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Dated: 26 October 2006

* This document has been reviewed by the Director of the Spatial Planning Group, MacroPlan Australia. This document is for discussion purposes only unless signed and dated by the person(s) identified.

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9.4 Product Mix – Type and Location

10 Summary of Issues

10.1 People
10.2 Places
10.3 Product
1 Executive Summary

1. The Student Accommodation Study has been undertaken to inform the City of Whitehorse on the current student population residing in the municipality, the supply of purpose built student accommodation and the forecasted demand for more facilities. The study also seeks to inform the CoW in relation to the appropriate design of student housing and how the student market can benefit the municipality.

2. Box Hill Institute of TAFE and Deakin University are the two tertiary institutions driving demand for student accommodation. There are approximately 48,000 students, including an estimated 3800 international students. A further 2900 international students attend Deakin University’s Toorak campus, which is currently being relocated to Burwood.

3. Student accommodation is different to traditional forms of housing. The market is affected by international exchange rates (ability to pay), government policy and other factors generally associated with international export markets. Moreover, the demand for student housing is cyclical peaking twice a year (Feb. & July). Due to long holiday periods student accommodation is subject to higher than average residential vacancy levels. However, vacancies are factored into the price of the accommodation.

4. Demand for purpose built student housing is primarily driven by the international student market who use an estimated 95% of the purpose built student accommodation beds. The market has progressively increased over the past 10 years. Any change to the number of international students is likely to have an impact on the demand for housing.

5. There are three main locational factors that drive student housing demand. They are:

   - Comfortable walking distance from the institution(approximately 500 metres)
   - Excellent access to public transport
   - Within a vibrant and active environment (e.g. Box Hill Activity Centre / Neighbourhood Centres)
6. Affordability is extremely important to students. Although there is a range of housing on offer in the municipality, generally there is a limit to the amount of money students have to spend on accommodation. Affordability can be achieved through a range of design concessions, such as minimising open space and common areas and reducing the need for carparking. This is particularly the case in developments occupied by a large majority of international students.

7. Accommodation that does not have the right locational aspects will have significantly reduced demand. To compensate, weekly rents would have to be reduced accordingly and may not provide the expected returns to those investing in student accommodation developments.

8. The average cost for a studio / bedroom in a purpose built facility is approximately $180-200 per week. This is based on having the right locational attributes.

9. There are limited places available in the existing accommodation facilities which are subject to high cyclical occupancy rates, with demand generally outstripping supply.

10. Three types of student accommodation ‘supply gaps’ have been identified in the City of Whitehorse. These gaps represent the need for an increase in:
   - ‘Purpose built’ student accommodation facilities
   - Less expensive housing options within purpose built facilities
   - Mixed use development, incorporating student accommodation and café culture

   In the context of locational characteristics, appropriate facilities could be built in neighbourhood shopping centres, along effective transport corridors and within close proximity to the educational institutions.

11. Like any market there are potential influences that could substantially alter the future student accommodation market demand. These include:
   - Major ‘on-campus’ development
   - Change in international student market profile
   - Global education trends
   - Change in Australia’s migration policies

12. Our research indicates that the student accommodation market is growing in the City of Whitehorse due to:
   - General growth in the overseas student market
   - Specific growth in the international student numbers in the institutions in Whitehorse

13. Students attending Deakin University or Box Hill Institute of TAFE who are already living in Whitehorse are less likely to move into student accommodation. Those coming to the area specifically to study are the primary market for student accommodation providers.

14. The student housing market provides an important opportunity for the local economy. Direct economic benefits include:
   - Increased retail / entertainment/ expenditure
   - Employment opportunities in construction and service / support based industry
Indirect economic benefits include:

- Employment multipliers
- Efficient use of existing educational facilities
- Branding and market positioning for the City of Whitehorse within the global education economy
- Increased residential density with minimal vehicle trip generation
- Leveraging for the provision of increased support services / facilities (e.g. medical / community hub)
- Creation of local labour market seeking casual work.

15. International student growth at Box Hill Institute of TAFE and Deakin University is forecasted to grow at a rate of 7% per annum.

16. Currently, 11.2% of International Students are using purpose built student accommodation. Based on the full vacancy of most existing units and research it is expected that demand could be closer to 15%.

17. Moving forward, the City of Whitehorse is expected to have the following number of international students attending local institutions which would require the corresponding number of additional beds:

<table>
<thead>
<tr>
<th>Year</th>
<th>No. of International Students in CoW</th>
<th>Additional beds needed from present</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>8319</td>
<td>822</td>
</tr>
<tr>
<td>2015</td>
<td>11,668</td>
<td>1324</td>
</tr>
<tr>
<td>2020</td>
<td>16,365</td>
<td>2029</td>
</tr>
<tr>
<td>2025</td>
<td>22,953</td>
<td>3017</td>
</tr>
<tr>
<td>2030</td>
<td>32,193</td>
<td>4403</td>
</tr>
</tbody>
</table>

18. Design issues that must be addressed include student liveability, residential interface, building appearance and the appropriateness of private or communal living arrangements.

19. Issues arising from the design of student accommodation are central to achieving an acceptable standard of living for the occupants. Managers of existing facilities have highlighted that students have varying needs, which derive from their cultural background. Detailed specification of room or unit characteristics within a planning policy would not allow the policy to properly catered for or adapt to changing student demands.
20. Based on the current mix of accommodation types, and limited vacant land in the municipality, it is considered that the required number of additional beds be provided in the following amounts.

<table>
<thead>
<tr>
<th>Product Type</th>
<th>No. of beds 2006</th>
<th>Required no. of beds 2010</th>
<th>Required no. of beds 2015</th>
<th>Required no. of beds 2020</th>
<th>Required no. of beds 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Townhouse</td>
<td>28</td>
<td>125</td>
<td>175</td>
<td>245</td>
<td>482</td>
</tr>
<tr>
<td>Apartment</td>
<td>396</td>
<td>973</td>
<td>1125</td>
<td>1310</td>
<td>1947</td>
</tr>
<tr>
<td>Higher density</td>
<td>0</td>
<td>150</td>
<td>450</td>
<td>900</td>
<td>2400</td>
</tr>
<tr>
<td>Total</td>
<td>426</td>
<td>1248</td>
<td>1750</td>
<td>2455</td>
<td>4829</td>
</tr>
</tbody>
</table>

21. The City of Whitehorse should assist in the promotion of the municipality as a student designation, which includes encouraging the development of student accommodation facilities in appropriate locations that have access to the key institutions, public transport network or the Box Hill Principal Activity Centre.

22. Development of a student village close to the educational institutions in areas designated for substantial change or key redevelopment sites should be encouraged. The critical mass of development will have increased economic benefits, reduce escape expenditure and ensure higher density development is appropriately located within the municipality.

23. This can be assisted by the incorporation of the student accommodation policy into the Local Planning Policy Framework of the Whitehorse Planning Scheme. The policy in Section 11 provides clear locational, design and market guidance for student accommodation.
What is Student Accommodation?

Students find accommodation in a variety of forms and arrangements according to their individual needs. The range of accommodation types is extensive, from modified buildings that are used as 'share houses' to 'purpose built student accommodation facilities'.

Where the use of existing accommodation cannot be modified in a quantity or manner that meets the needs of the students in a given area, a market arises to provide purpose built accommodation.

For this reason, MacroPlan have developed a description of varying types of student accommodation based on two categories – 'purpose built' and 'modified'.

2.1 Purpose Built Accommodation

RESIDENCE HALLS AND COLLEGES
Residence Halls and Colleges are usually located on or next to the tertiary education campus. These facilities are often owned or affiliated with a university or educational institution and accommodate a large number of students. Students usually live in private rooms with shared facilities such as showers and lounge areas. A Dean or caretaker often lives at the facility and oversees student issues and enforces a specified code of conduct. Most of these facilities provide food for students which means individual access to a kitchen is not necessary. Students in Residence Halls and Colleges will pay a fixed rate and will not have to pay utility bills.

INDIVIDUAL STUDENT STUDIOS AND APARTMENTS
Individual student studios and apartments can be found in developments ranging in size from medium to higher density offerings incorporating hundreds of units. These developments aim to provide a large number of simple, private living opportunities near educational institutions. Studios offer private accommodation with a bed, kitchenette and living area within one space with an attached bathroom. One bedroom apartments provide a similar living experience with a separate bedroom and a slightly higher rental rate. Often, these developments include communal facilities such as lounge or study rooms. They sometimes include live-in caretakers and larger facilities may include a reception desk.

SHARED STUDENT APARTMENTS AND TOWNHOUSES
Shared student apartments and townhouses are similar in that they both have multiple bedrooms within a self contained unit. This allows students to share their own living area, kitchen and toilets while having a sense of ownership for their unit. Developments can be in a townhouse format or apartments in higher density areas. Like student studios, some facilities may have a live-in caretaker or reception.
2.2 Modified Accommodation

GROUP HOUSING
Group Housing generally accommodates up to 10 tenants in one facility in a hostel type arrangement. Tenants are provided with communal kitchen, bathroom and lounge facilities. The accommodation is managed by an offsite manager who rents private rooms to individuals. The management is responsible for renting the rooms and utility payments and in some cases provide meals.

SHARED HOUSING
Shared housing generally involves one or more persons leasing a house and sub-letting rooms to others to assist with the payments. While students often take advantage of these arrangements, tenants of share houses tend to include a variety of people either working or studying. Those living in share houses share responsibilities in maintaining the property, paying bills, and ensuring that rooms are filled to pay the rent.

HOMESTAYS
Homestays provide students with the opportunity to live with a local family while studying. Homestays can come in a variety of forms with one or more students living within a range of family environments. Arrangements may include some or all meals depending on the requirements of the student. Homestays are usually operated privately but may have an arrangement with education facilities to provide accommodation for international students who often look for this type of arrangement.
Why a Student Accommodation Study?

The City of Whitehorse (CoW) is home to two major tertiary education facilities, Box Hill Institute of TAFE and Deakin University. Located on the western side of the municipality, these facilities have created education precincts with thriving student populations. With a dramatic increase in international student enrolment during the past 10 years, demand for student accommodation has led to a range of planning proposals being submitted to the CoW.

Student Accommodation is a unique form of residential development with its own set of location, market, design, parking and amenity considerations that are not specifically addressed by any existing Whitehorse local planning policy. Within Clause 55 (ResCode) of the Whitehorse Planning Scheme, design considerations are provided for residential buildings under four storeys. However, this does not extend to consider the unique requirements of students.

The Department of Sustainability and Environment’s (DSE) Guidelines for Higher Density Residential Development provides high quality guidelines that apply to developments over three storeys but does not specifically address the requirements for purpose built student accommodation development. This causes a lack of clarity while considering development opportunities, designing student accommodation and preparing & assessing planning permit applications.

3.1 Review of Student Accommodation Policies

A review of local, inter-state and international student accommodation policies has found that while many policies exist, most have been developed by educational institutions and focus primarily on student eligibility, resident & facility responsibilities and forecasted demand for further facilities.

Within Victoria, Glen Eira is the only council that has incorporated a Student Housing Policy into its planning scheme. The policy makes reference to Glen Eira’s Housing and Residential Development Strategy, 2002 which provides a ‘snapshot’ of the current student housing scenario by briefly outlining student numbers, demand for rental accommodation, overseas students, and strategic locations for the provision of student accommodation.

The policy goes into greater detail regarding location, amenity, design, siting, car parking and management. Decision guidelines are provided for the responsible authority to consider while assessing applications.

Stonnington City Council has completed a Student Housing Policy Study as of March 2006. The study, which includes a Student Accommodation Policy, has been adopted by council and documentation is currently being prepared to have the policy incorporated into their planning scheme.

The City of Melbourne has prepared a Development and Management Controls document for Student Housing. While this is not a statutory policy, it provides developers with indicative requirements for student accommodation. The document contains design principles, recommendations for car parking and examples of room designs.
3.2 What will the Study Achieve?

The purpose of this study is to gain an understanding of the student accommodation market in order to develop a policy that guides student accommodation development. Council will be able to use this policy to provide prospective investors with clear guidelines for the development of student accommodation facilities. It will also give planning officers a tool in which to assess development applications. This will be achieved by meeting the following objectives:

- Outlining the factors that affect student accommodation demand and supply, which will guide the way future student accommodation is planned and designed.
- Identifying the current supply and demand for student accommodation in the CoW as a basis for projecting future student accommodation demand.
- Developing a policy that will facilitate student accommodation in a manner that respects the residential character of the CoW while providing for student needs.

As a result, this study will provide the Council with information they need to effectively plan the growth and development of student accommodation in the CoW.

3.3 How to Read this Study

This study involves a discussion about the students in the municipality, who they are, where they come from, and what they study. It looks at where they study, where they want to live and what considerations play into these factors. Finally, it discusses what they need in their place of residence, what design factors make good or poor student accommodation, the justifiable trade-offs that should be considered and how new developments can integrate with established areas within the municipality.

Upon concluding the research for this study, it became clear that the issues regarding student accommodation revolved around **people, products and place**. People include the student accommodation market. Products are the type of student accommodation facilities offered. Place is the preferred location of accommodation based on proximity to services and facilities and market demands. Throughout the discussion in this report, these issues are highlighted and then summarised in Section 9. Together, they form the basis for the objectives of the Student Accommodation Policy in Section 11.
Methodology

A number of interviews were carried out with industry stakeholders to determine key supply and demand issues for student accommodation. These interviews assisted in validating other secondary research findings. The stakeholders included:

- Facility managers / Lead tenants
- Developers
- Architects / Designers
- Traffic engineers
- Institution representatives: Student services / Campus managers / International student reps.

Representatives from the educational institutions provided information relating to their current housing services, campus development plans, on-campus accommodation (Deakin University) and student information. MacroPlan conducted extensive onsite reviews of existing facilities to understand development types, car parking requirements, unit configuration and student accommodation characteristics. The following table provides a summary of the information that was obtained from various stakeholders.

<table>
<thead>
<tr>
<th>Primary Sources</th>
<th>Key Outcomes</th>
</tr>
</thead>
</table>
| Student Housing Management Groups | - Understanding of student preferences and market response to current student needs in relation to price and demand factors  
- Understanding of factors influencing the international student market  
- Tours of existing student accommodation  
- Student resident population profile |
| CoW | - Strategic direction and policy guidance |
| Lead Tenant | - Information regarding student resident requests and key student needs  
- Tours of existing student accommodation  
- Occupancy information |
| Architects | - Student 'Livability Study' showing design considerations for student units/studios  
- Confirmation of data provided by student housing management groups  
- Location and unit type analysis |
| Student Services  
Box Hill Institute of TAFE and Deakin University | - Accommodation issues based on student comments to student services  
- Accommodation supply data through student accommodation listings  
- Range of accommodation types  
- Non-purpose built market |
| Developers | - Development considerations  
- Market demand  
- Unit type  
- Price point and freehold vs leasehold information |
| Campus Managers | - Educational Institutions Development Plans |
| International Student Representatives | - Confirmation of student demand |

The following table provides a summary of the information obtained from secondary sources.
<table>
<thead>
<tr>
<th>Secondary Sources</th>
<th>Key Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>IDP Education Australia Limited (IDP)</td>
<td>• International Student Forecasts</td>
</tr>
<tr>
<td>Lecture transcript by Julie Bishop - Minister of Education</td>
<td>• Future direction of the international student market and change factors</td>
</tr>
<tr>
<td>Australian Education International (AEI)</td>
<td>• Current market information</td>
</tr>
<tr>
<td>Australian Bureau of Statistics (ABS)</td>
<td>• City of Whitehorse population &amp; income data</td>
</tr>
<tr>
<td>Swinburne University</td>
<td>• General Student data</td>
</tr>
<tr>
<td>Monash University</td>
<td>• General Student data</td>
</tr>
<tr>
<td>Secondary Colleges in Whitehorse</td>
<td>• International student data and accommodation arrangements</td>
</tr>
</tbody>
</table>

The information obtained during this study has allowed us to clearly understand the needs and preferences of students in the CoW. Using this information with advice from council planning officers and the views of developers and architects, we have been able to make informed recommendations to the CoW.
Regional Context

This section provides a regional context for the City of Whitehorse including a description of the key educational institutions. Other educational institutions in the vicinity of CoW are also identified to ensure the full demand for student accommodation is understood.

The City of Whitehorse is located approximately 15 kilometres to the east of Melbourne’s CBD. Approximately 147,000 residents live within the 64 km² which make up the municipalities bounded by the Eastern Freeway to the north, Highbury Road to the south, Heatherdale Road to the east, and Warrigal Road to the west. The CoW is accessible via a range of trains, trams and buses as well as an arterial road network which generally has a grid formation. It is mainly a residential city with several major retail strips along Whitehorse Road and Burwood Highway.

