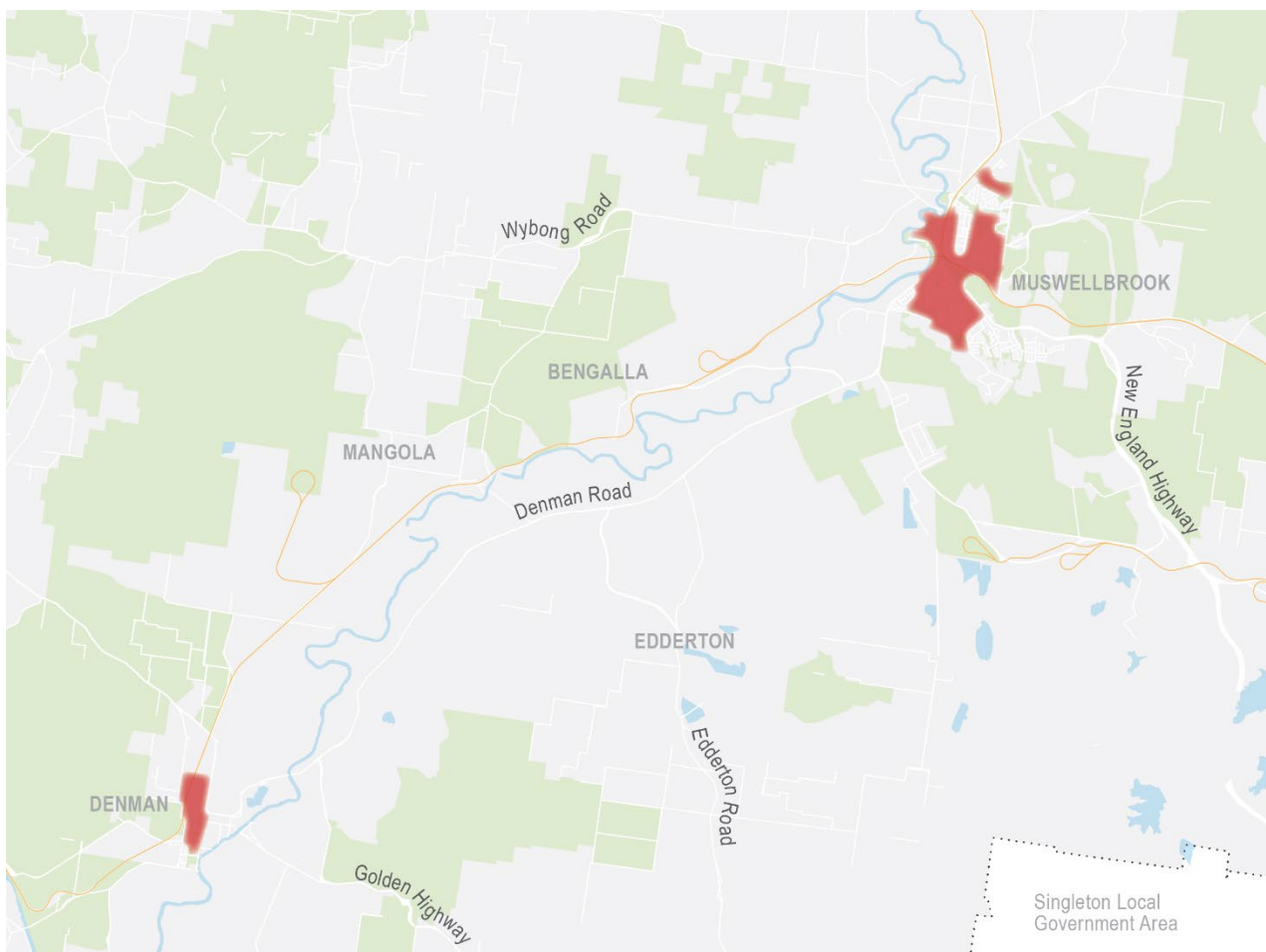
Infill development refers to the development of new housing within established urban areas like towns and suburbs. Renewal refers to the redevelopment of ageing or decaying urban areas and buildings. Infill and renewal in Muswellbrook is an opportunity to leverage well-placed, underutilised land, or revitalise and modernise housing to ensure it is more suitable for the community's changing needs.

Developing within the existing urban footprint means that sites are likely to have access to infrastructure needed to build a house, such as sewer, water and electricity. The cost to develop housing may be lower as a result, improving affordability.

The key barrier to infill development and asset renewal in Muswellbrook is high developments costs, which when combined with low willingness or capacity to pay, makes delivery of new housing unprofitable. This suggests that the traditional model of market-led development is unlikely to occur at the scale needed.

This direction focuses on development within the town of Muswellbrook, particularly in areas:

- Close to established centres
- Characterised by older housing stock that may be appropriate for renewal
- With higher rates of unoccupied dwellings



Rationale	<p>Opportunity to leverage up to 800 vacant or underutilised dwellings in Muswellbrook Shire.</p> <p>Infill and renewal have the potential to increase the diversity of housing stock in locations with close access to shops, services and amenities in towns.</p>
Actions	<p><b>1.1 Investigate and test the feasibility and effectiveness of incentives to encourage infill development.</b></p> <p>For example, subsidised development fees, renovation grants or rate concessions. This can be combined with community campaigns to identify and collaborate with landowners to renew or release their underutilised assets.</p> <p><b>1.2 Facilitate partnerships with stakeholders that can collaborate on demonstration projects that deliver housing at scale.</b></p> <p>For example, Council may facilitate a partnership between government agencies and anchor institutions (e.g. health, education) to explore build-to-rent models that have significantly improve feasibility outcomes. Anchor institutions may provide guaranteed income through secure leases for their workforce, and government agencies may contribute free or low-cost land, or tax benefits.</p> <p><b>1.3 Engage with State Government and Community Housing Providers to explore opportunities to renew existing social and affordable housing, and the delivery of new social and affordable housing.</b></p> <p><b>1.4 Review the Muswellbrook Local Environmental Plan 2009 controls to facilitate diverse infill development,</b> including:</p> <ul style="list-style-type: none"> <li>• Explore increasing height controls in appropriate residential zoned areas where maximum height is currently 8.5m</li> <li>• Explore increasing floor space ratio controls in appropriate residential zoned areas, where maximum floor space ratio is currently 0.5:1</li> <li>• Explore reducing minimum lot size controls in appropriate residential zoned areas, where minimum lot size is currently 600 metres</li> <li>• Explore potential updates to LEP Urban Release Areas.</li> </ul> <p><b>1.5 Review and update the Development Control Plan to encourage sustainable housing design</b> that is resilient to Muswellbrook Shire’s natural hazards and changing climate</p> <p><b>1.6 Review Development Control Plan controls to facilitate well-designed, diverse infill development,</b> including:</p> <ul style="list-style-type: none"> <li>• Explore potential updates to Residential Development Controls regarding additional detailed guidance for apartment and medium density development</li> <li>• Explore potential additional site or precinct specific controls for targeted infill areas.</li> </ul> <p><b>1.7 Develop collateral illustrating good examples of small scale attached residential development</b> to encourage the community to support diverse housing types in the Shire. Collateral may include case studies of good design outcomes in similar contexts, and identify key principles to support similar outcomes in Muswellbrook.</p>

Potential delivery partners	<ul style="list-style-type: none"> <li>• Government agencies (e.g. Homes NSW, Landcom)</li> <li>• Anchor institutions (e.g. in health, education, defence)</li> <li>• Private landowners</li> <li>• Social and affordable housing providers (e.g. Home in Place, Hunter Valley Aboriginal Corporation, Wanaruah LALC)</li> <li>• Developers</li> </ul>
-----------------------------	--

### Case study | Moreton Bay infill development incentives<sup>8</sup>

The City of Moreton Bay in regional Queensland enacted an *Incentivising infill development* policy for four years between 2017 and 2021, which provided incentives for landowners to develop within existing town boundaries. The policy provided development application fee refunds and discounted infrastructure charges to developments that provided at least 20 dwellings and commenced within 2 years of the policy being implemented.

### Case study | Western Australia Vacant Property Rental Incentive Scheme<sup>9</sup>

The Western Australian Government is offering a \$5,000 grant from a \$5 million pool to vacant homeowners if they put their property onto the long-term rental market for at least 12 months. This grant scheme follows a similar 6-month scheme to transfer short term rentals to the long-term rental market, which saw over 150 properties rented out.<sup>10</sup>

The property must have been vacant for at least 6 months leading up to May of 2024 to be eligible. Holiday homes are not excluded from this grant. Owners receive payment once the property is occupied by a rental tenant.

### Case Study | Gilgandra short term worker accommodation<sup>11</sup>

Gilgandra Shire Council has entered into an agreement with Inland Rail to build 10 new homes for \$5 million in the Council-owned Aero Park greenfield subdivision, which Inland Rail will subsequently occupy through long-term leases. This agreement has made the development feasible for Gilgandra Shire Council by providing guaranteed income to Council after the up-front costs of development.

These homes will be used for Inland Rail temporary workers, and once they are no longer needed, the houses will be put onto the market for purchase or lease for local Gilgandra residents and essential workers. Developing the land is also anticipated to unlock a further 11 lots in the subdivision area for future development.<sup>12</sup> This means that the project will create legacy impact for the community.

### Case study | Defence Housing Australia<sup>13</sup>

Defence Housing Australia rents investment properties from the private market so Defence Force personnel and their families can live within a 30km radius of Defence bases. This scheme provides landlords with long-term secure leases up to 12 years, guaranteed income even if the property remains vacant for a period, and regular maintenance. As of June 2022, there are 12,000 properties being leased across Australia under this arrangement.<sup>14</sup>

<sup>8</sup> Incentivising infill development, <https://www.moretonbay.qld.gov.au/Services/Reports-Policies/Policies/Incentivising-Infill-Development>

<sup>9</sup> Vacant Property Rental Incentive Scheme, <https://www.wa.gov.au/organisation/departments-of-energy-mines-industry-regulation-and-safety/vacant-property-rental-incentive-scheme#:~:text=The%20Vacant%20Property%20Rental%20Incentive,people%20seeking%20a%20rental%20home>

<sup>10</sup> New incentive scheme for property owners to fill empty homes, <https://www.wa.gov.au/government/media-statements/Cook-Labor-Government/New-incentive-scheme-for-property-owners-to-fill-empty-homes-20240507>

<sup>11</sup> Inland Rail housing partnership enables critical new homes in Gilgandra, <https://inlandrail.com.au/inland-rail-housing-partnership-enables-critical-new-homes-in-gilgandra/>

<sup>12</sup> Housing Project with ARTC Inland Rail + Design and Construct EOI, <https://www.gilgandra.nsw.gov.au/News/Media-Releases/Inland-Rail-Housing>

<sup>13</sup> Lease your investment property to DHA, <https://www.dha.gov.au/investing/ways-to-invest/lease-your-property-to-dha>

<sup>14</sup> Property Investment Australia, <https://www.dha.gov.au/investing>

### Case study | Bomaderry Build-to-rent project<sup>15</sup>

Landcom is delivering a regional pilot build-to-rent project in Bomaderry, located in the Shoalhaven region. The aim of the project is to provide 60 low-rise apartment dwellings that are affordable and provide long-term tenure.

The apartments are catered towards to the diverse needs of key workers, such as education and healthcare workers, with 20% of dwellings to be for low- and moderate-income households. The \$35 million project is funded through the NSW Government's build-to-rent program.



### Case study | Maggie Street, Mayfield East<sup>16</sup>

The Maggie Street development, completed in 2015, contains 4 detached two-storey townhouses on a 939 square metre lot in a low-density residential area.

The townhouses are designed to provide more high-quality affordable housing options that can cater towards diverse household types, including smaller families or young professionals. The dwellings have a shared driveway and flexible car spaces that can be converted to garden spaces, depending on resident needs.



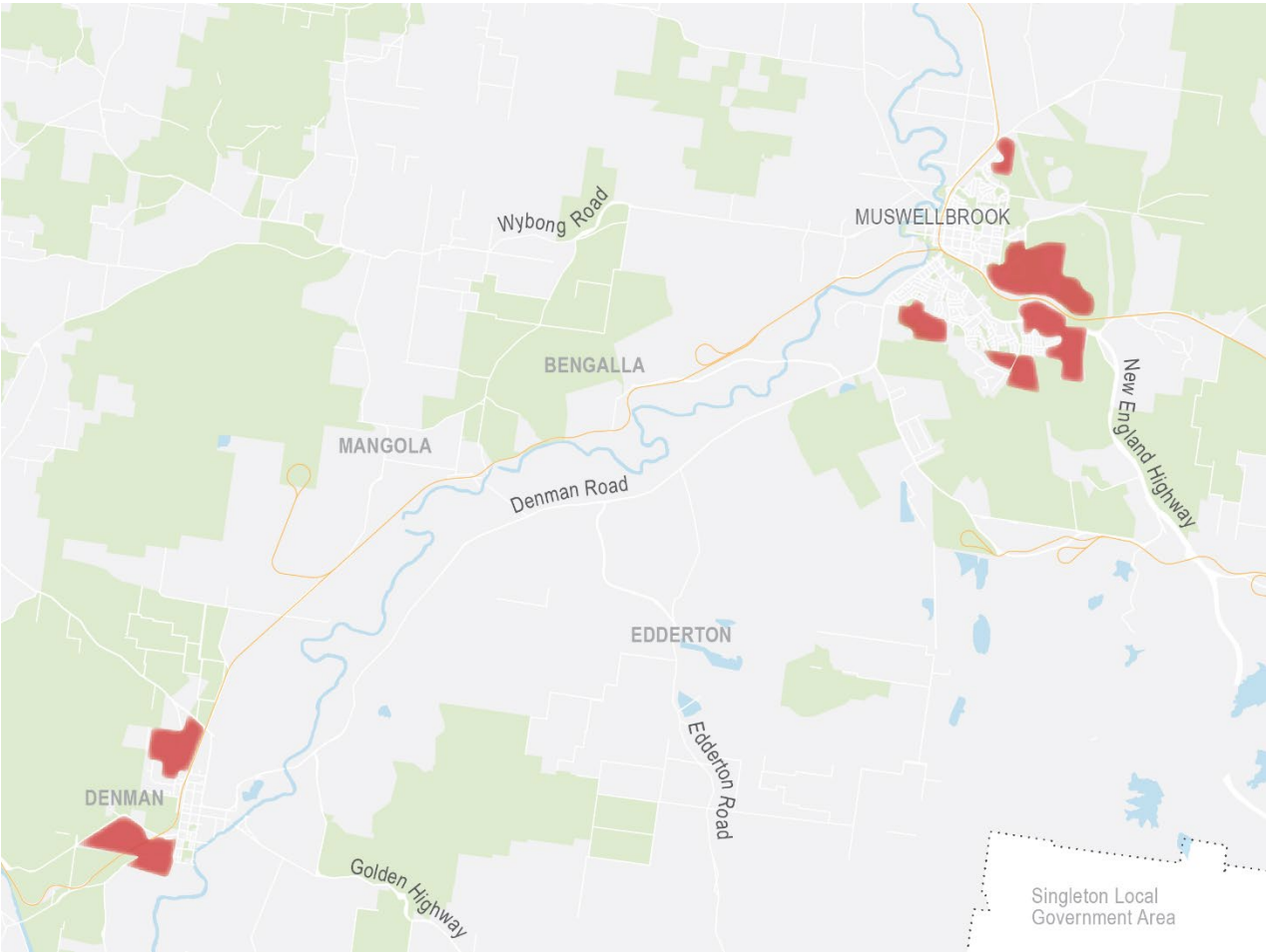
<sup>15</sup> Bomaderry, <https://www.landcom.com.au/projects/bomaderry>

<sup>16</sup> Maggie Street, <https://www.planning.nsw.gov.au/government-architect-nsw/housing-design/good-design-for-housing/housing-map/maggie-street>

## Direction 2 – Greenfield development

Greenfield development refers to the delivery of housing on land that has not been developed before, typically (though not exclusively) on the fringes of existing towns and cities. There are several ongoing greenfield development projects across Muswellbrook Shire, including in South Muswellbrook and Denman.