5.1 Whitehorse Demographic Profile

The CoW is comprised of a diverse population from a variety of cultural backgrounds. Based on 2001 population data, 20% of the population was born overseas with a high concentration of migrants located in the suburbs of Box Hill, Burwood, Burwood East, Mitcham and Vermont South. Most significantly the CoW has a large Chinese population compared to the Melbourne statistical area.

The CoW population is significantly younger than other parts of Melbourne. Persons aged between 15 & 24 years, a common tertiary student age, make up 6.7% of the total population and are concentrated in suburbs surrounding Box Hill Institute of TAFE and Deakin University.

There are approximately 8200 residents attending a tertiary institution. They are strongly represented in the suburbs of Burwood, Vermont South, Box Hill, Blackburn, Mont Albert and Surrey Hills and Mitcham, which are located in close proximity to Box Hill Institute of TAFE and Deakin University.

Given that most of the CoW’s suburbs are strongly established, total population is projected to remain relatively stable.

<table>
<thead>
<tr>
<th>Total Population</th>
<th>147,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population: Age 15 – 24 years</td>
<td>9369</td>
</tr>
<tr>
<td>Residents born overseas</td>
<td>37,900, making up 20% of the total population</td>
</tr>
<tr>
<td>Tertiary Students</td>
<td>8200</td>
</tr>
</tbody>
</table>

Source: www.whitehorse.vic.gov.au & id consulting
Public Transport

City of Whitehorse has a number of public transport services operating throughout the municipality and overall, the City is fairly well serviced. The public transport routes that operate within the City of Whitehorse and are shown on the following map.

Source: Traffix Group
5.2 Box Hill Institute of TAFE

Box Hill Institute includes three campuses along Whitehorse Road, Box Hill with its main campus being at Elgar Road as shown in Figure 2. The Institute has more than 37,000 students enrolled in over 400 full and part time courses.

The international program involves over 1000 students from over 55 different countries. They are enrolled in a range of courses including business, education, financial services, arts, engineering, hospitality, multimedia and English as a second language.

Box Hill Institute of TAFE is extremely well served by public transport with tram, bus and train transport options in the nearby vicinity. All three of the campuses are located within Zone 2 of the public transport network. A number of bus routes provide direct service to the institute’s various sites and a total of 19 bus routes provide a service to the Box Hill Central Transport Interchange situated in the Box Hill Business District. The Box Hill Transport interchange is a walking distance of approximately 550m or less from all of the Institute’s campuses.

The Box Hill train station forms part of the Box Hill Transport Interchange and services the Lilydale and Belgrave train lines. Services operate between the Melbourne Central Activity District (CAD) and Lilydale and Belgrave respectively.

Tram route 109 operates along Burwood Highway providing a service between Box Hill and Melbourne CBD. The train and tram services provide a seven day transport option with services operating during the daytime and evening.
5.3 Deakin University

Deakin University’s Burwood campus is their largest and primarily located on Burwood Highway between Elgar Road and Station Street.

**Figure 2.** Deakin University Burwood Campus

Source: www.deakin.edu.au

The Burwood campus has over 11,000 enrolled students and is home to Deakin International. The campus includes a range of sporting facilities, café and bar, access to Gardiner’s Creek parkland and accommodation for 200 students.

Deakin University has limited public transport options with two public bus and two tram routes providing a service within approximately 500m of the campus, and a shuttle bus operated by the University. The campus is located within Zone 2 of the public transport network.

Bus Route 767 travels along Elgar Road and Burwood Highway adjacent to the eastern section of the campus and operates between Southland Shopping Centre and Box Hill interchange. Bus Route 732 travels along Station Street to the west of the campus and operates between Upper Ferntree Gully train station and Box Hill interchange. The University shuttle bus service runs between Box Hill train station and the campus. Tram route 75 operates along Burwood Highway between Vermont Shopping Centre and Melbourne (Flinders Street). Tram route 70 runs along Riversdale Road between Wattle Park and Melbourne (La Trobe Street).

5.4 Secondary Colleges

In addition to the tertiary institutions, several of the secondary colleges in the area have international programs which could potentially affect demand for student accommodation. Consultation with the colleges provided the following information.
### Secondary College

<table>
<thead>
<tr>
<th>Secondary College</th>
<th>Total Students</th>
<th>International Students</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Presbyterian Ladies’ College</td>
<td>960</td>
<td>80</td>
<td>All international students stay in the College’s boarding house or with family/relatives.</td>
</tr>
<tr>
<td>141 Burwood Highway, Burwood</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emmaus College</td>
<td>1117</td>
<td>None</td>
<td>Very rarely have international students</td>
</tr>
<tr>
<td>503 Springvale Road, Vermont South</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mt Scopus Memorial College</td>
<td>1800</td>
<td>5</td>
<td>All international students have homestay arrangements organised by the College</td>
</tr>
<tr>
<td>Burwood Hwy, Burwood Vic 3125</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kingswood College</td>
<td>612</td>
<td>90</td>
<td>The majority of students use homestay arrangements set up through a previously attended language school or accessed through a database at the College. Approximately 10 of the older international students have arranged their own share house accommodation although this is generally discouraged by the College.</td>
</tr>
<tr>
<td>355 Station Street, Box Hill</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Box Hill Senior Secondary College</td>
<td>620</td>
<td>None</td>
<td>No international student program.</td>
</tr>
<tr>
<td>Dunloe Avenue, Mont Albert North</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Box Hill High School</td>
<td>918</td>
<td>96</td>
<td>Homestay arranged by school or family. Those over 18 yrs make their own arrangements. Less than 50% of international students are over 18 yrs. The students don’t live in purpose built student accommodation.</td>
</tr>
<tr>
<td>Whitehorse Road, Box Hill</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forest Hill College</td>
<td>550</td>
<td>48</td>
<td>Most students stay in homestay arrangements or with relatives. Several students who are over 18 have found their own share house accommodation because of financial reasons. However this is generally discouraged by the College.</td>
</tr>
<tr>
<td>178 - 180 Mahoneys Road, Burwood East</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ashwood College</td>
<td>570</td>
<td>15</td>
<td>All international students have homestay arrangements organised by the College</td>
</tr>
<tr>
<td>Vannam Drive, Ashwood</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Secondary colleges in the area have approximately 240 international students. Considering the age of the students, the colleges generally have homestay arrangements or private boarding houses. Homestays may involve staying with families of other students at the college or hoststays within and around the college where local families wish to subsidise their income. Homestays generally cost between $200-220 per week and include one (1) hot meal and two (2) cold meals per day.

In some cases, such as at Kingwood College, several of the older students, who are sometimes up to 20 years old, seek private arrangements in share houses.

General consensus from the local colleges was that their international students were unlikely to seek out purpose built student accommodation. Most students have accommodation arrangements with a few opting to live in share houses when appropriate. The biggest impact of this market segment on student accommodation is the take up of homestay places within the region which may otherwise have been used by tertiary international students.
5.5 Other Institutions

In considering the demand and supply of student accommodation it is important to acknowledge the potential impact that institutions outside of the municipality may have. Monash University (Clayton Campus) is located approx. 10 km south of the municipality and Swinburne University of Technology is approx. 8 km west in Hawthorn.

The following tables provide a snapshot of the student enrolments at these two (2) main institutions.

**Monash Clayton Campus**

<table>
<thead>
<tr>
<th>Student Enrolments</th>
<th>Students by Course Type</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Student Enrolments</strong></td>
<td>23,499</td>
</tr>
<tr>
<td><strong>International</strong></td>
<td>20%</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Monash University website

Monash University's Clayton campus offers a wide range of housing and accommodation options, both on and off campus, for students, staff and visitors to the university. There are a number of ‘halls of residence’ that provide accommodation and meals for 1000 students. There is also a range of furnished flats and other short term accommodation within the immediate area available exclusively for Monash students.

There are also a number of recently completed private developments within close proximity to the university that have been developed to cater for the over flow demand.

**Swinburne University**

Swinburne University has a number of campuses within close proximity to the City of Whitehorse, including Hawthorn and Lilydale campuses. The table below highlights the break down of student numbers.

<table>
<thead>
<tr>
<th>Total Student Enrolments</th>
<th>14,118</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total International Students</td>
<td>20%</td>
</tr>
</tbody>
</table>

Although Swinburne Hawthorn offers on-campus accommodation, there may be current demand that is not being met by the facilities in that area. Given Swinburne and Box Hill are linked directly by train, the prospect of offering accommodation for Swinburne University students who are wanting to live in a vibrant ‘city like’ environment provides another possible dimension to the demand for student accommodation in the City of Whitehorse.
Planning Considerations

This section provides details of the federal, state and local policy directions that impact on the demand, provision and design of student accommodation. Particularly those that influence the demand and location of student accommodation facilities. These policies highlight that:

- Tourism provides exposure to Australia as a destination to study and live
- Melbourne 2030 encourages housing diversity
- The City of Whitehorse acknowledges the need to plan for an increase in households
- Residential growth is encouraged in Activity Centres, particularly Principal and Major Activity Centres.

6.1 Federal/State policy

Migration, education and tourism policies strongly influence the planning for student accommodation. Given that the majority of people seeking purpose built accommodation are international students, the influence government policy has on attracting and retaining international students is significant.

Currently Australia’s migration, education and tourism policies support the influx of international visitors and students, which increase exposure and subsequent demand for living in Australia. In many cases, students have visited Australia prior to making their tertiary education choice and it is during this ‘visiting’ period that many people are selecting Australia as their preferred place of education.

Moreover, migration legislation encourages international students to study and in many cases remain and take up residence in Australia, which is directly linked to the need to address local skill shortage issues.

6.2 Melbourne 2030

Clause 12 – Metropolitan Development, of the State Planning Policy Framework focuses on the objectives and strategies of Melbourne 2030. Strategically located student accommodation facilities can assist the City of Whitehorse in achieving some key outcomes that are integral to the success of Melbourne 2030 and better managing growth and change.

Housing objectives including the provision of appropriate housing, growth in strategic locations, diverse housing options and affordability can all be achieved by providing a range of student accommodation options in strategic locations.

6.3 Whitehorse Planning Scheme

The Municipal Strategic Statement (MSS) and Local Planning Policies provide broad statements that direct the provision of housing and development within the municipality. Furthermore, land use zoning and the particular provisions have implications on whether land can be used for student accommodation. A brief overview is provided.

6.3.1 Municipal Strategic Statement & Local Planning Policies

The MSS has four main themes of environment, housing, economic development and infrastructure. Clause 21.06 - Housing objectives include:

- To maintain and enhance the character of the City’s residential areas.
The majority of CoW's new households in the next 15 years will be accommodated by infill development within existing residential areas, both those designated substantial and natural change areas.

To compensate for the minimal change areas that cannot support a substantial increase in housing, Clause 22.03 – Residential Development identifies and maps individual sites and thirteen higher density precincts for substantial change. As a result, there is the potential to accommodate 40% of projected growth in redevelopment sites and higher density precincts. Redevelopment sites could include student accommodation facilities if they are in strategic locations.

The remaining 60% of households required by 2021 will be accommodated within the municipality’s dispersed residential areas, designated as areas of natural change. It is expected that the additional dwellings will be in the form of infill development.

6.3.2 Zoning

The Residential 1 zone promotes increased densities and acknowledges the need for a range of housing types. The most relevant purpose of the Residential 1 Zone is:
‘To provide for residential development at a range of densities with a variety of dwellings to meet the housing needs of all households’.

Business zones, specifically B1Z provide opportunity for appropriately designed student accommodation to occur, which could include ‘shop top’ development that has good access to the public transport network. The Business 1 Zone encourages intensive development of business centres for retailing and other complimentary commercial, entertainment and community uses. The Business 5 Zone, although not currently present in the CoW, encourages development of offices or multi-dwelling units with common access from the street.

**PLACE**

Residential growth is encouraged in activity centres with access to shopping and developments in Business Zones with access to public transport.
Student Accommodation Market

The development of private student accommodation is generally the result of increasing market demand and the ability to plan and develop financially feasible projects. Market demand is determined by the needs and wants of students which vary depending on their cultural background, financial situation and priorities. To understand the market, it is crucial to understand the students who use the student accommodation. One of the first things that became apparent during this study was the market division between international and Australian students.

Domestic students (primarily interstate and regional students) generally seek an interactive housing experience. They generally have a better understanding of the local housing market and can arrange accommodation to suit their needs. Often, this means living in a shared house or apartment arrangements. If these students wish to use purpose built student accommodation, they generally prefer a shared living arrangement much like a share house, but arranged by a student housing management body\(^1\). Additionally, domestic students are often attracted to student accommodation on campus that is directly affiliated with the educational institution and may provide a range of entertainment, education and food services\(^2\).

Off-campus, purpose built student accommodation facilities are predominantly occupied by international students, as these facilities provide a convenient way for students to establish themselves in Australia\(^3\). Often arriving from overseas with limited time to investigate the housing market prior to commencing their studies, purpose built, furnished student accommodation provides a simple and convenient housing option. MacroPlan research has found that a large number of international students will live in a purpose built facility for periods ranging from 6 months to 2 years before moving into traditional shared housing with university colleagues or other people they have come to meet.

Affordability is a key consideration for students who usually have a limited earning capacity while studying. For this reason, purpose built accommodation can often be unaffordable for many students. Consequently, the student accommodation market tends to be dominated by international students who have access to the necessary funds and to a lesser extent post graduate students who are looking for more privacy and may have a greater ability to pay the rent.

As a result of the study, it became clear that the major market force driving student accommodation was the international student market. This section of the report focuses on this market and the range of factors that influence it.

### 7.1 Factors Affecting the Market

Student accommodation is a unique form of development which is influenced by a wide range of variables that differ from traditional property or real estate investment. Considering that purpose built student accommodation is primarily used by international students, it must be considered a component of the international education export industry. Therefore it is governed by the same factors that affect other commodities exported to the global market place. Combining this consideration with general student needs means that the following factors affect the student accommodation market:

- Export Industry Considerations
- Ethnicity and Culture of Students
- Housing Type & Location
- Affordability

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\(^1\) Student Housing Australia, 2006  
\(^2\) Deakin University On Campus Housing  
\(^3\) Student Housing Australia, 2006
7.1.1 Export Industry Considerations

**Exchange Rates**

The value of the Australian dollar directly impacts the feasibility of student accommodation projects as it affects student expenditure or their ability to enter the market. A rise in the Australian dollar makes foreign investment in Australia more expensive. Consequently, students using international currencies can see fluctuations in their rent based on exchange rates. For example, a rise in the Australian dollar could add the equivalent of $20 - 30 dollars on a student’s weekly rent, making it unaffordable for some international students. This is compounded with increased living and tuition expenses, which also affect international student expenditure capabilities.

The value of foreign currencies such as the Yuan and Rupee could directly affect the number of students coming from China and India. As these economies grow, and their respective currencies increase in value, overseas education, including Australia, will become more affordable and attractive. Close monitoring of exchange rates and the factors that influence them become important considerations for those wishing to invest in student accommodation.

**Skills Shortage / Visa requirements**

It is important to recognise that many international students intend to stay in Australia once they have completed their studies. With Australia currently experiencing a skills shortage, many opportunities exist for students to remain in the country. Different visas are available based on skilled migration and a student’s particular situation. Generally, this involves the graduating student meeting a number of requirements including age, language and skills. Based on demand, different skills are given more value than others. As a result, international students may be more likely to enrol in courses which will provide them with the necessary requirements to qualify for migration to Australia.

Due to this trend, many institutions are tailoring their courses to meet the demand of those students looking to take up residency in Australia. It is noted that TAFE education has greater flexibility to provide education in a broader range of sectors. Due to the varying nature and flexibility of TAFE courses they have the ability respond quickly to emerging skills shortages and provide bridging courses for international students.

**Overseas Competition**

Being an export industry, providers of student accommodation must be aware of competition from overseas. This competition comes from both Australian Universities setting up international campuses along with developing countries establishing their own quality tertiary education facilities. Singapore and Beijing have both recently set up educational institutions making them competitors in the international education market. Meanwhile, Chinese and Indian educational institutions are building private English tertiary facilities geared towards domestic and import markets. While international students will continue to see the advantage of an Australian/English education, the impact of new overseas institutions on the market

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4 IDP Education Australia, Taking the Lead – Campus Review 23 June 2005
must be considered.

Australia’s student accommodation is more exposed to international competitiveness than the United States or the United Kingdom who hold traditional competitive advantage (E.g. Harvard or Oxford). Australian institutions have to market their educational offer more extensively overseas to attract an increased market share. In doing so, particular focus has been to offer course that provide immediate employment prospects.

7.1.2 Ethnicity and Culture of Students

Students with differing ethnicity and cultures have different accommodation demands. New developments should consider the type of international students that are attending the local educational institution and provide the appropriate type of accommodation.