There are also several sites in Muswellbrook and Denman that have been zoned for residential uses for decades that show no sign of development occurring soon. The cost of constructing essential infrastructure such as roads, water and sewer networks are currently the Shire’s greatest barriers to development on these sites. As the current Contributions Plans have not been updated for a decade, it is unlikely that they sufficiently capture future requirements and cost-sharing responsibilities. This direction seeks to address these barriers and facilitate increased greenfield housing development on the fringes of Muswellbrook and Denman.



Rationale	<p>Opportunity to leverage appropriate, and relatively unconstrained private and government sites for the development of housing.</p> <p>Greenfield development allows for a variety of housing types to be built, such as a mix of larger lifestyle lots or smaller, accessible homes to support an ageing population.</p> <p>Delivery of new detached single dwellings is currently the most feasible housing typology in Muswellbrook Shire, and therefore the most likely to be delivered by the market.</p>
-----------	--

Actions	<p><b>2.1 Undertake infrastructure planning to understand sequencing of infrastructure needs (including open space and community infrastructure) to support development of housing on identified greenfield sites.</b> This should include:</p> <ul style="list-style-type: none"> <li>• A review of the contributions framework in collaboration with key stakeholders to identify sequencing of delivery and feasible cost-sharing</li> <li>• The preparation of new Development Contributions Plans to ensure sufficient and adequately funded infrastructure upgrades across multiple development parcels</li> </ul> <p><b>2.2 Monitor subdivision and development activity to inform updates to infrastructure delivery plans</b></p> <p><b>2.3 Collaborate with landholders to address barriers to developing sites.</b> Council and landholders may explore pilot solutions on target sites to test feasibility and effectiveness for potential implementation at other locations</p> <p><b>2.4 Review the Muswellbrook LEP 2009 to better reflect future urban growth potential</b></p> <p><b>2.5 Investigate implementation of development conditions to prevent net reduction of dwellings</b></p>
Potential delivery partners	<ul style="list-style-type: none"> <li>• Government agencies (e.g. Transport for NSW, Department of Planning, Housing and Infrastructure)</li> <li>• Developers</li> <li>• Landowners, including Government, Aboriginal and private</li> </ul>

### Case study | Gilgandra Aero Park Estate

In response to significant housing stress, including a low residential vacancy rate and anticipated temporary worker influx from Orana Renewable Energy Zone (REZ) projects, Gilgandra Shire Council (GSC) is facilitating new greenfield development on Council-owned land.

GSC released 22 serviced lots between 1,242-1,897m<sup>2</sup> from \$82,500 upwards through local real estate agents as part of the first stage in June of 2024.<sup>17</sup> Infrastructure servicing took place between August of 2023 and completion in June of 2024<sup>18</sup> This was paid for through the GSC capital works budget, which allocated \$2.5 million to the subdivision for the 2023-24 period.<sup>19</sup>

Council is offering rate reimbursements for the first five lots that are sold to catalyse development in the estate, provided the houses are built within two years.<sup>20</sup> Once all stages are complete, the estate will contain 57 residential lots.<sup>21</sup>



<sup>17</sup> Aero Park Estate, <https://gilgandraregion.com.au/aeropark-estate>

<sup>18</sup> Gilgandra Aero Park Residential Subdivision to Commence Construction, <https://www.gilgandra.nsw.gov.au/News/Media-Releases/Gilgandra-Aero-Park-Residential-Subdivision-to-Commence-Construction>

<sup>19</sup> Record breaking capital works program for Gilgandra, <https://westernplainsapp.com.au/NewsStory/record-breaking-capital-works-program-for-gilgandra/6478215cb45beb002870b5bd>

<sup>20</sup> Aero Park Estate - Council releasing residential land, <https://www.gilgandra.nsw.gov.au/News/Media-Releases/Aero-Park-Estate-Council-releasing-residential-land>

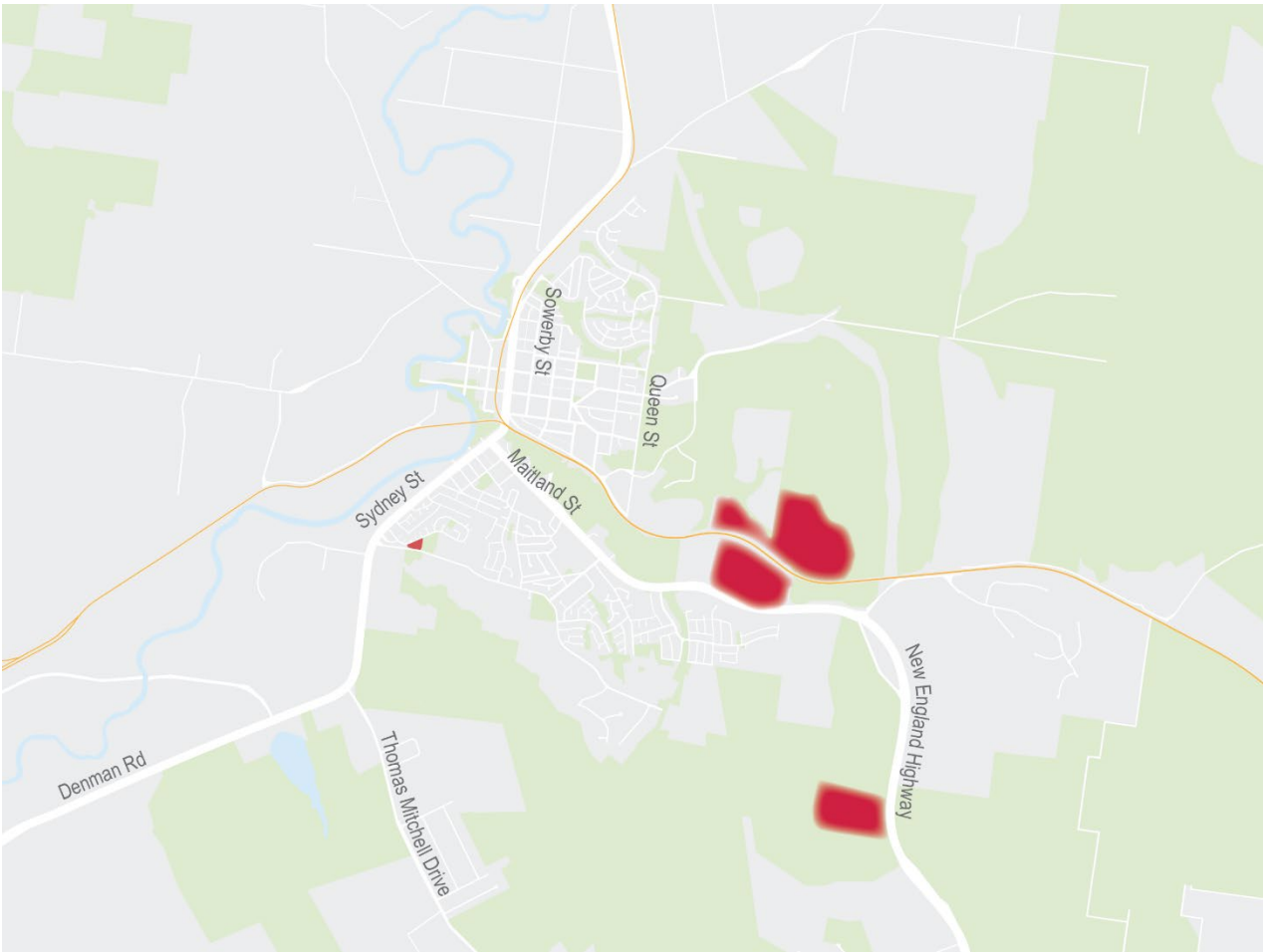
<sup>21</sup> Aero Park Residential Subdivision, <https://www.gilgandra.nsw.gov.au/Live/Works-Projects/Aero-Park-Residential-Subdivision>

# Direction 3 – Temporary worker accommodation

Temporary worker accommodation refers to dwellings and associated amenities to house industry workers in a temporary arrangement.<sup>22</sup>

Muswellbrook requires a significant number of dwellings over the next 5 years to cater for a temporary surge in workers on renewable energy and mining projects. Temporary accommodation provides a solution that can be delivered quickly, and more easily be scaled up or down than permanent housing developments, in response to changing workforce needs.

A few sites have been identified as being appropriate for temporary worker accommodation.



Rationale	<p>Meets the shorter-term and fluctuating housing demand in Muswellbrook that comes with temporary and/or seasonal workforces.</p> <p>As this type of development still requires enabling infrastructure to be delivered to service the dwellings, there is potential to leverage this infrastructure for permanent housing once the temporary accommodation is dismantled.</p>
-----------	---

<sup>22</sup> Explanation of Intended Effect – Temporary workers' accommodation, <https://www.planningportal.nsw.gov.au/draftplans/exhibition/temporary-seasonal-workers-accommodation-toolkit>

Actions	<p><b>3.1 Undertake detailed assessment of priority sites to identify suitability for both temporary and permanent housing.</b> Collaborate with key stakeholders to develop a plan to transition the site from its existing state to temporary and permanent housing, including infrastructure requirements and sequencing, and the delivery of associated amenities and services.</p> <p><b>3.2 Investigate changes to Local Environmental Plan or Development Control Plan controls to allow for temporary worker accommodation</b> in alignment with the NSW Government’s Temporary and seasonal workers’ accommodation: Draft guideline, including:</p> <ul style="list-style-type: none"> <li>• Reviewing <i>Section 2.8 Temporary use of land</i>, to allow for temporary workers’ accommodation</li> <li>• Exploring potential changes to minimum lot size, floor space ratio and maximum height controls on relevant sites to facilitate the transition of temporary workers’ accommodation into permanent residential development</li> <li>• Investigating potential rezoning of 8637 New England Highway, Muswellbrook, to allow for temporary workers’ accommodation and future permanent residential development</li> </ul> <p><b>3.3 Collaborate with modular, temporary and portable housing developers to identify and advocate for options that are aligned with Muswellbrook Shire’s character to minimise impacts on the local community.</b></p> <p><b>3.4 Explore shared accommodation options that can house the temporary workforce from multiple projects at different points in time</b> to minimise impact on the community and environment. Collaborate with key infrastructure delivery stakeholders to understand delivery programs and workforce requirements to ensure efficient transitions.</p>
Potential delivery partners	<ul style="list-style-type: none"> <li>• Industry and government stakeholders involved in major projects (e.g. EnergyCo, mining companies)</li> <li>• Landowners</li> <li>• Modular and temporary dwelling manufacturers</li> </ul>

### Case Study | Moree Accommodation Village<sup>23</sup>

The Moree Accommodation Village was built in 2021 to house 300 Inland Rail workers at Moree. The facilities are serviced, with food and amenities provided on-site. The facility is managed by Blackdown Accommodation Services, who provide catering, maintenance and services.<sup>24</sup>

The facility caters for an influx of workers to a regional town without significantly disrupting the local rental housing market.



<sup>23</sup> Moree Accommodation Village, <https://inlandrail.artc.com.au/moree-accommodation-village/>

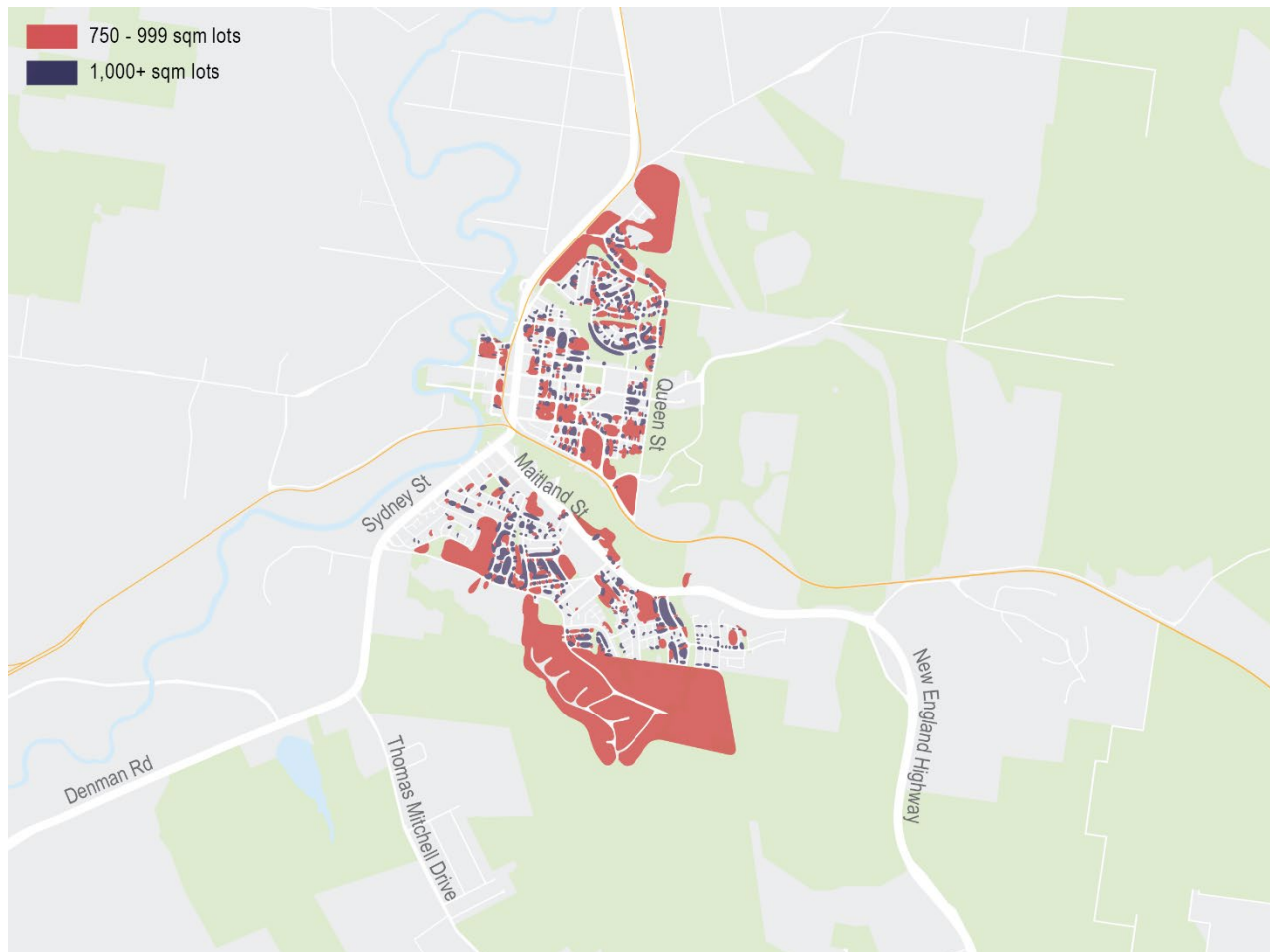
<sup>24</sup> Inland Rail Accommodation Facility Provides Opportunity, <https://www.markcoultan.com.au/inland-rail-accommodation-facility-provides-opportunity/>

## Partnership direction – Secondary dwellings

Secondary dwellings, also known as granny flats, are smaller dwellings located on the same lot as a primary dwelling.<sup>25</sup> A secondary dwelling can be separate, within or attached to the primary dwelling.