Accommodation should cater for short term tenancy until students have an opportunity to adjust to their new environment.

Additionally, Student Housing Australia has indicated that international students, particularly Asians, have a strong preference for gas burners for cooking.

Tenure pattern

International students have different accommodation tenure requirements which vary depending on culture, confidence and commitment. In many cases students are looking for short-term accommodation to allow them to become accustomed to the local way of life before moving into traditional forms of rental accommodation such as shared housing. However, some students will be seeking accommodation to meet their needs for the length of their studies.

Length of stay can significantly affect the type of services & facilities that are offered with the accommodation.

7.1.3 Location

Students are particular about the location of their accommodation, which can be grouped into three (3) locational categories:

- Close proximity to educational institution
- Good access to public transport that directly connects to the educational institution
- Located within an activity centre that has vibrant character and good public transport connections

There is specific demand for accommodation that is within walking distance to the educational institution. Generally, international students consider anything less than 500m a reasonable distance, more than 700-800m begins to generate complaints, while anything over 800m is considered a major disadvantage, to the extent that a cost reduction is sought to cover alternate travel costs (Source: Student Housing Australia)
Public transport options are also very important to international students. For accommodation located greater distances from a campus, direct access to and from the institution is considered a good locational advantage. However, the public transport fares are calculated into accommodation costs and will lower the acceptable rental price point accordingly.

Students seeking ‘life’ as well as ‘educational’ experiences are attracted to Principal or Major Activity Centres, which provide access to a range of services and facilities, public transport connections and recreational options.

### 7.1.4 Affordability

#### Categories of Educational Institutions

Successful custom built student accommodation developments do not come in one shape or form. A product that works well in one location does not necessarily work well in another. As discussed above, students who choose to live in these facilities have varying needs depending on their wealth and cultural background. Wealth, a major factor in an international student’s overseas experience can dictate which type of institution they attend and where they live. Generally, Melbourne University, RMIT and Monash University attract the wealthiest students, while TAFE’s are more likely to attract those who may not be able to afford more well known institutions.

As a result, there will be different types of accommodation requirements near Box Hill Institute of TAFE and Deakin University. Box Hill Institute of TAFE will generally attract students with less income to spend on accommodation. The design considerations for accommodation near each institution must take this into account.
Transport Concession for International Students

International Students in NSW and Victoria are ineligible for public transport concessions. This adds an additional expense to their daily living and impacts on what they can afford to pay in rent.

In March, a NSW Administrative Decisions Tribunal decision found this to be discriminatory. This led to a group of students to challenge this policy in Victoria. While this decision is being appealed in NSW, if students in Victoria were to be successful, this would result in significant monthly savings for students and therefore provide more flexibility on the location of their accommodation.

Another transport consideration is the ticketing zones of Melbourne Public Transport Network. Both Deakin University and Box Hill TAFE are located in Zone 2 of the network. The following table highlights the difference in travel costs depending on the location of the student’s accommodation. These costs must be added to the overall cost of living for students.

<table>
<thead>
<tr>
<th>Transport ‘zone’ travel to attend educational institution</th>
<th>Daily travel fare</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>$4.30</td>
</tr>
<tr>
<td>1 &amp; 2</td>
<td>$9.70</td>
</tr>
<tr>
<td>2 &amp; 3</td>
<td>$8.10</td>
</tr>
<tr>
<td>1</td>
<td>$6.10</td>
</tr>
</tbody>
</table>

Source: Metlink 2006

Ownership Arrangements

Student accommodation is either provided under leasehold or freehold arrangements:

- Leasehold – where the developer owns and operates the facility
- Freehold – where units are sold to individual investors with a body corporate management structure

The risks associated with the provision of student accommodation investment often relate to inappropriate location, price point of the development or lack of investor knowledge. Generally, where accommodation developments are generating poor returns on an investment, it can be attributed to factors identified throughout this section of the report. It is noted that some student housing management groups will refuse to manage facilities that are inappropriately located and too expensive.

Lack of investor knowledge can also have a significant impact on their investment. Investors are often unaware of the requirements that are placed on developments when they are approved (permit conditions), which leads to unmanageable expectations or tenant requirements.

Furthermore, many developers do not understand that the factors affecting the student accommodation market are very different to the traditional housing market, such as the exchange rate variances and international policy.
7.2 City of Whitehorse Student Accommodation Market

As demonstrated in the previous section of this report, there are a range of factors that affect the student accommodation market. The number of international students living in the CoW will greatly impact demand for student accommodation. To understand demand for student accommodation, the following must be considered:

1. demographic profiles of students at the local education institutions
2. future directions of the educational institutions
3. projections for the international student market

The following sections provide insight into these factors.

7.2.1 Demographic Profiles of Box Hill Institute of TAFE & Deakin University Students

In order to gain an understanding of the Whitehorse student population, student demographic profiles have been prepared based on enrolment information for Deakin University and Box Hill TAFE. Different information was available from each institution so they have been assessed accordingly. Box Hill Institute of TAFE has been assessed using 2005 data in which they had 823 international students, while Deakin University was assessed on 2004 data from the Burwood campus where it had 2,562 international students.

Where They Reside

As illustrated below, Box Hill was the preferred place of residence for international students attending Box Hill TAFE. The majority of international students enrolled there live in the Box Hill and Blackburn area, and generally in the eastern suburbs.

![International students - Place of residence](chart)

Source: Box Hill TAFE (2005)

The thematic map on the following page details the concentrated residential location of Deakin University students around the campus. Although this map is based on all Deakin students and not specifically international students, based on the Box Hill statistics it can be assumed that Deakin international students will also be concentrated around the university.5

5 Specific residential location information for international students at Deakin University was not available.
It is important to highlight that while concentrated around the university, the map below illustrates a clear preference to live north of Deakin University towards Box Hill Principal Activity Centre and east and west of the university along the tram route.

It should also be noted that a large number of students who live near the University are just outside the City of Whitehorse. While these students will be using many of the services in CoW, the CoW is missing out a significant amount of escape expenditure.
Migration to the City of Whitehorse

In most areas of Australia, population change is driven by migration. Although natural increase is an important factor, it is migration that drives demographic change in a less predictable, more fluctuating manner.

The key driver of population increase in the City of Whitehorse is the increase in persons under 34, accounting for 57% of total migration\(^6\). This trend has been the result of significant overseas and interstate migration.

Figure 3. 5 year migration inflow 1996 to 2001 (total flows) –City of Whitehorse

![Migration Inflow Graph](image)


Figure 3 above shows migration figures for the City of Whitehorse based on where people have come from. During the five year period, 45% of all migrants originated from the Melbourne metropolitan region, 28% migrated within the city itself, 13% came from overseas and the remainder from interstate (8%) and regional locations (5%).

Of most relevance to student accommodation are the overseas, interstate and regional Victoria migrants aged 34 years or younger. Students attending Deakin University or Box Hill Institute of TAFE who are already living in Whitehorse are less likely to move into student accommodation. Those coming to the area specifically to study are the primary market.

Origin of international students

International students in CoW come from a wide range of countries. As seen below, the institutions have a different international student profile.

\(^6\) ABS, 5 year migration inflow 1996 to 2001 (total flows) –City of Whitehorse
Figure 4. International Student Profile, CoW

<table>
<thead>
<tr>
<th></th>
<th>Box Hill Tafe</th>
<th>Deakin University</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Country of origin</strong></td>
<td>Students</td>
<td>%</td>
</tr>
<tr>
<td>Korea</td>
<td>90</td>
<td>11%</td>
</tr>
<tr>
<td>China</td>
<td>80</td>
<td>10%</td>
</tr>
<tr>
<td>Pakistan</td>
<td>76</td>
<td>9%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>63</td>
<td>8%</td>
</tr>
<tr>
<td>India</td>
<td>62</td>
<td>8%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>60</td>
<td>7%</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>57</td>
<td>7%</td>
</tr>
<tr>
<td>Japan</td>
<td>56</td>
<td>7%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>46</td>
<td>6%</td>
</tr>
<tr>
<td>Colombia</td>
<td>29</td>
<td>4%</td>
</tr>
<tr>
<td>Taiwan</td>
<td>28</td>
<td>3%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>26</td>
<td>3%</td>
</tr>
<tr>
<td>Vietnam</td>
<td>24</td>
<td>3%</td>
</tr>
<tr>
<td>Mauritius</td>
<td>22</td>
<td>3%</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>16</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: Box Hill TAFE (2005), Deakin University enrolment (2004)

Figure 4 above identifies international students as predominantly sourced from Asian countries. Asian students account for up to 90% of the total international market. Deakin University has a more diverse catchment, reflecting Deakin University’s reputation as an international education provider.

What are they studying?

Each educational facility has attracted an international student profile based on their most recognised field of study.

Deakin University has primarily attracted students to their Undergraduate course, accounting for 63% of total students, while Box Hill TAFE has primarily attracted students to Diploma based courses, accounting for 62%.

Figure 5. Level of Study

<table>
<thead>
<tr>
<th></th>
<th>Box Hill Tafe</th>
<th>Deakin University</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Level of Study</strong></td>
<td>Students</td>
<td>%</td>
</tr>
<tr>
<td>Advanced Diploma</td>
<td>263</td>
<td>32%</td>
</tr>
<tr>
<td>Diploma</td>
<td>243</td>
<td>30%</td>
</tr>
<tr>
<td>ELICOS</td>
<td>174</td>
<td>21%</td>
</tr>
<tr>
<td>Certificate III</td>
<td>40</td>
<td>5%</td>
</tr>
<tr>
<td>Certificate IV</td>
<td>31</td>
<td>4%</td>
</tr>
<tr>
<td>Bachelor</td>
<td>24</td>
<td>3%</td>
</tr>
<tr>
<td>Degree Transfer Program</td>
<td>16</td>
<td>2%</td>
</tr>
<tr>
<td>Certificate II</td>
<td>8</td>
<td>1%</td>
</tr>
<tr>
<td>Associate Degree</td>
<td>4</td>
<td>0%</td>
</tr>
<tr>
<td>VCE</td>
<td>20</td>
<td>2%</td>
</tr>
</tbody>
</table>

Source: Box Hill TAFE (2005), Deakin University enrolment (2004)

ELICOS - English Language Intensive Courses for Overseas Students

Figure 6 below shows the specific field of study undertaken by international students. The most popular courses of study for international students at Box Hill TAFE are hospitality (25%) and ELICOS/Business studies (19%). At Deakin University, students have been attracted to more traditional fields of study such as Commerce (63%).

PEOPLE

While predominantly Asian, the origin of students attracted to either institution will vary dependent on the courses offered.

Deakin University is more likely to attract student from wealthier countries such as Hong Kong, Singapore, U.S.A. and Canada.
Overall, the profile of international students studying at institutions located in the municipality is diverse, with a significant proportion of students studying in a wide variety of fields.

Figure 6. Field of Study

<table>
<thead>
<tr>
<th>Department</th>
<th>Box Hill Tafe</th>
<th>Students</th>
<th>%</th>
<th>Deakin University</th>
<th>Students</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hospitality &amp; Tourism</td>
<td>226</td>
<td>25%</td>
<td></td>
<td>Management and Commerce</td>
<td>3291</td>
<td>63%</td>
</tr>
<tr>
<td>ELICOS</td>
<td>172</td>
<td>19%</td>
<td></td>
<td>Information Technology</td>
<td>903</td>
<td>17%</td>
</tr>
<tr>
<td>Business Programs</td>
<td>168</td>
<td>19%</td>
<td></td>
<td>Society and Culture</td>
<td>337</td>
<td>6%</td>
</tr>
<tr>
<td>Business Programs</td>
<td>73</td>
<td>8%</td>
<td></td>
<td>Engineering and Technologies</td>
<td>306</td>
<td>6%</td>
</tr>
<tr>
<td>Engin. Extractive Indust, Tech</td>
<td>44</td>
<td>5%</td>
<td></td>
<td>Health</td>
<td>141</td>
<td>3%</td>
</tr>
<tr>
<td>Electronics</td>
<td>41</td>
<td>5%</td>
<td></td>
<td>Education</td>
<td>134</td>
<td>3%</td>
</tr>
<tr>
<td>Media, Design &amp; Arts</td>
<td>36</td>
<td>4%</td>
<td></td>
<td>Natural and Physical Sciences</td>
<td>56</td>
<td>1%</td>
</tr>
<tr>
<td>Performing Arts</td>
<td>26</td>
<td>3%</td>
<td></td>
<td>Architecture and Building</td>
<td>50</td>
<td>1%</td>
</tr>
<tr>
<td>Information Technologies</td>
<td>24</td>
<td>3%</td>
<td></td>
<td>Creative Arts</td>
<td>35</td>
<td>1%</td>
</tr>
<tr>
<td>Automotive Studies</td>
<td>22</td>
<td>2%</td>
<td></td>
<td>Agriculture/Environmental</td>
<td>7</td>
<td>0%</td>
</tr>
<tr>
<td>Vocational Access &amp; Educatio</td>
<td>21</td>
<td>2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health &amp; Community Services</td>
<td>15</td>
<td>2%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hair, Beauty &amp; Floristry</td>
<td>13</td>
<td>1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Animal &amp; Biological Sciences</td>
<td>9</td>
<td>1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building &amp; Furniture Studies</td>
<td>5</td>
<td>1%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Box Hill TAFE (2005), Deakin University enrolment (2004)

ELICOS - English Language Intensive Courses for Overseas Students

7.2.2 Future Direction of Educational Institutions

Throughout the research undertaken for this study, many discussions occurred with representatives of Box Hill Institute of TAFE and Deakin University. The following issues must be considered when assessing future demand for student accommodation.

Major ‘On-campus’ Development

Currently there is an under supply of on-campus accommodation. Box Hill TAFE does not offer accommodation whilst Deakin University offers 200 beds, which is currently made up of 75% of domestic students and 25% international students.

Based on discussions with representatives from the on campus student accommodation, it is recognised that some consideration is being given to providing more on campus accommodation as there are currently a substantial number of students not offered an accommodation placement.

Deakin University is currently investigating the feasibility of developing more on-campus accommodation. In the event that Deakin University develops their site further, it could greatly affect the off-campus accommodation suppliers.

There is very little purpose built student accommodation currently offered in Box Hill, although there have been recent approvals for new developments and construction on some has begun. This could potentially entice the Box Hill TAFE to provide on-campus accommodation to satisfy the needs of their students.
Change in International Student Numbers

A significant change in international student numbers would greatly impact the student accommodation market. In the period from July to December 2007, Deakin University’s International Campus at Toorak is relocating to their Burwood campus. This relocation will see an increase of approximately 2900 international students at the Burwood campus. This will consist of up to 300 English language students, 1400 Melbourne Institute of Business and Technology (MIBT) students and 1200 post graduates. This increase in post graduate students is likely to play a significant role in increasing the demand for student accommodation as post graduate students currently occupy a substantial amount of the purpose built units.

Similarly it can be reasonably anticipated that the number of international students at each of the institutions is likely to continue to increase as they maintain their direct marketing towards fee paying international students and adjust their course offerings to meet international needs.

In the event that there is a shift away from Australia as a preferred education location towards a preference for local institutions (i.e. China), there could be a drop in international student numbers. This could significantly reduce the demand for student accommodation. The availability of relevant courses and campus facilities that meet student needs are crucial for a stable or growing student accommodation market.

7.2.3 Conclusions

- The importance of maintaining course relevance and campus facilities that meet student needs is directly related to Australia’s competitiveness in the international student market.
- Demand for student accommodation will be reduced if the educational offer of the main institutions in the City of Whitehorse no longer meets the needs of prospective international students.
- It appears that the number of international student enrolments will continue to grow, which is supported by the ability and desire of international students to obtain a Student visa allowing them to study and live in Australia.
- Housing needs are driven primarily by price and location. There is an overwhelming preference to be located within easy walking distance to educational campuses.
- Many students, both international and domestic, opt to use share house arrangements which offer affordability and access to the campuses. Access to public transport and activity centres are also key locational attributes for student accommodation.
- The added convenience of purpose built student accommodation is most attractive to international students and domestic students from interstate and regional areas.
- Offering diverse and affordable housing for this market should be a key objective.
- Discussions with Deakin University has identified that there is a substantial demand for on-campus accommodation from both domestic and international students. It is estimated that the demand is approximately triple what is currently available on-site.
- Due to the lack of supply, Deakin University does not promote internationally that they have on-campus student accommodation available. This suggests that there may be opportunity to establish joint venture partnerships for the educational institutions to promote private student accommodation to add to the attractiveness of these institutions.
Student Accommodation Supply Assessment

This study has identified a range of student accommodation types. Specifically relevant to this study are the following purpose built varieties:

- Residence Halls and Colleges
- Individual Student Studios and Apartments
- Shared Student Apartments and Townhouses

It is important to understand that some of these accommodation types such as shared housing, group housing and homestays provide a significant amount of housing for students without being quantifiable. Homestays for example, can be arranged through private programs, friends, relatives or educational institutions. Once students are placed with families, there is no obligation to stay with that family or for families to report that students have moved on. Shared housing can be made up of a combination of people who are not necessarily students and do not have any management to keep track of these arrangements. Group housing usually has some form of management but can still be made up of an arrangement of people, who are not necessarily all students.