There is an opportunity to deliver additional housing stock through secondary dwellings in established communities where infrastructure, services and amenities already exist.

The map below identifies areas that may be appropriate for secondary dwellings, based on the general size of lots.



Rationale	<p>Increases housing stock diversity, providing smaller dwellings for Muswellbrook Shire's increasing number of lone person, couple only and elderly households. There is also potential for secondary dwellings to provide both temporary or permanent housing solutions depending on the product.</p> <p>This type of development presents additional economic opportunities for local landowners while also providing more affordable and diverse housing options.</p>
-----------	---

<sup>25</sup> Secondary dwellings, <https://www.planning.nsw.gov.au/policy-and-legislation/housing/housing-sepp/secondary-dwellings>

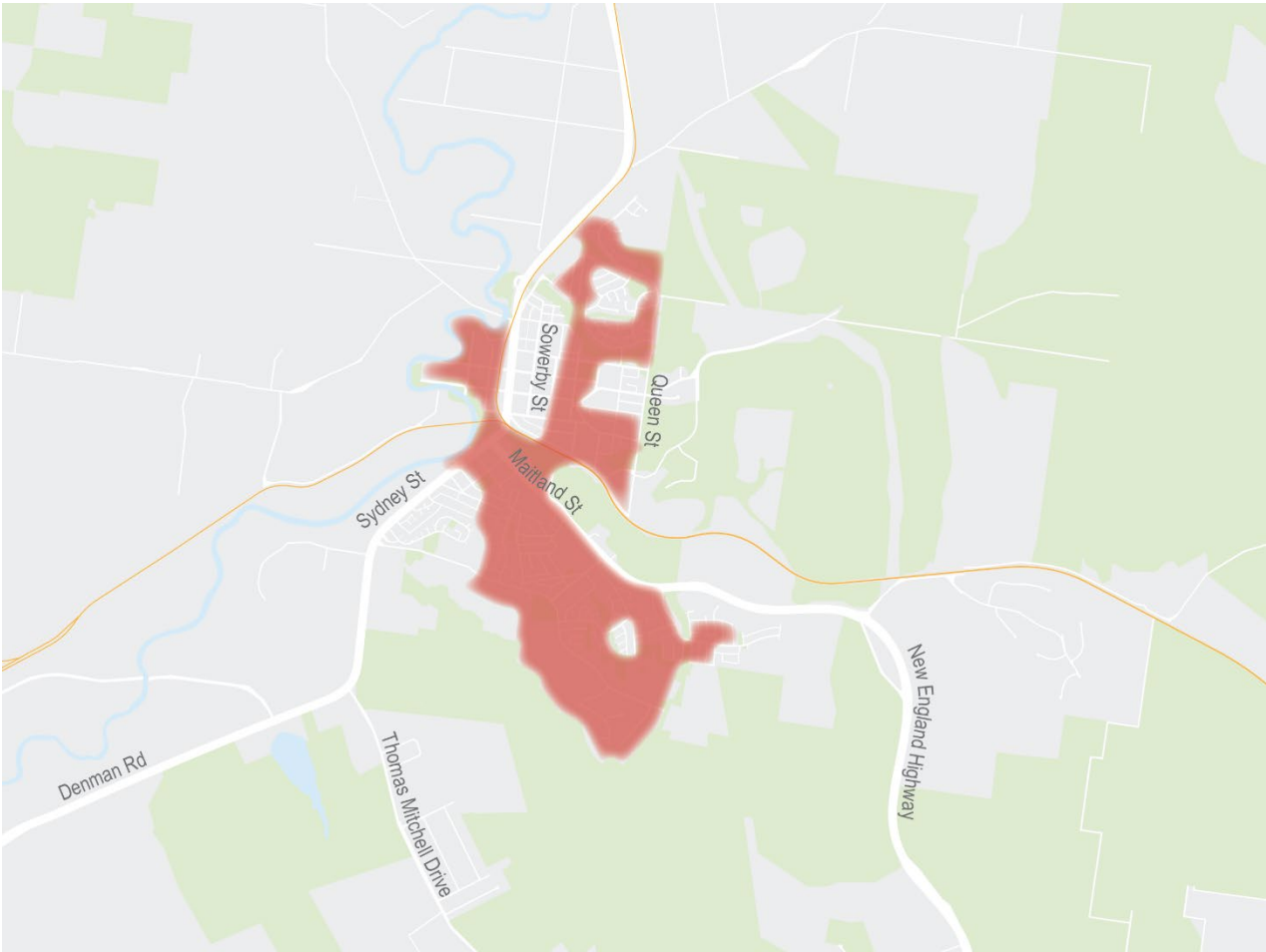
<b>Actions</b>	<p><b>PD1 Investigate the potential effectiveness and feasibility of secondary dwelling incentives</b>, including but not limited to subsidised development application fees, construction grants and waiving of development contribution fees.</p> <p><b>PD2 Collaborate with industry to raise awareness on the processes, costs and benefits involved in the development of secondary dwellings to landowners.</b> For example, Council may organise a secondary homes expo to showcase the variety of options available.</p>
<b>Potential delivery partners</b>	<ul style="list-style-type: none"> <li>• Landowners</li> <li>• Industry (e.g. secondary dwelling developers and manufacturers)</li> </ul>



# Partnership direction – Increasing utilisation

Data suggests that there are a significant number of underutilised dwellings across the Muswellbrook Shire. Analysis shows that approximately 80% of dwellings in Muswellbrook Shire have at least one spare bedroom and approximately 53% have 2 or more spare bedrooms.

Unlocking these bedrooms by releasing them to the rental market can respond to both short and long-term accommodation needs almost immediately, as it does not require major financial investment of construction. The map below identifies areas that may have a high number of underutilised bedrooms.



Rationale	<p>Increasing the utilisation of existing housing stock increases housing supply in a low-cost and timely manner as there is no need to release new land or deliver infrastructure.</p> <p>This non-build solution can help Muswellbrook Shire respond to the fluctuation housing needs of its dynamic economy and workforce. It is suitable for both short and long-term tenants, which can reduce the pressure that such fluctuations have on the broader rental market.</p>
-----------	--

<b>Actions</b>	<p><b>PD3 Investigate the potential effectiveness or feasibility of incentives to facilitate increased bedroom utilisation.</b> For example, subsidised removalist and/or storage costs, or grants to make minor improvements to a dwelling (e.g. locks on bedrooms, paint, additional fire alarms)</p> <p><b>PD4 Advocate to Federal and State Government for changes to relevant policies that could encourage increased bedroom utilisation.</b> For example, tax holidays or streamlined short-term tenancy agreements</p> <p><b>PD5 Develop and run community campaigns to identify and engage homeowners of underutilised dwellings with incentives to lease out empty rooms.</b></p> <p><b>PD6 Explore partnerships to deliver a platform or alternative mechanism to facilitate pairing homeowners with prospective tenants.</b></p>
Potential delivery partners	<ul style="list-style-type: none"> <li>• Homeowners</li> <li>• Government agencies</li> <li>• Platform partners (e.g. real estate agents, short-term rental providers)</li> </ul>

### Case study | Tax exemption - UK Rent a Room Scheme<sup>26</sup>

The UK Government runs a program which aims to increase the utilisation of existing housing stock by providing income tax exemptions. The program allows for a maximum of maximum of £7,500 tax-free to be generated when letting out furnished accommodation within a home. The exemption is:

- Halved if the host shares an income with a partner or someone else
- Automatic if the host earns less than £7,500 from the room. If the income exceeds this amount, then the owner must fill out a tax return
- Available to resident landlords, people who run B&Bs, or people who run guest houses.

### Case Study | Airbnb major event host campaigns

To cater for significant influxes in demand for short-term accommodation associated with major events, Airbnb periodically launches media campaigns to attract hosts to the platform.