Informal accommodation is often the result of an arrangement between friends, through institution websites or housing notice boards advertising vacant rooms. The informality and flexibility of these arrangements make them highly adaptable to market demand. Reviewing local notice boards and institution websites revealed that accommodation was generally available from between $70 and $150 per week depending on location, quality and number of tenants within a facility. Consistent with the findings of this study, informal notices tended to highlight the proximity of accommodation to the institution.

The same characteristics that make these facilities unquantifiable prevent planning controls and policies from impacting on them. Consequently, this study and the supply assessment must focus on developments specially designed for student use. The table on the following page presents the student accommodation currently available within the CoW.
8.1.1  **Survey of Existing Student Accommodation in the Municipality**

The table below illustrates the range of existing purpose built student accommodation in the CoW. It was compiled through information gathered during MacroPlan’s:

- Internet and telephone research
- Visual surveys of the region
- Discussions with accommodation managers, student housing services, Council staff and welfare officers at both Box Hill Institute of TAFE and Deakin University.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Location</th>
<th>Beds</th>
<th>Cost</th>
<th>Services &amp; Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deakin Student Village</td>
<td>campus</td>
<td>200</td>
<td>$193-216 per week</td>
<td>Single rooms in 10 person unit with shared facilities</td>
</tr>
<tr>
<td>International House</td>
<td>8 Uganda Street</td>
<td>83</td>
<td>$186-216 per week</td>
<td>2-7 bed purpose built units. Private rooms with shared facilities</td>
</tr>
<tr>
<td>Cherry Tree Village</td>
<td>Cherry Tree Lane</td>
<td>98</td>
<td>$186-216 per week</td>
<td>Multi bedroom converted townhouses. Private rooms with shared facilities</td>
</tr>
<tr>
<td>MISA</td>
<td>51 Station Street</td>
<td>28</td>
<td>$165-200 per week</td>
<td>2, 3 and 4 bedroom units with shared common area.</td>
</tr>
<tr>
<td>Campus Walk 4</td>
<td>234 Warrigal Road</td>
<td>32</td>
<td>$195-220 per week</td>
<td>Studio apartments</td>
</tr>
<tr>
<td>Canaan International Student Centre</td>
<td>15 Hay Street</td>
<td>110</td>
<td>$220 per week</td>
<td>Private rooms, with shared facilities and includes 3 meals per day.</td>
</tr>
<tr>
<td>Carinya</td>
<td>32-34 Kangerong Road</td>
<td>45</td>
<td>$160 Doubles $270</td>
<td>Private rooms. Shared bathrooms, kitchens and lounge areas.</td>
</tr>
</tbody>
</table>

The above facilities accommodate approximately 600 students in the City of Whitehorse. Discussions with the managers of these facilities indicated that nearly all rooms were occupied and there continued to be strong demand.

The majority of rooms in these facilities were occupied by international students. Student Housing Australia who manage over 1000 rooms around the country, state they have 98% international students. However, some facilities such as MISA had been attractive to students from regional Victoria. Deakin University also had a strong tendency to attract Australian students to their on campus accommodation and suggest they have demand for approximately three times as many rooms.
### 8.1.2 Approved or Pending Applications for Student Accommodation

The table below shows recently approved or pending planning permits applications (as at October 2006) for student accommodation within the city of Whitehorse. While it is not guaranteed that these facilities will be built, they potentially represent an additional 429 rooms.

<table>
<thead>
<tr>
<th>Location</th>
<th>Beds</th>
<th>Cost</th>
<th>Services &amp; Facilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 Bruce Street, Box Hill</td>
<td>46</td>
<td>$285</td>
<td>46 studio apartments&lt;br&gt;Communal area and caretaker’s apartment.</td>
</tr>
<tr>
<td>14 Spring Street, Box Hill</td>
<td>39</td>
<td>unknown</td>
<td>TBC</td>
</tr>
<tr>
<td>16-18 Poplar Street, Box Hill</td>
<td>67</td>
<td>unknown</td>
<td>TBC</td>
</tr>
<tr>
<td>5 Poplar Street, Box Hill</td>
<td>48</td>
<td>unknown</td>
<td>Private bedrooms and 4 two bed shared rooms. Each has kitchenette. Communal lounge.</td>
</tr>
<tr>
<td>1219-1221 Riversdale Road</td>
<td>50</td>
<td>unknown</td>
<td>26 units with 50 beds</td>
</tr>
<tr>
<td>216 Burwood Highway, Burwood</td>
<td>14</td>
<td>unknown</td>
<td>14 studio apartments.</td>
</tr>
<tr>
<td>310 Burwood Highway</td>
<td>45</td>
<td>unknown</td>
<td>9 studio apartments&lt;br&gt;9 two bedroom apartments&lt;br&gt;3 three bedroom apartments</td>
</tr>
<tr>
<td>388-390 Burwood Highway</td>
<td>78</td>
<td>unknown</td>
<td>TBC</td>
</tr>
<tr>
<td>1 Delany Avenue, Burwood</td>
<td>25</td>
<td>unknown</td>
<td>25 studio apartments</td>
</tr>
<tr>
<td>867-869 Canterbury Road, Box Hill</td>
<td>17</td>
<td>unknown</td>
<td>Apartments</td>
</tr>
</tbody>
</table>

Existing and proposed student accommodation facilities have been mapped on the following page.
8.1.3 Existing and Proposed Student Accommodation
Student Accommodation Demand Assessment

The demand and supply analysis outlined in this report highlights that there are key location and price factors affecting the demand for student accommodation. Although there are an increasing number of student accommodation developments being constructed or planned, the analysis has found that there will be on-going demand for student accommodation.

9.1 Future of the International Student Market

Globalisation is forcing structural change of the international student market. Transnational education, regional (world) education cities, technology and changes in the global market can have broader impacts on the Australian International Student Market. While Australia is positioned to adjust to these changes, they must be understood as potential factors that could alter the student accommodation market in both Australia and the City of Whitehorse.

Growth of transnational education provision (universities establishing campuses in other countries) could see a change in the way institutions respond to the growing international student market. By taking the market to the students the demand for student accommodation needs in CoW could be significantly reduced. However, it is noted that motivation for an international education is often driven by the desire for students to experience other cultures and languages as well as the opportunity to permanently migrate to another country such as Australia.

The Singapore and Malaysian governments are currently aiming to make themselves ‘regional educations hubs’, which may include promoting the transnational education concept. The success of a regional hub in South East Asia could greatly impact the regional student accommodation market.

Technology improvements and increased courses by correspondence may overtime eliminate the need to attend courses and campuses in person. Although it is recognised (given the large investment in campus infrastructure) that in the foreseeable future institutions are unlikely to move to this model, the incremental change overtime may have an impact on the demand for accommodation.

With China’s economy experiencing unprecedented growth, a greater importance is being placed on the Chinese language. In the future, this may result in students seeking a Chinese education as an advantage for breaking into the market. While the importance of English language will remain, Chinese Students may see less benefit in receiving an education in English.

The following sections show that Australia has been coping with these changes very well. However, it is important to consider all these issues when looking at the future of the international student market.

International Student Projections

In 2002, IDP Education Australia Limited published, Global Student Mobility 2025 a forecast of demand for international education. The study looked at 130 countries, focusing on key factors which were:

- income per capita
- population
- local tertiary education participation
- propensity of tertiary students to study abroad.

The study forecasted a 9-fold increase of international students studying in Australia between 2000 and 2025. This translates to nearly one million international students. Most important for this study is the number of on-shore students (those who reside and study in Australia) which it forecasted to be 560,000 students. Demand for international education will be driven by Asia, China and India7.

7 IDP Education Australia Global Student Mobility 2025, Sept 2002
While the international student market is changing and presents a new set of variables to consider, according to projections and subsequent trends, Australia's ability to attract students is expected to continue. While this long term forecast is generally considered to be high, it is indicative of the strong international student growth going into the future. It is also supported by data collected by Australia Education International (AEI) showing that up to 2005, growth has slightly exceeded this forecast shown in Figure 8.

As highlighted in blue, AEI data in Figure 8 shows that higher education, vocational and English Language Intensive Courses for Overseas Students (ELICOS) sectors as contributing to the majority of the market. Higher education and ELICOS growth in 2005 is generally in line with the 'all sector' average or 7%, highlighted in red. Vocational education is driving the market with the strongest growth with a nearly 14% increase.

The following graph in Figure 9 illustrates the current 2006 growth in all sectors. Growth has been similar to 2005, it appears to be following the same trend as previous years.
There is already beginning to be a transition from Southeast Asian students to Chinese, Indian and South Korean Students.

Figure 9. International Student Enrolments – All Sectors

Source: AEI Monthly Summary of International Enrolment Data April 2006

Which Countries are driving the market?

There is a shift occurring in the country of origin in the international student market. The table below shows:

- China, Hong Kong and Indonesia as representing the largest proportion of the market in 2002, highlighted in orange.
- Between 2002 and 2005 China continued its growth with an increase of 33,368 enrolments and 17.8% increase between 2004 and 2005.
- India also experienced strong growth, particularly between 2003 and 2005, as highlighted in blue.
- As highlighted in red, students from Hong Kong, Indonesia and Singapore are decreasing while China, India and South Korea are emerging markets.

PEOPLE
There is already beginning to be a transition from Southeast Asian students to Chinese, Indian and South Korean Students.
These new markets are compensating for the decline in some of the traditional ones providing Australia with a 7% overall increase of international student enrolments in 2005.

**Figure 10. Student Enrolments in Australia - Top 10 Source Countries, 2002-2005**

<table>
<thead>
<tr>
<th>Country</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>% change 2004 to 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>47,816</td>
<td>58,458</td>
<td>68,895</td>
<td>81,184</td>
<td>17.8%</td>
</tr>
<tr>
<td>India</td>
<td>11,342</td>
<td>14,332</td>
<td>20,716</td>
<td>27,661</td>
<td>33.5%</td>
</tr>
<tr>
<td>South Korea</td>
<td>18,607</td>
<td>22,085</td>
<td>23,673</td>
<td>26,259</td>
<td>10.9%</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>22,084</td>
<td>23,848</td>
<td>22,919</td>
<td>21,184</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>17,512</td>
<td>19,795</td>
<td>19,972</td>
<td>19,342</td>
<td>-3.2%</td>
</tr>
<tr>
<td>Japan</td>
<td>17,327</td>
<td>19,069</td>
<td>19,710</td>
<td>19,031</td>
<td>-3.4%</td>
</tr>
<tr>
<td>Thailand</td>
<td>15,622</td>
<td>17,008</td>
<td>16,267</td>
<td>16,496</td>
<td>1.4%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>20,972</td>
<td>20,336</td>
<td>18,041</td>
<td>16,042</td>
<td>11.1%</td>
</tr>
<tr>
<td>U.S.A</td>
<td>11,063</td>
<td>12,210</td>
<td>12,637</td>
<td>12,452</td>
<td>-1.5%</td>
</tr>
<tr>
<td>Singapore</td>
<td>12,051</td>
<td>11,840</td>
<td>10,829</td>
<td>9885</td>
<td>-8.7%</td>
</tr>
<tr>
<td>Sub-total</td>
<td>194,396</td>
<td>218,981</td>
<td>233,659</td>
<td>249,536</td>
<td>6.8%</td>
</tr>
<tr>
<td>Other</td>
<td>73,156</td>
<td>85,345</td>
<td>88,571</td>
<td>95,279</td>
<td>7.6%</td>
</tr>
<tr>
<td>Total</td>
<td>273,552</td>
<td>304,326</td>
<td>322,230</td>
<td>344,815</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

Source: AEI, Year 2005 Market Indicator Data Table A

**Victoria in the International Student Market**

Victoria and New South Wales have traditionally captured the majority of the international student market. This was still the case at the end of 2005 although Victoria captured slightly less than the national average increase in enrolments. While South Australia and Tasmania have seen the largest increases, they still comprise a small portion of the overall market.

**Figure 11. Time Series Data of Overseas Student Enrolment by State/Territory**

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>% change 2004 to 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>New South Wales</td>
<td>109,536</td>
<td>118,074</td>
<td>124,871</td>
<td>135,035</td>
<td>8.1%</td>
</tr>
<tr>
<td>Victoria</td>
<td>74,152</td>
<td>83,907</td>
<td>88,758</td>
<td>94,355</td>
<td>6.3%</td>
</tr>
<tr>
<td>Queensland</td>
<td>43,469</td>
<td>49,397</td>
<td>53,148</td>
<td>55,859</td>
<td>5.1%</td>
</tr>
<tr>
<td>Western Australia</td>
<td>26,982</td>
<td>29,927</td>
<td>30,316</td>
<td>31,215</td>
<td>3.0%</td>
</tr>
<tr>
<td>South Australia</td>
<td>11,042</td>
<td>13,567</td>
<td>15,346</td>
<td>17,936</td>
<td>16.9%</td>
</tr>
<tr>
<td>ACT</td>
<td>5109</td>
<td>6042</td>
<td>6099</td>
<td>6376</td>
<td>4.5%</td>
</tr>
<tr>
<td>Tasmania</td>
<td>2670</td>
<td>2933</td>
<td>3281</td>
<td>3646</td>
<td>11.1%</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>602</td>
<td>479</td>
<td>411</td>
<td>413</td>
<td>0.5%</td>
</tr>
<tr>
<td>Australia</td>
<td>273,552</td>
<td>304,326</td>
<td>322,230</td>
<td>344,815</td>
<td>7.0%</td>
</tr>
</tbody>
</table>

Source: AEI, Year 2005 Market Indicator Data Table C, MacroPlan Australia
Figure 12 shows higher education, vocational and ELICOS students make up the majority of the international student market in Victoria. Higher education and vocational education are driving Victoria’s growth while the ELICOS sector remained relatively stable during the 2004 to 2005 period. The vocational education sector experienced particularly strong growth with a 24.4% increase.

Figure 12. Overseas Student Enrolments in Victoria by Major Sector

<table>
<thead>
<tr>
<th>Sector</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>% change 2004 to 2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher Education</td>
<td>36,252</td>
<td>43,260</td>
<td>47,935</td>
<td>51,070</td>
<td>6.5%</td>
</tr>
<tr>
<td>Vocational Education</td>
<td>12,898</td>
<td>12,851</td>
<td>13,311</td>
<td>16,556</td>
<td>24.4%</td>
</tr>
<tr>
<td>School Education</td>
<td>7147</td>
<td>8269</td>
<td>8204</td>
<td>7503</td>
<td>-8.5%</td>
</tr>
<tr>
<td>ELICOS</td>
<td>12,060</td>
<td>13,705</td>
<td>13,661</td>
<td>13,581</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Other</td>
<td>5795</td>
<td>5822</td>
<td>5647</td>
<td>5617</td>
<td>-0.5%</td>
</tr>
<tr>
<td>Total</td>
<td>74,152</td>
<td>83,907</td>
<td>88,758</td>
<td>94,335</td>
<td>6.3%</td>
</tr>
</tbody>
</table>

Source: AEI, Year 2005 Market Indicator Data Table G, MacroPlan Australia

Looking more specifically at the two major markets of higher and vocational education, there are some key differences between the markets by source country and by state. While Victoria is attracting significantly fewer vocational students than NSW, Victoria has attracted more than twice as many students from India, as shown in Figure 13. At the same time, there are approximately 800 more Indian students using Victorian higher education compared with NSW. Interestingly, NSW has over 2800 more Chinese students in higher education than Victoria. Considering that India is one of the strongest emerging markets, there is a competitive advantage for Victoria to capture future growth.