In January of 2024, Airbnb released a campaign to attract hosts to cater for major tourism events in Melbourne, including the Australian Open and Taylor Swift concerts.<sup>27</sup> The company outlined the benefits of becoming a host during these periods, which included up to \$2,000 income on average during the Australian Open period.

Similar programs have been rolled out worldwide. For example, Airbnb in the UK offered £100 travel coupons to first-time hosts willing to let out their property during Wimbledon.<sup>28</sup> These campaigns have made it possible to accommodate significant numbers of people in regular properties during major tourism events.

<sup>26</sup> Rent a room in your home, <https://www.gov.uk/rent-room-in-your-home/the-rent-a-room-scheme>

<sup>27</sup> Melbourne Airbnb Hosts set to welcome guests for major events, <https://news.airbnb.com/en-au/melbourne-airbnb-hosts-set-to-welcome-guests-for-major-events/>

<sup>28</sup> Airbnb launches incentive for new Hosts ahead of iconic tennis tournament, <https://news.airbnb.com/en-uk/airbnb-launches-incentive-for-new-hosts-to-rent-space-ahead-of-wimbledon/>

## Monitoring and evaluation

This section presents an approach to monitoring the status, and evaluating the impact, of actions set out in the Local Housing Strategy. Monitoring and evaluation is essential to understanding how the implementation of the strategy is progressing, and whether changes need to be made to the actions to improve intended outcomes.

As this strategy guides Council's activities over the next ten years (2025 – 2035), the status of actions will be tracked annually, with a mid-way review in 2030 to report on outcomes and amend directions and actions as required.

There are two key activities associated with monitoring and evaluation:

- Activity monitors – reporting the status of actions, for example what is currently underway and what has been completed
- Outcome monitors – tracking change in the housing market to understand the impact of actions, or identify new opportunities and challenges that need to be addressed

The following table identifies examples of measures and relevant data sources or activities that may be used to monitor outcomes.

Outcome Measure	Data / activity
The diversity of housing typology has increased	<ul style="list-style-type: none"> <li>• Dwelling structure (STRD), ABS Census</li> <li>• Occupation Certificates issued, Muswellbrook Shire Council</li> </ul>
There diversity of housing tenure has increased	<ul style="list-style-type: none"> <li>• Tenure type (TEND) and Tenure and landlord type (TENLLD), ABS Census</li> </ul>
The number of unoccupied dwellings and bedrooms in Muswellbrook Shire has decreased	<ul style="list-style-type: none"> <li>• Dwelling type (DWTD), ABS Census</li> <li>• Housing suitability (HOSD), ABS Census</li> </ul>
Housing affordability has improved	<ul style="list-style-type: none"> <li>• Community sentiment survey, Muswellbrook Shire Council</li> <li>• Equivalised total household income (weekly) (HIED), ABS Census</li> <li>• Rent and sale report, Department of Communities and Justice</li> <li>• Social housing waitlist, Department of Communities and Justice</li> </ul>
Residents are able to find houses that suit their needs	<ul style="list-style-type: none"> <li>• Community sentiment survey, Muswellbrook Shire Council</li> <li>• Housing suitability (HOSD), ABS Census</li> <li>• Rental vacancy rate, SQM research</li> </ul>
The gap between dwelling approvals and completions has reduced	<ul style="list-style-type: none"> <li>• Development Applications approved, Muswellbrook Shire Council</li> <li>• Occupation Certificates issued, Muswellbrook Shire Council</li> </ul>

# Appendices



# Appendix A – Engagement summary

The purpose of engagement as part of the Local Housing Strategy development was to inform and consult with stakeholders regarding the following:

- Understanding the community's values and preferences in relation to housing
- Validating the community's housing concerns and aspirations
- Validating the evidence base and desktop research, and addressing any gaps
- Understanding relevant demand, supply and feasibility drivers

## Activities and reach

### Community engagement

Astrolabe conducted the following activities to capture community sentiment on housing concerns, preferences and needs:

- Online survey
- 1800 phone number message bank

Details are highlighted in the table below.

	Survey	Phoneline
Dates active	6 August – 26 August 2024	12 August - 4 September 2024
Reach	86 responses	0 calls received
How it was advertised	<ul style="list-style-type: none"><li>• Posts on Council's Facebook page</li></ul>	<p>Posters with the phone number and key questions were on display in the following locations (See Appendix A1):</p> <ul style="list-style-type: none"><li>• PCYC Muswellbrook</li><li>• Muswellbrook Shire Aquatic Centre</li><li>• Muswellbrook Library</li><li>• Denman Library</li><li>• Denman Men's Shed</li><li>• Muswellbrook Shire Council office</li></ul>

### Stakeholder engagement

Eight organisations were selected for engagement in agreement with Council based on their work supporting the community in relation to housing needs, or ability to provide insights into the housing market generally. Stakeholders were asked questions regarding:

- Key housing issues
- How the community have responded to issues
- Changing community housing needs
- Existing and emerging vulnerable cohorts, and their housing needs

The following stakeholders were engaged:

Stakeholder	Format
<b>Merton Living Denman</b> Merton Living provides independent retirement living and residential aged care. They accept low means residents who cannot afford the accommodation payments.	In person
<b>Hunter Valley Aboriginal Corporation</b> The Hunter Valley Aboriginal Corporation provides subsidised housing, support referral and community development services for Aboriginal and Torres Strait Islander individuals.	In person
<b>Wanaruah Local Aboriginal Land Council</b> The Wanaruah Local Aboriginal Land Council supports Aboriginal and Torres Strait islander individuals in Muswellbrook and the broader Aboriginal community. They assist people in finding affordable and social housing.	In person
<b>Home in Place</b> Home in Place support individuals through providing social, affordable, transitional and specialist disability accommodation, and wrap around support including community development services.	Virtual
<b>Upper Hunter Homeless Support</b> Upper Hunter Homeless Support are a specialised service who service the Upper Hunter communities and work with people who are homeless or are at risk of homelessness. They specialise in domestic violence support.	Virtual
<b>Muswellbrook Shire Council, Community Services Team</b> Council's Community Services team supports vulnerable communities in Muswellbrook through providing limited housing stock.	In person
<b>Muswellbrook Shire Council, The Welcome Experience team</b> <i>Katrina Kiely – Community Connector</i> The Welcome Experience Team facilitates relocations of people into Muswellbrook LGA through a concierge-like service.	Virtual
<b>Warburton Estate Agents</b> One of the largest real estate agents in the Hunter, specialising in residential and rural property for purchasing and leasing.	In person
<b>Professionals Boyle Estate Agents</b> A real estate group based in Muswellbrook that deliver services in purchasing and leasing properties in Muswellbrook LGA.	In person

# Results and insights

## Community survey

The following section presents a summary of the questions asked in the survey, and highlight some of the responses received.

### Q1: Where do you live? (86 responses)



### Q2: What is your current living situation? (86 responses)



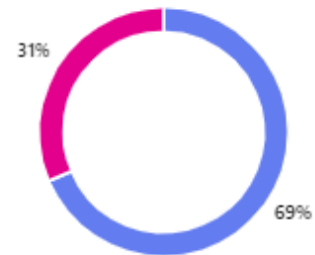
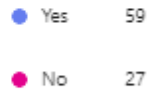
### Q3: Why do you choose to live in the Muswellbrook LGA? If you don't live here, why are you thinking of relocating to the Muswellbrook LGA? (83 responses)

The top 3 responses were related to:

- Work (or partner’s work)
- Family and community
- History (grew up in Muswellbrook or nearby)

“Lived here all my life, moved to different towns, but they never felt like home.”