Figure 13. Overseas Student Enrolments, State by Source Country by Major Sector, 2005

<table>
<thead>
<tr>
<th>Higher Education</th>
<th>Vocational Education</th>
<th>VIC</th>
<th>NSW</th>
<th>VIC</th>
<th>NSW</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td></td>
<td>5411</td>
<td>8267</td>
<td>1890</td>
<td>3760</td>
</tr>
<tr>
<td>India</td>
<td></td>
<td>4179</td>
<td>3404</td>
<td>1969</td>
<td>805</td>
</tr>
<tr>
<td>Indonesia</td>
<td></td>
<td>1357</td>
<td>1079</td>
<td>542</td>
<td>852</td>
</tr>
<tr>
<td>Malaysia</td>
<td></td>
<td>1999</td>
<td>764</td>
<td>410</td>
<td>285</td>
</tr>
<tr>
<td>Hong Kong</td>
<td></td>
<td>973</td>
<td>1117</td>
<td>730</td>
<td>916</td>
</tr>
<tr>
<td>Total (All Nationalities)</td>
<td></td>
<td>20,160</td>
<td>23,838</td>
<td>10,062</td>
<td>18,819</td>
</tr>
</tbody>
</table>

Source: AEI, Year 2005 Market Indicator Data Table 9b and 10b, MacroPlan Australia

**PEOPLE**

Victoria and NSW continue to be the leaders in attracting international students. Victoria is capturing a larger percentage of the Indian international student market, an increasing number of whom are looking for vocational education.
9.1.1 Conclusions

Growth in the international student market is expected to continue. The continued emergence of countries demanding ‘western’ education is driving the growing market along with the potential for students to migrate to Australia. Chinese and Indian student numbers will increase significantly while some of the more traditional markets will decline. Higher education continues to be the major attraction for international students although vocational education is driving the overall growth in the market.

It can be anticipated that the number of international students at each of the institutions is likely to continue increasing as they maintain their direct marketing towards fee paying international students and adjust their course offerings to meet international needs.

In the City of Whitehorse, the figures suggest Deakin will continue to have an increase in international students.

Box Hill Institute of TAFE has the opportunity to capitalise on the strong demand for vocational education responding to Australia’s skills shortage. This is accentuated by the strong demand for Victorian vocational education by people from India.

School education, ELICOS and other educational opportunities are not showing any signs of growth and are therefore unlikely to be an important factor considering future demand for student accommodation.
9.2 Future Market Demand in the City of Whitehorse

This report has discussed a range of factors that impact the student accommodation market. AEI and IDP data support MacroPlan’s findings that the market is likely to experience continued growth in the foreseeable future. Therefore, in predicting the future pattern of growth it is important that a list of market assumptions are identified and monitored.

9.2.1 Assumptions

The following assumptions have been made based on the research completed during this study. They are necessary for determining the current demand and forecasting future demand for student accommodation.

- All figures are accurate based on research during the study.
- All international students residing in the CoW who used student accommodation are attending Box Hill Institute of TAFE or Deakin University. While some students in Whitehorse maybe attending other institutions including Monash University which are outside the CoW, it can be assumed that an equal number of students from Whitehorse would be living in student accommodation outside of Whitehorse.
- Box Hill Institute of TAFE and Deakin University has experienced 7% growth over the last several years. International student numbers have been provided based on 2005 and 2004 data respectively. To bring these figures in line with the 2006 data for student accommodation, a growth rate of 7% has been assumed in line with AEI data.
- 95% of students in purpose built student accommodation are international students. This is based on Student Housing Australia stating that 98% of their residents across Australia are international students. However, SHA did recognise that one of their facilities in Whitehorse did have slightly more domestic students than normal. Considering that the some of the other facilities in Whitehorse were strictly for international students, 95% is considered a reasonable estimate.
- Demand for student accommodation is based strictly on the international student market. While we assume 5% of beds are currently occupied by domestic students, future demand will be based primarily on the increase in international students.
- Deakin University will continue to allocate 75% of their on-campus student accommodation beds to Australian students. Based on discussions with Deakin University on-campus housing, they do not advertise to international students. However, if they did, they predict they would have a vast majority of international students using their accommodation.
- All student accommodation beds in the CoW are occupied. Based on conversations with managers of student accommodation facilities, all beds are usually taken and they often have to refuse potential tenants. Additionally, new facilities are experiencing very fast take up rates on available beds.
- The international students currently studying at Deakin International in Toorak will all relocate to Deakin University Burwood when the Toorak campus ceases operation in 2007/08.
9.2.2 Demand Calculations

Current demand for student accommodation in CoW is based on the percentage of international students. The following formula has been used to determine the current demand for student accommodation.

\[
\frac{\text{Number of international students}}{\text{Number of international students at Box Hill TAFE and Deakin University}} \times 100 = \% \text{ of international students currently living in purpose built student accommodation in the CoW}
\]

**Number of international students using student accommodation in CoW**

Deakin University provides 50 on-campus beds for international students. Scattered around Deakin University and Box Hill TAFE, 396 beds are available in off-campus student accommodation facilities. Assuming 95% of these are used by international students, they are currently occupying 376 of these beds. In total, international students are using a total of 426 beds in the city of Whitehorse, both on and off-campus.

**Number of international students at Box Hill TAFE and Deakin University**

Data acquired from Deakin University and Box Hill Institute of TAFE has been indexed to a standard baseline of the year 2006. It is therefore assumed that a total of 3814 international students currently attend these two institutions.

The following calculation determines the percentage of international students that currently use purpose built student accommodation.

\[
\frac{426}{3814} \times 100 = 11.2\%
\]

For analysis purposes, we can assume that 11.2% of future international students will seek purpose built student accommodation.
9.2.3 Projections

Based on international student projection data from AEI and IDP, it could be concluded that international student growth will continue at 7% per annum. In Australia, the growth rate for Vocational education has been higher than this while growth in higher education has been slightly lower. Given, that IDP forecasts and AEI data are based on all sectors, we have decided to use the all sector growth rate of 7% as an expected growth rate. In order to understand various scenarios, MacroPlan has prepared projections for international students in Whitehorse based on low, expected and high scenarios.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Demand</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low</td>
<td>4%</td>
<td>Based on approximately 50% less than expected growth.</td>
</tr>
<tr>
<td>Expected</td>
<td>7%</td>
<td>Based on AEI and IDP forecasts for the Australian international student market.</td>
</tr>
<tr>
<td>High</td>
<td>10%</td>
<td>Based on approximately 50% more than expected growth.</td>
</tr>
</tbody>
</table>

Additionally, MacroPlan has calculated the number of students who wish to use student accommodation based on varying demand scenarios at different rates of growth.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Demand</th>
<th>Example</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decreased Demand</td>
<td>5%</td>
<td>If weekly rents are increased, or the wrong form of student housing is provided, demand could drop.</td>
</tr>
<tr>
<td>Calculated Demand</td>
<td>11.2%</td>
<td>This figure has been calculated based on the current statistics.</td>
</tr>
<tr>
<td>Assumed Demand</td>
<td>15%</td>
<td>Given that student accommodation facilities are generally at capacity, it is assumed that current demand may be closer to 15%.</td>
</tr>
<tr>
<td>Increased Demand</td>
<td>20%</td>
<td>If the CoW proactively promoted specific student accommodation at targeted markets, demand could increase to 20%.</td>
</tr>
</tbody>
</table>
The following tables show projected international student numbers, the number of students who will use student accommodation under different demand scenarios and the number of additional beds that will be required in the City of Whitehorse to meet this market demand.

**Figure 14. Projection 1 – Based on Low Growth at 4%**

### Total Student Accommodation Demand 2007-2030

**Growth Rate: 4%**

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<thead>
<tr>
<th></th>
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<td>7306</td>
<td>7598</td>
<td>7902</td>
<td>8218</td>
<td>8547</td>
<td>8889</td>
<td>9244</td>
<td>9614</td>
<td>9999</td>
<td>10,399</td>
</tr>
<tr>
<td>% Int. students in accomm</td>
<td>5%</td>
<td>5%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
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<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>196</td>
<td>351</td>
<td>360</td>
<td>380</td>
<td>395</td>
<td>411</td>
<td>427</td>
<td>444</td>
<td>462</td>
<td>481</td>
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<td>851</td>
<td>885</td>
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<td>1520</td>
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<td>1709</td>
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<td>1849</td>
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<td>2000</td>
<td>2080</td>
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</table>

### Additional Student Accommodation Bed Requirement 2007-2030

**Growth Rate: 4%**

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<tbody>
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<td>7306</td>
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<td>8547</td>
<td>8889</td>
<td>9244</td>
<td>9614</td>
<td>9999</td>
<td>10,399</td>
</tr>
<tr>
<td>% Int. students in accomm</td>
<td>5%</td>
<td>5%</td>
<td>3%</td>
<td>2%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
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<tr>
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<td>-</td>
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<td>18</td>
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<tr>
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<td>18</td>
<td>343</td>
<td>374</td>
<td>407</td>
<td>441</td>
<td>476</td>
<td>513</td>
<td>551</td>
<td>591</td>
<td>633</td>
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<td>628</td>
<td>670</td>
<td>714</td>
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<td>807</td>
<td>856</td>
<td>907</td>
<td>961</td>
<td>1016</td>
<td>1074</td>
<td>1134</td>
<td></td>
</tr>
<tr>
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<td>979</td>
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<table>
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<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
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<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
</tr>
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<tbody>
<tr>
<td>Int. Students (No.)</td>
<td>10,815</td>
<td>11,247</td>
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<td>12,652</td>
<td>13,158</td>
<td>13,684</td>
<td>14,231</td>
<td>14,801</td>
<td>15,393</td>
<td>16,008</td>
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<tr>
<td>% Int. students in accomm</td>
<td>5%</td>
<td>115</td>
<td>136</td>
<td>159</td>
<td>182</td>
<td>207</td>
<td>232</td>
<td>258</td>
<td>286</td>
<td>314</td>
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<td>374</td>
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<td>11.2%</td>
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<td>866</td>
<td>918</td>
<td>973</td>
<td>1029</td>
<td>1088</td>
<td>1150</td>
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<td>2311</td>
<td>2420</td>
<td>2534</td>
<td>2653</td>
<td>2776</td>
<td>2904</td>
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</table>

**Note:** Additional Student Accommodation Bed Requirement is for information purposes only. If all proposed student accommodation beds listed at section 8.1.2 were to be approved and constructed, an additional 429 beds will become available. If 95% of them are occupied by international students (408 beds), 21.8% of all Whitehorse international students would be living in purpose built student accommodation. This assumes that the total number of international students remains unchanged at the time the additional beds become available.
### Figure 15. Projection 2 – Based on Expected Growth at 7%

#### Total Student Accommodation Demand 2007-2030

**Growth Rate: 7%**

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</tr>
</thead>
<tbody>
<tr>
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<td>3814</td>
<td>4081</td>
<td>7266</td>
<td>7775</td>
<td>8319</td>
<td>8902</td>
<td>9525</td>
<td>10,192</td>
<td>10,905</td>
<td>11,668</td>
<td>12,485</td>
<td>13,359</td>
<td>14,294</td>
</tr>
<tr>
<td>% Int. students in accom</td>
<td>5%</td>
<td>-</td>
<td>204</td>
<td>383</td>
<td>389</td>
<td>416</td>
<td>445</td>
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<td>545</td>
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<td>-</td>
<td>426</td>
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<td>1186</td>
<td>1246</td>
<td>1335</td>
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<tr>
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<td>-</td>
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<td>1905</td>
<td>2038</td>
<td>2181</td>
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<th>2021</th>
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<th>2027</th>
<th>2028</th>
<th>2029</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Int'l Students (No.)</td>
<td>15,295</td>
<td>16,365</td>
<td>17,511</td>
<td>18,757</td>
<td>20,048</td>
<td>21,452</td>
<td>22,953</td>
<td>24,560</td>
<td>26,279</td>
<td>28,119</td>
<td>30,087</td>
<td>32,193</td>
</tr>
<tr>
<td>% Int. students in accom</td>
<td>5%</td>
<td>-</td>
<td>765</td>
<td>818</td>
<td>876</td>
<td>957</td>
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<td>1148</td>
<td>1226</td>
<td>1314</td>
<td>1406</td>
<td>1504</td>
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<td>1833</td>
<td>1961</td>
<td>2099</td>
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<td>2383</td>
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<tr>
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<td>-</td>
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<td>2455</td>
<td>2627</td>
<td>2811</td>
<td>3007</td>
<td>3218</td>
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<tr>
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<td>-</td>
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<td>3502</td>
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<td>4290</td>
<td>4591</td>
<td>4912</td>
<td>5256</td>
<td>5624</td>
<td>6017</td>
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#### Additional Student Accommodation Bed Requirement 2007-2030

**Growth Rate: 7%**

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<td>11,668</td>
<td>12,485</td>
<td>13,359</td>
<td>14,294</td>
</tr>
<tr>
<td>% Int. students in accom</td>
<td>5%</td>
<td>-222</td>
<td>-63</td>
<td>-37</td>
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<td>198</td>
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<td>-</td>
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<td>850</td>
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<td>1144</td>
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<tr>
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<td>1324</td>
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<td>1578</td>
<td>1716</td>
</tr>
<tr>
<td>20%</td>
<td>-</td>
<td>390</td>
<td>1027</td>
<td>1129</td>
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<td>1908</td>
<td>2071</td>
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<td>24,560</td>
<td>26,279</td>
<td>28,119</td>
<td>30,087</td>
<td>32,193</td>
</tr>
<tr>
<td>% Int. students in accom</td>
<td>5%</td>
<td>339</td>
<td>392</td>
<td>450</td>
<td>511</td>
<td>576</td>
<td>647</td>
<td>722</td>
<td>802</td>
<td>888</td>
<td>988</td>
<td>1078</td>
</tr>
<tr>
<td>11.2%</td>
<td>-</td>
<td>1236</td>
<td>1376</td>
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<td>1641</td>
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<td>1948</td>
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<td>2294</td>
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<td>2692</td>
<td>2913</td>
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<tr>
<td>15%</td>
<td>-</td>
<td>1098</td>
<td>2062</td>
<td>2201</td>
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<td>2501</td>
<td>2661</td>
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<td>3384</td>
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<tr>
<td>20%</td>
<td>-</td>
<td>2633</td>
<td>2847</td>
<td>3076</td>
<td>3321</td>
<td>3584</td>
<td>3864</td>
<td>4165</td>
<td>4486</td>
<td>4830</td>
<td>5198</td>
<td>5591</td>
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</table>
Figure 16. Projection 3 – Based on High Growth at 10%

Total Student Accommodation Demand 2007-2030

Growth Rate: 10%

<table>
<thead>
<tr>
<th></th>
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<td>4195</td>
<td>7515</td>
<td>8266</td>
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<td>11,082</td>
<td>12,103</td>
<td>13,313</td>
<td>14,644</td>
<td>16,109</td>
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<tr>
<td>% Int. students in accomm</td>
<td>5%</td>
<td>-210</td>
<td>376</td>
<td>413</td>
<td>455</td>
<td>500</td>
<td>556</td>
<td>605</td>
<td>666</td>
<td>732</td>
<td>815</td>
<td>896</td>
<td>975</td>
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<td>-426</td>
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<td>926</td>
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<td>1240</td>
<td>1364</td>
<td>1500</td>
<td>1650</td>
<td>1815</td>
<td>1991</td>
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<td>2386</td>
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<td>2845</td>
<td>3096</td>
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<td>1853</td>
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<td>2000</td>
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<td>2929</td>
<td>3222</td>
<td>3544</td>
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<th>2020</th>
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<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
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<th>2029</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
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<td>21,440</td>
<td>23,585</td>
<td>25,943</td>
<td>28,537</td>
<td>31,391</td>
<td>34,530</td>
<td>37,983</td>
<td>41,781</td>
<td>45,960</td>
<td>50,555</td>
<td>55,611</td>
<td>61,172</td>
</tr>
<tr>
<td>% Int. students in accomm</td>
<td>5%</td>
<td>1072</td>
<td>1179</td>
<td>1291</td>
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<td>1727</td>
<td>1899</td>
<td>2089</td>
<td>2298</td>
<td>2528</td>
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<tr>
<td>11.2%</td>
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<td>2641</td>
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<td>3196</td>
<td>3516</td>
<td>3887</td>
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<td>5692</td>
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<td>15%</td>
<td>4265</td>
<td>4717</td>
<td>5189</td>
<td>5707</td>
<td>6276</td>
<td>6906</td>
<td>7597</td>
<td>8356</td>
<td>9192</td>
<td>10,111</td>
<td>11,222</td>
<td>12,238</td>
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<tr>
<td>20%</td>
<td>5492</td>
<td>6177</td>
<td>6989</td>
<td>7981</td>
<td>9119</td>
<td>10,530</td>
<td>12,219</td>
<td>14,186</td>
<td>16,454</td>
<td>19,072</td>
<td>21,969</td>
<td>25,144</td>
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Additional Student Accommodation Bed Requirement 2007-2030