**Q4: Does your current place meet your needs?** (86 responses)

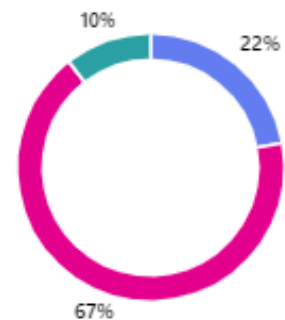


**Q5: If you answered ‘no’, how does your current place not meet your needs? Think about location, number of bedrooms, cost and any other factors important to you** (29 responses)

Top responses included:

- Too small
- Cost of rent/mortgage repayments too high
- Not enough bedrooms

**Q6: Do you think there are enough housing options in the Muswellbrook LGA? For example, would you be able to move somewhere else in the area if needed, or is the size of house you are interested in available?** (86 responses)



**Q7: Are there barriers to being able to access the type of house you prefer? If yes, what are those barriers?** (70 responses)

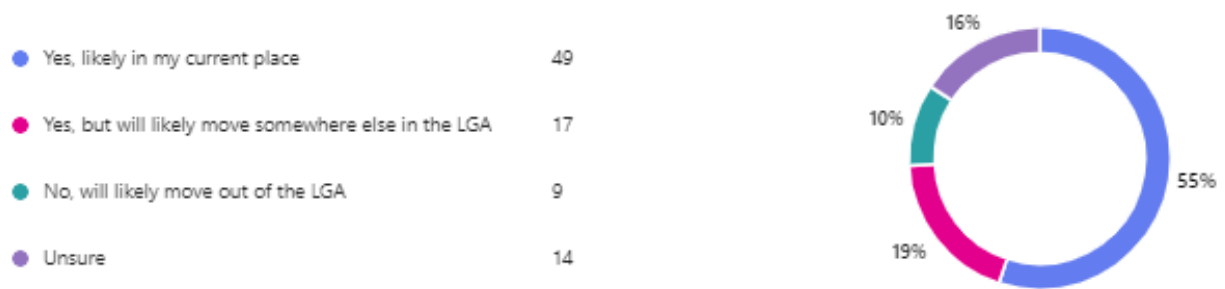
Top responses included:

- Cost
- Availability
- Suitability

“No houses available in an affordable price.”

“Lack of retirement/small housing and units.”

**Q8: Do you plan on living in Muswellbrook LGA for the next 5-10 years?** (86 responses)



**Q9: How do you think your housing needs will change in the next 5-10 years? Think about size, cost, access to services and any other factors that are important to you** (86 responses)

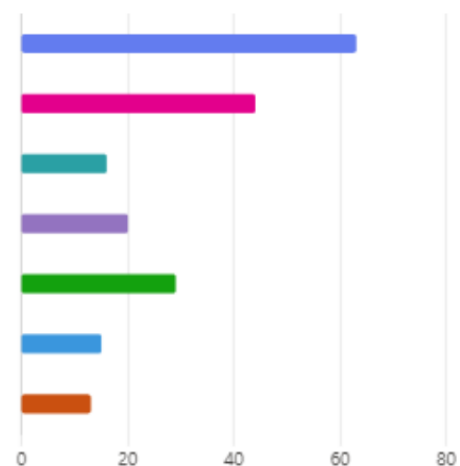
Top responses included:

- Larger lots
- Downsizing

“We would be looking at buying in the next 10 years and looking at small acreage or larger blocks for the kids to have space.”

**Q10: What factors would influence your choice of house in the next 5-10 years? Select all that apply** (86 responses)

Affordability	63
Proximity to work and/or services	44
Having a smaller place	16
Having a larger place	20
Having a place on a large lot of land	29
Live close to relatives	15
Other	13



**Q11: How do you rate housing affordability in Muswellbrook LGA? 1 = my rent/mortgage is very affordable; 5 = my rent/mortgage is very unaffordable** (86 responses)



**Q12: Have you made changes to your housing situation due to affordability in the last 5 years? If yes, please describe** (69 responses)

Top responses included:

- No
- Affordability issues

“Relocated to afford rent cut back on most leisure items. I don't leave the house on my days off because I can't afford to do anything or go anywhere.”

**Q13: Do you have any other comments about the cost of housing in Muswellbrook LGA?** (62 responses)

Responses included:

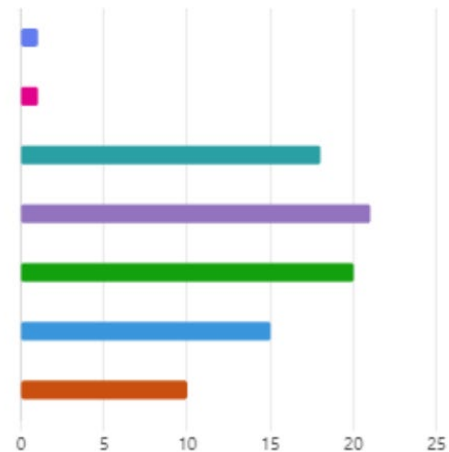
“Too expensive for single people on low incomes. I have to share with family otherwise would be homeless”

“It needs more apartments in and around the CBD. Rentals should be required to have solar panels on them to help with the cost of electricity given our proximity to the power industry. The mines should be made to pay for new houses to the market to the equivalent amount they removed. For each 5 houses, 1 should be allocated to council to assist with housing for essential workers, refuge or temporary accommodation. It could also add to councils portfolio with the rent being used to offset events”

“Those who do rent and or live in low income housing also need the support and facilities to enable the to grow or achieve a better living situation. Building need to be maintained and managed better, not given run down fibro housing. All people deserve dignity and support.”

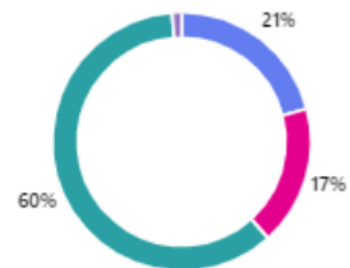
#### Q14: How old are you? (86 responses)

Under 18	1
18-24	1
25-34	18
35-44	21
45-54	20
55-64	15
65+	10



#### Q15: How long have you lived in Muswellbrook LGA? (86 responses)

Less than 5 years	18
5 - 9 years	15
10 years or more	52
I don't live here	1



#### Stakeholder engagement

Majority of stakeholders felt that housing in Muswellbrook is unaffordable, and the availability of housing is extremely low.

Stakeholders raised how many people in the community are being forced to move out of their property due to rent increases and the rise in interest rates is affecting people's ability to afford their mortgage. The change in affordability has been significant, Upper Hunter Homeless Support stated there has been a 13.3% rent increase from June 2023-2024, and Warburton Real Estates' rental vacancy has been less than 1% for the last three years, currently at 0.45%.

Stakeholders raised the community's strong desire to stay living within the area, for example Merton Living receives many enquiries from older people who can't afford to buy a unit but still want to reside within Denman. Similarly, real estate agents often deal with single parents and young couples who can't afford the current rental prices which results in overcrowding of houses to stay within their community.

Many stakeholders agreed that the housing available is unsuitable for the demand and there is a high need for housing that caters to large families and single people.

With the increase in population and affordability challenges, the demand for social housing is increasing however some of the stock is unsuitable. Wanaruah LALC and Hunter Valley Aboriginal Corporation (HVAC) highlighted how lots of social housing remains empty as it is unfit to live there and too costly to repair.

There is an opportunity to invest in upgrading existing blocks to meet the demand for new housing preferences.

Home in Place believes further investment is needed by the State Government to divide up existing blocks of land into multiple units and be proactive in investment before housing becomes unfit to live. However, Warburton Real Estate highlighted that providing the right housing type to meet community preferences will not guarantee it will be allocated to people who need it.

Real estate agents highlighted investor preferences in brick housing over other materials such as fibro as it produces the best return.

Landlords prefer to lease their properties to people within the mining workforce.

Majority of stakeholders highlighted the community must compete with the coal mining workforce due to landlords prioritising tenants who work in the mines.

Whilst services providers cater to many community housing needs, there are still gaps and unmet needs within the system.

Wanaruah LALC and HVAC believe that Muswellbrook should host a men's shelter as there is a trend in older men seeking service providers and no option for this cohort within the system.

There are challenges with staffing across services. There is a need for more staff and requirement for staff accommodation to service aged care.