Growth Rate: 10%

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<tr>
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<td>9003</td>
<td>10,002</td>
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<td>12,103</td>
<td>13,313</td>
<td>14,644</td>
<td>16,109</td>
<td>17,719</td>
<td>19,491</td>
</tr>
<tr>
<td>% Int. students in accomm</td>
<td>5%</td>
<td>-216</td>
<td>-50</td>
<td>-13</td>
<td>29</td>
<td>74</td>
<td>124</td>
<td>179</td>
<td>240</td>
<td>306</td>
<td>379</td>
<td>460</td>
<td>549</td>
</tr>
<tr>
<td>11.2%</td>
<td>44</td>
<td>372</td>
<td>456</td>
<td>549</td>
<td>650</td>
<td>762</td>
<td>886</td>
<td>1021</td>
<td>1170</td>
<td>1334</td>
<td>1515</td>
<td>1713</td>
<td></td>
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<tr>
<td>15%</td>
<td>203</td>
<td>701</td>
<td>814</td>
<td>938</td>
<td>1074</td>
<td>1224</td>
<td>1389</td>
<td>1571</td>
<td>1771</td>
<td>1990</td>
<td>2232</td>
<td>2496</td>
<td></td>
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<tr>
<td>20%</td>
<td>413</td>
<td>1077</td>
<td>1227</td>
<td>1393</td>
<td>1574</td>
<td>1774</td>
<td>1995</td>
<td>2237</td>
<td>2503</td>
<td>2796</td>
<td>3182</td>
<td>3471</td>
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<th>2022</th>
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<th>2025</th>
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<th>2027</th>
<th>2028</th>
<th>2029</th>
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<tbody>
<tr>
<td>Internation Students (No.)</td>
<td>21,440</td>
<td>23,585</td>
<td>25,943</td>
<td>28,537</td>
<td>31,391</td>
<td>34,530</td>
<td>37,983</td>
<td>41,781</td>
<td>45,960</td>
<td>50,555</td>
<td>55,611</td>
<td>61,172</td>
</tr>
<tr>
<td>% Int. students in accomm</td>
<td>5%</td>
<td>646</td>
<td>753</td>
<td>871</td>
<td>1001</td>
<td>1144</td>
<td>1381</td>
<td>1473</td>
<td>1665</td>
<td>1872</td>
<td>2102</td>
<td>2355</td>
</tr>
<tr>
<td>11.2%</td>
<td>1931</td>
<td>2172</td>
<td>2431</td>
<td>2726</td>
<td>3046</td>
<td>3398</td>
<td>3724</td>
<td>4117</td>
<td>4678</td>
<td>5192</td>
<td>5759</td>
<td>6387</td>
</tr>
<tr>
<td>15%</td>
<td>2790</td>
<td>3112</td>
<td>3465</td>
<td>3833</td>
<td>4283</td>
<td>4724</td>
<td>5271</td>
<td>5841</td>
<td>6488</td>
<td>7132</td>
<td>7815</td>
<td>8520</td>
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<tr>
<td>20%</td>
<td>3862</td>
<td>4291</td>
<td>4763</td>
<td>5281</td>
<td>5852</td>
<td>6480</td>
<td>7171</td>
<td>7930</td>
<td>8766</td>
<td>9685</td>
<td>10,696</td>
<td>11,806</td>
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</tbody>
</table>

Anticipated Growth Rate and Demand

It is considered that a growth rate of international students is likely to continue at 7%. This is based on feedback from both Deakin University and Box Hill Institute of TAFE. Currently, 11.2% of international student use purpose built accommodation. However, feedback from these facilities suggests that if more rooms were available, they would be filled. Therefore it is safe to assume that 15% of these students would use accommodation if it was available. If this occurs, the following situation will arise:

<table>
<thead>
<tr>
<th>Year</th>
<th>2010</th>
<th>2015</th>
<th>2020</th>
<th>2025</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of International Students in CoW</td>
<td>8319</td>
<td>11,668</td>
<td>16,365</td>
<td>22,953</td>
<td>32,193</td>
</tr>
<tr>
<td>Total No. of beds required</td>
<td>1248</td>
<td>1750</td>
<td>2455</td>
<td>3443</td>
<td>4829</td>
</tr>
<tr>
<td>Additional beds needed from present</td>
<td>822</td>
<td>1324</td>
<td>2029</td>
<td>3017</td>
<td>4403</td>
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</tbody>
</table>
Scenarios

Based on the anticipated growth and demand for student accommodation, it would be possible to allow the development of an additional 2000 beds by the year 2020 and more than 4000 by 2030. Planning for this growth will allow the City of Whitehorse to control the future character of the area, specifically in the areas around Box Hill TAFE and Deakin University. The following scenarios represent the long term outcomes based on the CoW’s response to student growth.

Scenario 1

<table>
<thead>
<tr>
<th>Response</th>
<th>Purpose built student accommodation is encouraged in appropriate locations and designed to be affordable for students.</th>
</tr>
</thead>
</table>

| Potential Outcome | Student accommodation development will be clustered around educational institutions and in areas of high amenity with convenient transport links to the University. As demand increases and land becomes more scarce, densities may increase, specifically in the Activity Centres and areas designated for substantial change. Residential areas further from the institutions will be protected from the increasing student numbers because of the students desire to be within the student villages and near the institutions.

An influx of well designed affordable accommodation will increase competition, forcing weekly rents to decrease and making these facilities more attractive to students who would have previously opted for share house arrangements of varying qualities. A series of student accommodation nodes, or student villages will form in the CoW. The critical mass will generate a distinct student character in the area and enhance its attractiveness to students. The students will provide a reliable employment base for many of the local business as well as provide a new market for businesses. The CoW will have reduced escape expenditure, minimised potential traffic problems and created a vibrant student destination. |

Scenario 2

<table>
<thead>
<tr>
<th>Response</th>
<th>Some student accommodation is built, but not necessarily encouraged to locate in preferred areas or consider the student market.</th>
</tr>
</thead>
</table>

| Potential Outcome | Student accommodation will be dispersed throughout residential areas in the CoW. Accommodation incorporating a combination of excessive private open space, larger units, communal areas and on-site managers may be too costly, and students will look for alternative options. International students will occupy some of the purpose built accommodation but many will opt to find share house accommodation more suited to their needs and closer to the University. The majority of houses in the area will be occupied by a mix of Australian and international students. As these fill up, students will be forced to live in houses further from the campuses and may be forced into vehicle ownership, leading to congestion and parking problems in the residential areas and on campuses.

Purpose built accommodation that is too expensive, located in the wrong area or provides the wrong living arrangements for the students will have low occupancy rates. Investors in these facilities may start demanding returns and find alternative ways to make the development work. This may result in attempts to alter the accommodation for standard residential |
There is a high demand for both types of purpose built facilities, which can be provided on a range of lot sizes and configurations.

The cost of communal areas and live-in caretakers significantly increases a student's weekly rent, making some facilities unattractive to students on a budget.
9.3.2 Affordable Housing

To ensure the price of the accommodation remains affordable to a vast majority of students it is important that the design of the buildings allows for cost efficient construction techniques, materials and fit outs. Maintaining affordability is a key difference between student accommodation and traditional apartment and townhouse developments.

One point that has become clear during discussions with architects and student accommodation managers is that communal areas in studio developments as well as those external to shared units, are highly underutilised. Live-in caretakers also add an extraordinary cost to developments in both fees to pay the caretaker as well as the lost revenue associated with the provision of living quarters. These additional expenses often add $20-40 to a student’s weekly rent. This can have a significant impact on the affordability of purpose built student accommodation. A lead tenant appears to be the preferred method of providing an on-site tenant who can welcome new students and assist them in adjusting to their new living environment.

Building costs can also impact student rents. There are numerous techniques that can be adopted to ensure the appearance of the buildings is interesting and contributes to the character of an area, while keeping costs to a minimum. These include the use of varied materials and colours on facades and landscaping to break up the building bulk of pre-cast slab constructed walls. A basic fit out of standard appliances and cabinetry, which includes a hot plate, shower, toilet and storage space, also contributes to ensuring affordability is maintained.

9.3.3 Mixed Use Development

An opportunity exists to provide strategically located mixed use development that includes retail, café and restaurant uses at street level and student accommodation above. There are particular opportunities at the Burwood, Burwood Heights, Station Street and Elgar Road strip shopping centres that have very good access to tram and bus routes that connect directly to the tertiary institutions. The incorporation of student accommodation into strip shopping centres within the municipality would achieve the following:

- Revitalise aged shopping centres and improve the urban streetscape
- Create an active and vibrant environment for small businesses
- Improve community safety by increasing passive activity
- Attract ‘brand’ retailers to support the residents

Establishing accommodation in these shopping centres will increase the mix of uses while helping the area’s vibrancy and sustainability.

9.3.4 Conclusions

There is a shortage of both shared unit and studio type student accommodation in the City of Whitehorse. Particularly, there is a shortage of competitively priced student accommodation that can be used as an affordable alternative to shared housing within the general rental market. There is currently no student accommodation that takes direct advantage of retail areas, providing a different set of amenities than achieved through located directly next to a campus.

There is also a limited amount of on-campus student accommodation. This type of arrangement has a stronger appeal to Australian students than off-campus purpose built student
accommodation. Large scale development of on-campus student accommodation will reduce the demand for accommodation off-site. However, this would partially be servicing a separate market of students looking for accommodation directly associated with the educational institution they are attending.

9.4 Product Mix – Type and Location

Although it is important to tailor developments to cultural needs and include specific design element, there is a need to understand the overall product mix which is affected by location and development type factors.

Location

Section 7.1.3 of this report identifies the three key location attributes, which are:

- Proximity to educational institution
- Public transport that connects directly to the educational institution
- Located within the Box Hill Principal Activity Centre

The City of Whitehorse has identified a number of ‘substantial change areas’ as part of their response to housing a growing population. Although the first option would be to locate the student accommodation developments in areas that have at least one of the key attributes mentioned above, it is recognised that higher density development has already been envisaged through the identification of the ‘substantial change areas’ policy.

Either one of the key location attributes must be achieved or the development site must be in a substantial change area to be considered for student accommodation development.

A cross tabulation of the location attributes and ‘substantial change areas’ is included in the following table.

The table highlights that all the precincts within the ‘substantial change areas’ identified in the City of Whitehorse - Housing Study (February 2005), have at least in part, the locational attributes identified as being crucial to student accommodation development.
### Figure 17. Substantial Change Areas and Locational Attributes

<table>
<thead>
<tr>
<th>Substantial Change Area Precinct (Higher Density)</th>
<th>Locational Attributes</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Proximity to Educational Institution</td>
<td>Access to public transport</td>
</tr>
<tr>
<td>1 Burwood (Warrigal Rd)</td>
<td>1.4 km</td>
<td>✓</td>
</tr>
<tr>
<td>2 Burwood (Burwood Hwy)</td>
<td>1.2 km</td>
<td>✓</td>
</tr>
<tr>
<td>3 Bennettswood</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>4 Burwood (Middleborough Rd)</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>5 Box Hill</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>6 Central Box Hill</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>7 Central Box Hill</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>8 Central Box Hill</td>
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<td></td>
</tr>
<tr>
<td>9 Laburnum</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>10 Blackburn</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>11 Nunawading</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>12 Mitcham</td>
<td>✓</td>
<td></td>
</tr>
<tr>
<td>13 Mitcham</td>
<td>✓</td>
<td></td>
</tr>
</tbody>
</table>

Source: CoW Housing Strategy 2003, Burwood Heights Structure Plan, City of Whitehorse Planning Scheme, MacroPlan Australia 2006
Type

There are three main development types that have emerged to meet the needs of the growing student population. Although it is noted that there is varying internal configurations and lot sizes, the main development types are:

- Townhouse
- Apartment
- Higher Density

Given the nature of these developments it is acknowledged that it is not as simple as just locating one of these development types in an area that meets one of the location criteria. For example, in the short to medium term it is unlikely that ‘higher density’ development will be sited in any residential street (excluding main roads) within 500 metres of Deakin University.

As such, new student accommodation developments should maximise the number of beds provided to ensure key sites are not under utilised. This will result in a progressive increase in the number of ‘higher density’ developments.

Product Mix

Based on the preferred growth model, an additional 4403 student accommodation beds (above the existing 426 beds) will be required by 2030. The location of the development will greatly impact on whether this growth can be accommodated and developments can be constructed at a cost that does not exceed the markets ability to pay. For example, although it may be desirable to have ‘higher density’ developments in the Box Hill Principal Activity Centre, the high land value is likely to add significant costs to construction and subsequently deliver a product that requires rentals above a typical student’s affordability level.

Given the above, locations outside of Box Hill Principal Activity Centre should also be considered. These should be consistent with those outlined in Section 7.1.3 or within Substantial Change Areas.

Based on the way the student market has developed in the Melbourne inner city areas and surrounding other major tertiary institutions, including Monash, it is likely that a number of ‘higher density’ developments will occur in coming years. Although it will be necessary to monitor the student accommodation market, it is envisaged that the following product mix will be required.

Although student accommodation market is subject to a range of market forces, the following table projects a progressive development type mix from 2006 – 2030. It is assumed that ‘townhouse’ development will account for approximately 10% of the total number beds and there will be a progressive increase in the percentage of beds within ‘higher density’ development as supply of suitable sites decreases.

<table>
<thead>
<tr>
<th>Product Type</th>
<th>No. of beds 2006</th>
<th>Required no. of beds 2010</th>
<th>Required no. of beds 2015</th>
<th>Required no. of beds 2020</th>
<th>Required no. of beds 2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>Townhouse</td>
<td>28</td>
<td>125</td>
<td>175</td>
<td>245</td>
<td>482</td>
</tr>
<tr>
<td>Apartment</td>
<td>398</td>
<td>973</td>
<td>1125</td>
<td>1310</td>
<td>1947</td>
</tr>
<tr>
<td>Higher density</td>
<td>0</td>
<td>150</td>
<td>450</td>
<td>900</td>
<td>2400</td>
</tr>
<tr>
<td>Total</td>
<td>426</td>
<td>1248</td>
<td>1750</td>
<td>2455</td>
<td>4829</td>
</tr>
</tbody>
</table>
10 Summary of Issues

Throughout this report, issues relating to people, products and places have been highlighted. This section summarises these issues such that they can be considered in the formulation of a policy for student accommodation.

10.1 People

- Australian and Victorian policy encourages students from overseas to study in Australia, take up work and potentially take up residency.
- Varying international exchange rates will impact on the ability for some students to afford an Australian education. This will change the demographic profile of overseas students attracted to Australia as well as what they are able to afford for accommodation.
- Australia’s skill shortage is attracting a new type of international student who is more attracted to vocational skills offered by a TAFE such that they can work towards gaining permanent residency. This type of student will have different accommodation requirements.
- TAFE’s are targeting international students by creating and marketing courses that give students special skills for immigration.
- The type of educational institution will attract a different type of international student with different accommodation requirements. Therefore there will be a different type of demand for accommodation within close proximity of Box Hill TAFE and Deakin University.
- Due to freehold arrangements, the feasibility of a student accommodation project for a developer is not always directly related to what international students are able to afford.
- While predominantly Asian, the origin of students attracted to either institution varies dependant on the courses offered.
- Deakin University is more likely to attract students from wealthier countries such as Hong Kong, Singapore, U.S.A. and Canada.
- A large amount of on-campus student accommodation development could significantly affect the demand for off-campus accommodation.
- The relocation of Deakin University's International Student Campus to Burwood will result in an influx of up to 2900 international students to the area.
- Box Hill Institute of TAFE is heavily marketing towards international students.
- While the international student market is changing and presents a new set of variables to consider, according to projections and subsequent trends, Australia’s ability to attract students is expected to continue.
- There is already beginning to be a transition for Southeast Asian students to Chinese, Indian and South Korean Students.
- Victoria and NSW continue to be the leaders in attracting international students. Victoria is capturing a larger percentage of the Indian international student market, an increasing number of whom are looking for vocational education.
- Higher education continues to be a major attraction for international students.
although vocational education is driving the overall growth in the market.

- Growth in the international student market is likely to continue at 7% per annum. This will lead to approximately 9500 students in 2010, 13,400 students in 2020 and 37,000 students by 2030 in the City of Whitehorse.

- It is assumed that 15% of these students would use purpose built student accommodation, and potentially 20% or more if the market offers the right accommodation product.
10.2 Places

- Melbourne 2030 encourages diversity in housing options, including higher densities in and around activity centres.
- Residential growth is encouraged in Activity Centres particularly Principal and Major Activity Centres.
- The majority of CoW’s new households in the next 15 years will be accommodated by infill development within existing residential areas, both those designated for high density and minimal change.
- International students will expect accommodation costs to reflect their requirement to use public transportation if they are not within walking distance of their educational facility.
- International students prefer accommodation within 500 m of their educational institution. Up to 800m is considered acceptable but anything more will be considered a major disadvantage.
- Student accommodation can be located in activity centres which offer services attractive to students as long as there is a direct public transport connection to their educational institution.
- Encouragement of purpose built student accommodation in and around the educational campuses, could create a student village. The critical mass could attract a greater number of students into the student village and ease demand on rental housing in the CoW.
10.3 Product

- Students with differing ethnicity and cultures have different accommodation demands. New developments should consider the type of international students that are attending the local educational institution and provide the appropriate type of accommodation.

- Accommodation should cater for short term tenancy allowing students the opportunity to adjust to their new environment.

- There is a high demand for both types of purpose built facilities, which can be provided on a range of lot sizes and configurations.

- The cost of communal areas and live-in caretakers significantly increases students weekly rent, making some facilities unattractive to students on a budget.

- Studios apartments, which attract mainly international students, require less car parking than shared apartments or townhouses which tend to attract more Australian students who are slightly more inclined to own their own vehicle.

- ResCode parking requirements should apply unless a development can demonstrate that it provides locational advantages that justify a reduction.

- Parking precincts should be established in areas that are identified as appropriate for shop top housing development, which should allow for a total waiver of car parking.

- The City of Whitehorse will require an additional 822 purpose built student accommodation beds by 2010, 2029 by 2020 and 4403 by 2030.
Student Accommodation Car Parking Demand in the City of Whitehorse
Research Report

City of Whitehorse Council
4 April 2007
FM13320
Document Issue

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1 Introduction

1.1 Background
In November 2006, GTA Consultants was engaged by the City of Whitehorse to research “Student Accommodation” land use car parking demand characteristics within the municipality. The ‘Student Accommodation’ land use is not specifically defined within the Whitehorse Planning Scheme and this investigation is to be used to assist Council in reviewing the current requirements for car parking supply for new or extended Student Accommodation developments.

This report sets out the Consultants findings and recommendations.

1.2 Purpose of This Report
The objectives of this study are to:

i. Observe existing Student Accommodation parking demands throughout the City of Whitehorse;
ii. Consider other sources and research of Student Accommodation parking demands that potentially could be applied to the municipality;
iii. Review the adequacy of existing car parking supply requirements for new or extended Student Accommodation facilities; and
iv. Consider other factors, including local and state based policies that may influence the provision of Student Accommodation car parking supply.

1.3 Referenced Documents
In preparing this report, reference has been made to a number of background documents, including:

- “Whitehorse Student Accommodation Study”, TraffixGroup, August 2006;
- City of Whitehorse Planning Scheme;
- Surveys of existing Student Accommodation located within the City of Whitehorse undertaken by GTA Consultants;
- Numerous Student Accommodation surveys undertaken by GTA Consultants and various other companies throughout the broader Melbourne area;
- Recent VCAT decisions pertaining to Student Accommodation facilities;
- Various technical data as referenced in this report; and
- Other documents as nominated.

It is noted that TraffixGroup (Aug 2006) is relied upon heavily for the production of portions of Section 4 of this report.
2 Statutory Car Parking Requirements

2.1 Whitehorse Planning Scheme

Statutory requirements for the provision of car parking for new or extended student accommodation facilities are set out in Clause 52.06 of the Whitehorse Planning Scheme. The Whitehorse Planning Scheme does not specifically define ‘Student Accommodation’ as a land use and as such, the scheme does not specifically incorporate a recommended car parking rate.

In such circumstances, the Scheme notes:

"Where a use is not specified in the table at Clause 52.06-5, an adequate number of car spaces must be provided to the satisfaction of the responsible authority."

The Whitehorse Planning Scheme also provides decision guidelines to reduce or waive the statutory parking requirement as follows:

- Any relevant parking precinct plan;
- The availability of car parking in the locality;
- The availability of public transport in the locality;
- Any reduction in car parking demand due to the sharing of car spaces by multiple uses, either because of variation of car parking demand over time of because of efficiencies gained from the consolidation of shared car parking spaces;
- Any car parking deficiency or surplus associated with the existing use of the land;
- Any credit which should be allowed for a car parking demand deemed to have been provided in association with a use which existed before the change of parking requirement;
- Local traffic management;
- Local amenity including pedestrian amenity;
- An empirical assessment of car parking demand; and
- Any other relevant consideration.
3 Student Accommodation Car Parking Demands

3.1 Preamble
The following Chapter has been prepared to document both the outcome of surveys undertaken by GTA Consultants of a number of Student Accommodation facilities throughout Whitehorse, along with consideration of other sources and research of Student Accommodation car parking demands that potentially could be applied to the municipality.

3.2 Whitehorse Student Accommodation

3.2.1 Car Parking Surveys
During November 2006, interview surveys of five individual student accommodation facilities throughout the City of Whitehorse\(^1\) were undertaken by GTA Consultants. These surveys were aimed at ascertaining the car ownership levels and on-site parking demands of students residing within the council-nominated facilities.

The facilities surveyed are considered to represent a broad range of parking demand situations, with the sites selected to include different accommodation locations across the entire municipality, along with reflecting the range of student catered for.

The accommodation facilities are as follows:

- Deakin Student Village – On Campus, Burwood;
- International House – 8 Uganda Street, Burwood;
- Campus Walk 4 – 234 Warrigal Road, Burwood\(^1\);
- Carinya – 32-34 Kangerong Road, Box Hill; and
- Cherry Tree Village – Cherry Tree Lane, Box Hill South.

The location of the above sites are further illustrated in Figure 3.1.

A summary of the existing car parking demands are set out as follows, with specifics of the associated survey results and student accommodation sites presented in Appendix A and B respectively.

- Average: 0.19 car spaces per occupied bed
- 15\(^{th}\) percentile: 0.07 car spaces per occupied bed
- 85\(^{th}\) percentile: 0.33 car spaces per occupied bed

\(^1\) Campus Walk 4 is located on the west side of Warrigal Road, Burwood. Whilst not strictly within the City of Whitehorse, its location on the boundary of the municipality was considered appropriate for use in this report.
Figure 3.1: Location of Student Accommodation Facilities

- Cherry Tree Village
- Box Hill TAFE
- Cannya
- International House
- Campus Walk 4
- Deakin University Melbourne Campus
- Burwood Student Village
The location of each of the accommodation facilities in respect to the surrounding public transport linkages is shown in Figure 3.2.

Figure 3.2: Public Transport

### 3.3 Other GTA Surveys

In May 2005, GTA Consultants undertook car ownership surveys of five student accommodation facilities. The two of the facilities surveyed were associated with Swinburne Universities Hawthorn Campus with the remaining three facilities located at Monash Universities Clayton Campus.

The results of these facilities summarised below indicated the following car ownership levels. Full results are provided in Appendix C of this report.

- **Average:** 0.22 car spaces per occupied bed
- **15th percentile:** 0.14 car spaces per occupied bed
- **85th percentile:** 0.31 car spaces per occupied bed
3.4 Carlton Student Housing

In June 2002, Arup Consultants undertook car parking demand surveys of six student accommodation facilities within Carlton.

The results of these surveys indicated an average peak car parking demand of 0.2 spaces per occupied bed.

3.5 VCAT Decisions

GTA Consultants has undertaken research into recent VCAT decisions pertaining to student accommodation facilities throughout Melbourne. In doing so, a total of nine facilities have been identified along with their associated endorsed car parking rates. The results of this research are summarised as follows with full results provided in Appendix C of this report.

- Average: 0.24 car spaces per bed
- 15th percentile: 0.20 car spaces per bed
- 85th percentile: 0.30 car spaces per bed
4 Other Considerations

4.1 Preamble

There are a number of factors that influence both the provision of and demand for car parking. In terms of land use planning, and specifically student accommodation, such factors can include the location and type of tertiary facility, the location and type of student accommodation, the availability of car parking on or near such facilities, public transport availability and linkages and proximity to activity centres.

Similarly, local and state policies and strategies also dictate, or can influence, the direction of car parking provision as part of land use planning.

To this end, TraffixGroup (2006) provides a comprehensive summary of such factors as they relate to Whitehorse, and the relevant material documented in that report is reproduced and/or summarised in the following sections.

4.2 Existing Tertiary Facilities

Two tertiary facilities currently operate within the City of Whitehorse; those being the Box Hill Institute of TAFE and Deakin University (Melbourne Campus). A description of each facility is provided in TraffixGroup (2006) and is reproduced as follows:

“Deakin University’s Melbourne Campus comprises two sites that are separated by Gardiners Creek recreational park. The park itself does not act as a physical barrier and both sections of the campus can be accessed from each other by foot using the park’s pathways. The north-western section of the campus is the smaller of the two sites and fronts Elgar Road. We understand that additional buildings and car spaces are currently proposed for this part of the campus.

The south-eastern section has a frontage to Burwood Highway and is the larger of the two sites with the majority of buildings and the main multistorey carpark located on site. It is the campus’ primary site and has predominant landmark features fronting the highway.

The campus is surrounded by neighbouring educational facilities, recreational facilities, residential properties and industrial premises as shown in the locality plan at Figure 1."
Box Hill Institute of TAFE operates over four campuses that are clustered around Box Hill Central. The Elgar Campus spans two sites located opposite each other on the east and west side of Elgar Road and are joined by a pedestrian overpass. The Nelson Campus is situated approximately 500m east of the Elgar Campus and is located on the north-west corner of Whitehorse Road and Nelson Road. The Whitehorse Campus (located on the south side of Whitehorse Road) and the Ellingworth Campus (located on the south side of Ellingworth Parade) are located on the fringe of Box Hill Central. All four campuses are located within the Box Hill Business District.

Figure 2 shows the locality of the various campuses that comprise Box Hill Institute of TAFE.\(^2\)

4.3 Public Transport

The availability of public transport has the ability to heavily influence the level of car ownership. As illustrated in Figure 3.2 of this report and further discussed in TraffixGroup (2006), the two key tertiary education facilities within the City of Whitehorse have varying levels of public transport links available.

**Deakin University**

Deakin University is considered to have limited public transport options available with two public bus and a single tram route located within close proximity of the campus. These are as follows:

- **Bus Route 767**: Operates between Southland Shopping Centre and Box Hill Central travelling along Elgar Road and Burwood Highway adjacent to the campus;
- **Bus Route 732**: Operates between Upper Ferntree Gully train station and Box Hill Central travelling along Station Street, approximately 400m to the east of the campus; and
- **Tram Route 75**: Operates between Melbourne (Flinders Street) and Vermont Shopping Centre and travels along Burwood Highway adjacent to the campus.

TraffixGroup (2006) indicates that a University shuttle bus service operates between Box Hill train station and the campus.
Box Hill Institute of TAFE
The Box Hill Institute of TAFE is extremely well serviced by public transport with the tram, bus and train options all available from the Box Hill Central Transport Interchange which is located within the Box Hill Business District in close proximity to all campuses. These are as follows:

- **Bus Routes:** A total of 19 bus routes operate from the Box Hill Central Transport Interchange and provide services to various locations;
- **Tram Routes:** Tram routes 42 and 109 operate between Box Hill and the Melbourne CBD travelling along Whitehorse Road;
- **Train Lines:** The Box Hill Train Station services the Belgrave and Lilydale train lines.

4.4 Type of Accommodation
The nesting diagrams within the Whitehorse Planning Scheme places “student accommodation” under the “residential building” land-use category which has a car parking requirement of one space per lodging room. The “residential building” use in the Whitehorse Planning Scheme encompasses a broad range of accommodation types which could be expected to generate varying levels of car parking demand. Indeed, even within the “student accommodation” use, there are several types of accommodation facilities which are outlined in TraffixGroup (2006) and reproduced as follows.

**“Residence Halls and Colleges**
Typically affiliated with a tertiary education institution and usually located on or near the campus. Students pay board and have access to a private room and shared facilities. Facilities provide a large number of rooms and a caretaker or similar resides on-site.

**Shared Student Apartments/Townhouses**
Shared student apartments and townhouses are similar in that they both have multiple bedrooms within a self contained unit. This allows students to share their own living area, kitchen and toilets while having a sense of ownership for their unit. Developments can be in a townhouse format or apartments in higher density areas and may have a live-in caretaker or reception.

We have been advised by MacroPlan that market research undertaken for student accommodation shows that multi-room apartments/townhouses are predominately tenanted by local students.

**Individual Student Studios/Apartments**
These developments aim to provide a large number of simple, private living opportunities near educational institutions. Studios offer private accommodation with a bed, kitchenette and living area within one space and an attached bathroom. One bedroom apartments provide a similar living experience with a separate bedroom and a slightly higher rental rate. Often, these developments include communal facilities such as lounge or study rooms, and sometimes include live-in caretakers and a reception desk. Individual student studios and apartments can be found in developments ranging in size from medium to higher density offerings incorporating hundreds of units.

---

2 Students from country Victoria and metropolitan Melbourne.
Market research shows that studios are predominately tenanted by international students.

**Hostels**
Developments have a number of bedrooms that are used by one or more students and shared facilities such as kitchens and bathrooms. We understand that research by Macro Plan suggests that this type of student accommodation is predominately tenanted by international students.

**Group Housing**
Managed by an off-site manager group housing usually accommodates up to ten private rooms and shared facilities. Students pay a fixed fee and management covers utility costs, etc.

**Shared Housing**
Informal accommodation where students share a dwelling with typically one or more people on a lease and rooms within the dwelling are sub-let to other tenants.

**Homestays**
Typically operated privately, homestays provide students (mostly international) to live with a local family and study.

In addition, we note that studio accommodation can be incorporated into mixed-use development by being located above commercial and retail development such as restaurants, retail stores, etc. For the purposes of this report such accommodation is referred to as ‘shop-top’ studios. While ‘shop-top’ studios are obviously suitable accommodation for students, they are in no way occupied exclusively by students and we believe that the recommended parking rates outlined in this investigation should be applicable to all ‘shop-top’ studio accommodation as a whole i.e. not just specifically individual student studio and apartment accommodation, where the relevant criteria are met.”

4.5 **Selection of Accommodation Type**
TraffixGroup (2006) presents a description, based on research conducted by MacroPlan, of various factors which contribute to the selection of accommodation by students. This commentary is provided as follows:

- “Comfortable walking distance from the enrolled institution (typically 500m),
- A high level of access to public transport that provides for one short trip, and
- Proximity of accommodation to vibrant and active centres.

The above factors all contribute to the accessibility of educational facilities, shopping and recreational facilities and in our opinion are considered to be access factors.”

Other Considerations

TraffixGroup (2006) also note that the expense of accommodation, i.e. the financial factor is more than likely the governing factor in selection of accommodation with the above access factors considered to be variables that students are able to somewhat trade off.

4.6 Relevant Strategies and Policies

There are a number of relevant strategies and policies contained within the City of Whitehorse Planning Scheme. These have been summarised within TraffixGroup (2006) and are reproduced as follows:

“The City of Whitehorse Municipal Strategic Statement identifies three strategic issues that need to be addressed being environment, housing and economic development, and recognises that development should be targeted into strategic areas with excellent public transport access and shopping opportunities, and outlines a vision where Council will endorse the provision of a wider range of housing types to meet the changing needs of the population.

As stated at Clause 21.06-3 key objectives are:

‘To provide for a wide range of housing types to meet the changing needs of the population.’, and

‘To ensure that higher density housing is directed to specific areas, including activity centre, with excellent public transport and shopping access in a form consistent with the character of the neighbourhoods.’

Clause 21.06-4 sets out a strategy to achieve the objective of outlined above by accommodating higher density housing in appropriate locations within the city as follows:

‘Encouraging higher density housing development in identified areas, including activity centres, public transport nodes, a range of commercial and community facilities.’

The above strategy is in line with the principle and policies of Melbourne 2030 the State Government Policy that aims to create a more compact city through location of new housing in or close to activity centres and other strategic redevelopment sites that offer good access to services and public transport.

Local Planning policies that focus on maintaining vitality of a centre and reducing car dependency are:

Clause 22.05 - Box Hill Business district,
Clause 22.12 – Blackburn Station Shopping Centre,
Clause 22.13 – Burwood Heights Activity Centre, and
Clause 22.14 – Former Brickworks Site.”

5 Recommendations

5.1 Design Rate

Based on the surveys undertaken of student accommodation facilities within the City of Whitehorse and other relevant information, it is clear that the average car parking rate attributable to student accommodation facilities is between 0.19 and 0.24 car parking spaces per bed with 85th percentile rates of up to 0.33 spaces per bed recorded.

As such, it is recommended that the City of Whitehorse adopt a car parking rate for student accommodation facilities of 0.3 spaces per bed in areas with poor access to facilities such as public transport and retail centres.

In locations where accessibility to public transport and retail centres is high, car parking rates of between 0.19 and 0.24 spaces per bed are considered appropriate.