There is a gap in the system for the 'working homeless', people who work fulltime but are unable to afford housing.

# Appendix B – Economics of development in Muswellbrook Shire

Astrolabe undertook a strategic feasibility analysis on different development typologies in Muswellbrook and Denman. The purpose of this analysis was to understand barriers to housing development in the Shire by providing an indication of profitability and thus, likelihood and ability of the private market to deliver new housing.

The development typologies explored in the feasibility analysis included:

- Detached suburban dwelling in Muswellbrook and Denman
- Rural lifestyle lot in Muswellbrook and Denman
- Three-story walk-up apartment building in Muswellbrook
- Semi-detached dwelling development in Muswellbrook

The tables below highlight the general income, costs and profit associated with each of these developments. The outputs show that higher density developments are likely to result in a loss, which would indicate a lack of interest for developers to deliver these housing typologies. While detached dwelling typologies are more likely to result in a profit (except detached dwellings in Denman), the margins are still lower than what is traditionally accepted by industry. This would indicate a lower rate of development, as industry is more reluctant to take on the risks of development.

Table: Feasibility analysis – Muswellbrook

	Detached suburban	Rural lifestyle	Apartment building (12 units)	Semi-detached (3 units)
Gross income <sup>29</sup>	\$731,000	\$1,000,000	\$3,600,000	\$1,050,000
<b>Costs</b>				
Land <sup>30</sup>	\$194,000	\$335,000	\$220,000	\$155,000
Construction <sup>31</sup>	\$337,000	\$417,000	\$3,079,000	\$1,175,000
Fees <sup>32</sup>	\$75,000	\$99,000	\$640,000	\$267,000
<b>Summary</b>				
Development costs	\$606,000	\$851,000	\$3,939,000	\$1,597,000
Net income <sup>33</sup>	\$682,000	\$939,000	\$3,292,000	\$968,000
Estimated profit	\$76,000	\$88,000	-\$647,000	-\$629,000
Estimated profit (%)	13%	10%	-16%	-39%

<sup>29</sup> Income based on potential sale price. Sale price assumptions reflect recent sales in Muswellbrook for similar properties (via [www.domain.com.au](http://www.domain.com.au))

<sup>30</sup> Cost of land assumptions reflect recent sales in Muswellbrook for similar properties (via [www.domain.com.au](http://www.domain.com.au))

<sup>31</sup> High level construction costs sourced from [www.bmtqs.com.au/construction-cost-table](http://www.bmtqs.com.au/construction-cost-table)

<sup>32</sup> Fees include legal and professional fees, contingency, Council fees and contributions, and interest on financing

<sup>33</sup> Gross income less GST paid

Table: Feasibility analysis – Denman

	Detached suburban	Rural lifestyle
Gross income <sup>34</sup>	\$600,000	\$875,000
<b>Costs</b>		
Land <sup>35</sup>	\$159,000	\$257,000
Construction <sup>36</sup>	\$337,000	\$417,000
Fees <sup>37</sup>	\$86,000	\$96,000
<b>Summary</b>		
Total development costs	\$582,000	\$770,000
Net income <sup>38</sup>	\$560,000	\$818,000
Profit (total)	-\$22,000	\$48,000
Profit (%)	-4%	6%

<sup>34</sup> Income based on potential sale price. Sale price assumptions reflect recent sales in Denman for similar properties (via [www.domain.com.au](http://www.domain.com.au))

<sup>35</sup> Cost of land assumptions reflect recent sales in Denman for similar properties (via [www.domain.com.au](http://www.domain.com.au))

<sup>36</sup> High level construction costs sourced from [www.bmtqs.com.au/construction-cost-table](http://www.bmtqs.com.au/construction-cost-table)

<sup>37</sup> Fees include legal and professional fees, contingency, Council fees and contributions, and interest on financing

<sup>38</sup> Gross income less GST paid

# Appendix C – Muswellbrook Shire

## Integrated Water Cycle Management Plan

Muswellbrook Shire Council's Integrated Water Cycle Management Strategy (IWCMS) was last updated in July 2021. The IWCMS is Council's 30-year strategy for the provision of appropriate, affordable, cost-effective and sustainable urban water services. As part of the development of the IWCMS, a 0.4% annual growth rate was considered as the most likely population scenario.

The table below presents the IWCMS population scenario and compares it against the three populations scenarios developed as part of the Local Housing Strategy (LHS) to 2041. The red cells indicate where the ICWMS scenario (resident population only) is lower than the LHS scenarios.

The comparison shows that:

- The population scenario used in the ICWMS is lower than all three LHS scenarios in 2026
- The ICWMS population scenario is greater than both the low and moderate growth LHS population scenarios by 2041
- The ICWMS population scenario is lower than the high growth LHS scenario at each recorded year.

Table: Feasibility analysis – Muswellbrook

	2026	2031	2036	2041
IWCMS Strategy population scenario				
Resident population	16,620	17,033	17,352	17,679
Average visitors	920	979	986	994
Total average	17,540	18,011	18,337	18,674
LHS population scenario				
Low growth	17,370	16,152	16,340	16,034
Moderate growth	16,779	17,068	17,266	17,387
High growth	16,779	17,450	18,148	18,874
Difference – IWCMS Strategy against LHS				
Low growth	-750	881	1,012	1,645
Moderate growth	-159	-35	86	292
High growth	-159	-417	-796	-1,195

## Appendix D – Development activity

Astrolabe undertook analysis of Council’s development data to highlight approval and construction activity across Muswellbrook Shire. The purpose of this analysis was to understand if and how the rate of development has changed over time and provide insights into the future development pipeline.

The analysis looked at three key development activities:

- Dwelling approvals (via Development Application and Complying Development Certificate data)
- Dwelling completions (via Occupation Certificate data)
- Subdivision approvals (via Development Application and Complying Development Certificate data).

It is important to note that as there were limitations to the data analysed, the findings from this analysis may contain some discrepancies. Although the findings presented are not absolute, they provide a fair indication of the Shire’s development landscape.

Limitations of the data include:

- Inconsistent development descriptions which may have resulted in a small number of developments not being counted, or being counted twice
- Inconsistent use of addresses which may have resulted in a small number of developments being excluded from dwelling completion totals
- Inconsistent subdivision descriptions which may have resulted in a small number of lots being excluded from new subdivision totals

The findings from this analysis are presented in the table below.

Table: Development activity summary

	2019	2020	2021	2022	2023	2024 <sup>39</sup>
<b>Subdivision approvals</b>	<b>15</b>	<b>4</b>	<b>8</b>	<b>7</b>	<b>12</b>	<b>11</b>
New lots created	3	16	1	4	72	199
<b>DA approvals</b>	<b>60</b>	<b>48</b>	<b>69</b>	<b>65</b>	<b>50</b>	<b>23</b>
Demolitions	23	13	4	3	3	4
New dwellings	25	28	48	46	40	19
Secondary dwellings	1	2	6	6	2	3
Dual occ./multi-dwelling	3	0	1	1	2	0
<b>DA approvals with an OC</b>	<b>20</b>	<b>30</b>	<b>42</b>	<b>29</b>	<b>13</b>	<b>1</b>
<b>OC as % of DA approvals</b>	<b>69%</b>	<b>100%</b>	<b>76%</b>	<b>55%</b>	<b>30%</b>	<b>5%</b>

These findings show that:

- Since 2019, just over 230 new dwellings have been approved (including secondary dwellings, dual occupancies and multi-dwelling developments). Of these approvals, approximately 135 have been completed (58%)

<sup>39</sup> Up to and including August 2024

- In the last two years, there has been a significant amount of subdivision approvals and new lots created (approximately 270 new lots)
- Approvals for secondary dwellings or multi-dwelling developments make up a very small number of total approvals
- Since 2021, the rate of dwelling completions has continued to decline. Approximately 76% of dwellings approved in 2021 have been issued Occupation Certificates, compared to 55% and 30 in 2022 and 2023.