In applying the above rates, it is also the Consultant’s view that the specific circumstances of each proposal should be considered, and the actual requirement for on-site car parking supply could potentially be reduced or waived.
Appendix A

Whitehorse Student Accommodation Survey
Result Summary
Table A.1: Summary of Whitehorse Student Accommodation Car Parking Surveys

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<th>Facility</th>
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<th>No. of students this semester</th>
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<th>Demand (No. of cars)</th>
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<td>Burwood Student Village</td>
<td>Deakin University, 221 Burwood Highway, Burwood</td>
<td>(03) 9244 6838</td>
<td>Lewis Martin</td>
<td><a href="mailto:lewis.martin@deakin.edu.au">lewis.martin@deakin.edu.au</a></td>
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<td>(03) 9663 1188</td>
<td>Geoff Wilson</td>
<td><a href="mailto:geoffw@s-h-a.com.au">geoffw@s-h-a.com.au</a></td>
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<td>Canaan International Student Centre</td>
<td>15 Hay Street, Box Hill South</td>
<td>(03) 9899 1698</td>
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15th Percentile 0.07  
Average 0.19  
85th Percentile 0.33
Appendix B

Whitehorse Student Accommodation Survey
Individual Sites
Student Accommodation Site No.1 – Deakin University (Burwood) Student Village

Location
221 Burwood Highway, Burwood

Building Type / Type of Service
Deakin University (Burwood Campus) Student Village has a number of multi-storey blocked accommodation units. The units are provided on-campus and cater for a diverse student population.

Surrounding Area:
Land uses in the vicinity of the Deakin University (Burwood) Student Village predominantly consist of mainly of Deakin University, sport / recreational facilities and residential uses.

Public Transport:
- Tram Route 75 (East Burwood to City) operates along Burwood Road approximately 500m to the south of the site; and
- Bus Route 767 (Box Hill Station to Southland SC) operates along Elgar Road adjacent to the site.

Student Accommodation Site Data:
- Number of Beds: 200
- Number of Students During Term2, 2006: 200
- Parking Supply: 99 Spaces
- Parking Demand: 99 Spaces (102 Permits issued)
- Existing Car Parking Supply Rate: 0.50 spaces per bed
- Peak Car Parking Demand Rate: 0.50 spaces per bed
Student Accommodation Site No.2 – Cherry Tree Village

Location
Cherry Tree Lane, Box Hill South

Building Type / Type of Service
Cherry Tree Village has a number of multi-storey blocked accommodation units catering for largely international student residents. Cherry Tree Village is further illustrated in Figures B1 and B2.

Figure B1: Cherry Tree Village Entrance
Surrounding Area
In the vicinity of Cherry Tree Village, land uses are predominantly residential.

Public Transport
- Bus Route 733 (Box Hill Stn to Oakleigh Stn) operates along Middleborough Road approximately 300m to the east;
- Bus Route 735 (Box Hill Stn to Blackburn Rd, South Blackburn) operates along Eley Road approximately 100m to the south; and
- Tram Route 75 (East Burwood to City) operates along Burwood Road approximately 900m to the south.

Student Accommodation Site Data:
- Number of Beds: 98
- Number of Students During Term 2, 2006: 88
- Parking Demand (Student & Staff): 3
- Peak Car Parking Rate: 0.03 spaces per bed
**Student Accommodation Site No.3 – Campus Walk 4**

**Location**
234 Warrigal Road, Burwood

**Building Type / Type of Service**
Campus Walk 4 provides students with apartment style accommodation. Campus Walk 4 is illustrated in Figures B3, B4 and B5.

Figure B3: Campus Walk 4 Entrance
Figure B4: Campus Walk 4 Access

Figure B5: Campus Walk 4 Car Parking Area
Surrounding Area
In the vicinity of Campus Walk 4 existing land uses are predominantly residential.

Public Transport
Bus Route 700 (Box Hill Central to Mordialloc) operates along Warrigal Road adjacent to the site.

Student Accommodation Site Data

- Number of Beds: 32
- Number of Students During Term 2, 2006: 30
- Parking Demand: 3 (including 2 staff cars)
- Parking Supply: 8 spaces
- Existing Car Parking Supply Rate: 0.25 spaces per bed
- Peak Car Parking Demand Rate: 0.10 spaces per bed
**Student Accommodation Site No.4 – International House**

**Location**
8 Uganda Street, Burwood

**Building Type / Type of Service:**
International house provides multi-storey housing accommodation for international students. International house is illustrated in Figures B6 and B7.

Figure B6: International House Entrance
Surrounding Area:
Surrounding land uses predominantly consist of educational facilities along with some residential and parkland uses.

Public Transport:
- Tram Route 75 (East Burwood to City) operates along Burwood Road approximately 600m to the south; and
- Bus Route 767 (Box Hill Station to Southland SC) operates along Elgar Road approximately 50m to the east.

Student Accommodation Site Data:
- Number of Beds: 83
- Number of Students During Term2, 2006: 77
- Parking Demand: 8 (including 5 staff vehicles)
- Peak Car Parking Demand Rate: 0.10 spaces per bed
Student Accommodation Site No.5 – Carinya

Location
32-34 Kangerong Rd, Box Hill

Building Type / Type of Service
Carinya provides single level unit / flat type student accommodation. Carinya is illustrated in Figures B8 and B9.

Figure B8: Carinya Entry Points
Surrounding Area
Given its proximity to Box Hill Central, Carinya has a wide variety of surrounding land uses including, retail, restaurant and the Box Hill Tafe.

Public Transport:

- Tram Route 109 (Box Hill to Port Melbourne) operates along Whitehorse Road approximately 500m to the west;
- The Box Hill Train Station, which is on the Lilydale and Belgrave train lines, is located approximately 500m to the south west;
- Bus Routes 279 (Box Hill Central to Blackburn Station), 286 (Box Hill Central to the Pines Shopping Centre) and 684 (Melbourne to Eildon) operate along Whitehorse Road directly to the south; and
- Bus Route 291 (Box Hill Central to Heidelberg Station), 293 (Box Hill Central to Greensborough Shopping Centre) and 295 (Box Hill Central to the Pines Shopping Centre).

Student Accommodation Site Data:

- Number of Beds: 45
- Number of Students During Term2, 2006: 45
- Parking Demand: 10
- Peak Car Parking Demand Rate: 0.22 spaces per bed
Appendix C

Parking Generation Rates
Table C.1: Summary of Other Student Accommodation Car Parking Surveys

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<td>Campus Walk, Wellington Rd, Clayton</td>
<td>27 surveyed</td>
<td>Thu</td>
<td>May-05</td>
<td>0.19</td>
</tr>
<tr>
<td>Student Apartments</td>
<td>Sth Est Flats, Monash Uni, Clayton Campus</td>
<td>75 surveyed</td>
<td>Sun</td>
<td>May-05</td>
<td>0.38</td>
</tr>
<tr>
<td>Student Apartments</td>
<td>9 Wakefield St, 15 Wakefield St, Swinburne Uni Campus</td>
<td>23 surveyed</td>
<td>Fri</td>
<td>May-05</td>
<td>0.13</td>
</tr>
<tr>
<td>Student Apartments</td>
<td>12, 18, 24 Park St</td>
<td>22 surveyed</td>
<td>Fri</td>
<td>May-05</td>
<td>0.27</td>
</tr>
<tr>
<td>15th Percentile</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.14</td>
</tr>
<tr>
<td>Average</td>
<td></td>
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<td>0.22</td>
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<tr>
<td>85th Percentile</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0.31</td>
</tr>
</tbody>
</table>
Table C.2: Summary of Recent VCAT Approved Student Accommodation Car Parking Rates

<table>
<thead>
<tr>
<th>Facility</th>
<th>Location</th>
<th>Size</th>
<th>VCAT Decision Date</th>
<th>Endorsed Car Parking Rate</th>
<th>VCAT Application No.</th>
<th>VCAT Permit No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Accommodation</td>
<td>39-59 Victoria Pde, Collingwood</td>
<td>82 suites</td>
<td>20-Apr-99</td>
<td>0.28 spaces / suite (some 2 bed suites)</td>
<td></td>
<td>1999/787</td>
</tr>
<tr>
<td>Student Accommodation</td>
<td>141-147 Waverley Road, Malvern East</td>
<td>64 students</td>
<td>18-Apr-02</td>
<td>0.26 spaces / bed</td>
<td>P51770/2001</td>
<td>2002/250</td>
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<tr>
<td>Student Accommodation</td>
<td>375 Burwood Road, Hawthorn</td>
<td>47 units</td>
<td>24-Jul-02</td>
<td>0.26 spaces / bed</td>
<td></td>
<td>2002/998</td>
</tr>
<tr>
<td>Student Accommodation</td>
<td>Swanston / Faraday / Cardigan Streets, Carlton</td>
<td></td>
<td>30-Oct-03</td>
<td>0.06 spaces / bed</td>
<td>P57/2003</td>
<td>2003/1525</td>
</tr>
<tr>
<td>Student Accommodation</td>
<td>15 Hawthorn Rd, Caulfield</td>
<td>81 rooms / 81 beds</td>
<td>24-Nov-03</td>
<td>0.32 spaces / bed</td>
<td>P1827/2003</td>
<td>2003/1743</td>
</tr>
<tr>
<td>Melbourne International Student Accommodation</td>
<td>60 Auburn Road, Hawthorn</td>
<td>22 units / 47 beds</td>
<td>29-Apr-04</td>
<td>0.23 spaces / bed</td>
<td>P3093/2003</td>
<td>2004/800</td>
</tr>
<tr>
<td>Student Accommodation</td>
<td>1-5 Queens Avenue, Hawthorn</td>
<td></td>
<td>05-Apr-04</td>
<td>0.20 spaces / bed</td>
<td>P2286/2003</td>
<td>2004/605</td>
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<tr>
<td>Melbourne International Student Accommodation</td>
<td>1219-1221 Riversdale Rd, Box Hill Sth</td>
<td>27 units / 51 beds</td>
<td>17-Jan-05</td>
<td>0.30 spaces / bed</td>
<td>P2373/2004</td>
<td>2005/91</td>
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<tr>
<td>Student Accommodation</td>
<td>220-228 Lygon St, Carlton</td>
<td>55 beds</td>
<td>18-Feb-05</td>
<td>0.25 spaces / bed</td>
<td>P2704/2004</td>
<td>2005/302</td>
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</table>

15th Percentile 0.20
Average 0.24
85th Percentile 0.30
whitehorse student accommodation study
part 3 - planning issues
hansen partnership pty ltd
may 2007
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appendix 1 – local policy for student accommodation
1 purpose of this report

This report examines statutory planning issues associated with student accommodation in the City of Whitehorse. It also presents a local planning policy for student accommodation to be included into the Whitehorse Planning Scheme.

The report is based on an earlier report prepared by Hansen Partnership for the City of Whitehorse titled “Peer Review of Planning Issues Whitehorse Student Accommodation Study (Hansen Partnership 2007).

That earlier report has been redrafted to form this document, which represents the third of a three part series of reports that address the issue of student accommodation in Whitehorse. Part 1 comprised an economic assessment of student housing undertaken by MacroPlan. That part also comprises design guidelines prepared by MGS Architects. Part 2 comprises a car parking report prepared by the Traffix Group.

2 planning issues

what is student accommodation

The relevant land use definitions contained in the planning scheme that apply to student accommodation are:

- **dwelling** - a building used as a self contained residence which must include: a) a kitchen sink; b) food preparation facilities; c) a bath or shower; and d) a closet pan and wash basin. It includes out-buildings and works normal to a dwelling.

- **residential building** - land used to accommodate persons, but does not include camping and caravan park, corrective institution, dependent person’s unit, dwelling, group accommodation, host farm, residential village or retirement village.

Both definitions fall with the overall definition of accommodation. A **residential college**, which is listed but not actually defined in the planning scheme, falls within the definition of a **residential building**.

Not all student accommodation requires a planning permit and will able to be managed by way of a local planning policy in the Whitehorse Planning Scheme. Student accommodation can be either informal or purpose built. Informal student accommodation involves students occupying dwellings, as defined within the planning scheme, that have not been specifically built as student accommodation. Any dwelling can be used by students for shared housing etc without the need for a planning permit.
whitehorse student accommodation study – part 3 planning issues

Purpose built student accommodation is accommodation that is specifically built for the needs of students. If the accommodation comprises self-contained units then use can be defined as **dwellings** rather than as a **residential building**.

If student accommodation does not comprise self-contained units that fall within the definition of a **dwellings**, it will be defined as a **residential building**.

**what a permit is needed for**

The planning scheme requires planning permits for different reasons. The reason for which a planning permit is required may affect the matters than can be taken into account in considering a planning permit application, and also the conditions that may be placed on a planning permit.

There are generally three reasons why a planning permit may be required for student accommodation:

- For the **use** of the land – If the zone requires a planning permit to ‘use’ land either for the purpose of a dwelling or a residential building.
- For the construction of **buildings and works** – Most zones require a planning permit for the construction of buildings or works, even for land ‘uses’ that may not require a planning permit.
- For a reduction or waiving in standard **car parking** requirements – Clause 52.06 of the planning scheme sets out standard car parking requirements for different land uses. Regardless of whether a planning permit is required for any other reason, if a use is proposed with a lesser number of car parking spaces that required by Clause 52.16, then a planning permit is required to reduce that standard requirement. This requirement is generally only applicable to student accommodation in business zones and other zones to which Clause 55 does not apply, as Clause 55 provides alternative car parking requirements for residential development compared to those provided in Clause 52.16.

**zone requirements**

As far as relevant to the City of Whitehorse, residential uses are generally only permissible in residential zones, the Mixed Use Zone and in business zones such as the Business 1 and Business 2 zones.

In residential zones and Mixed Use Zone the use ‘dwelling’ is an as-of-right use and does not require a planning permit. The use ‘residential building’ is a Section 2 use in those zones and does require a planning permit. In both zones a planning permit is required to either ‘construct two or more dwellings on a lot’ or ‘to construct buildings and works for a Section 2 use’.

As Clause 55 applies to both dwellings and residential buildings in residential zones and the Mixed Use Zone, the car parking requirements of Clause 52.06 do not apply in those zones. Accordingly a permit is not needed for a ‘reduction in car parking’, regardless of the number of car parking spaces proposed to be required.
In the Business 1 Zone a dwelling does not require a ‘use’ permit if it has a ground floor frontage of 2 metres or less. Otherwise a ‘use’ permit is required. A ‘use’ permit is required for a ‘residential building’ in a Business 1 Zone in all situations. A ‘use’ permit is required for both a ‘dwelling’ and a ‘residential building’ in a Business 2 Zone. A permit is also required for the construction of all buildings and works in those two zones. As Clause 55 does not apply to business zones, the requirement of Clause 52.06 apply and a planning permit is required to reduce car parking below the standard requirement contained in that clause.

**What planning permits should be issued for**

Student accommodation developments are likely to be established with a lesser provision of car parking, private open space per unit, and storage facilities, and with room / unit designs and other design features that are specific to the needs of students.

Occupation of such developments by persons other than students is not necessarily appropriate.

Accordingly, when a planning permit is issued for student accommodation it is necessary to ‘limit’ the purpose for which the permit is issued to student accommodation only. As a consequence, if in the future a development is to be converted to another type of residential (or other) use, a further planning permit will be required to assess the appropriateness or otherwise of that use. Depending on the nature of the future occupancy of the building, it may be appropriate to modify the building or site layout to accommodate the needs of future occupants.

The way in which the use or development authorised by a planning permit can be ‘limited’ will depend on the reasons for which a planning permit is required. For a ‘use’ permit, words can be included in the preamble of the permit. For a buildings and works permit, or a permit for a reduction in car parking, a condition can be imposed requiring a Section 173 Agreement to be entered into, that restricts the use of the building to student accommodation only.

Appropriate wording includes the following:

- For student accommodation that requires a planning permit for use, any permit granted should be issued for the purpose “residential building (student accommodation)”. A condition should also be included that a Section 173 Agreement be entered into that the development can only be used for the purpose of student accommodation, and that a management plan is required to be prepared.

- For student accommodation that does not require a planning permit for use, but for the construction of buildings and works only, or a dispensation from car parking, any permit issued should be for “construction of buildings and works (or a dispensation from car parking) for X dwellings (to be used for student accommodation)”. A condition should be included that a Section 173 Agreement be entered into that the development can only be used for the purpose of student accommodation, and that a management plan is required to be prepared.
assessment of planning permit applications

clause 55

Clause 55 provides guidelines for the assessment of most types of residential developments of less than 4 storeys that occur in residential zones and the Mixed Use Zone. It does not apply to business and other non-residential zones in which residential developments may also be permitted.

Clause 55 is divided into six sections:

▪ neighbourhood and site description and design response;
▪ neighbourhood character and infrastructure;
▪ site layout and building massing;
▪ amenity impacts;
▪ on-site amenity and facilities; and
▪ detailed design.

The main difference between student accommodation and other forms of residential development relate to the internal amenity requirements of students, which are different to those of many other types of residents. This relates to matters such as: the size of apartments or rooms; the need / potential to use shared facilities such as kitchens, bathrooms, laundries and other facilities; the need for private or communal open space; car parking needs; bicycle parking needs; security etc.

Issues to do with the external appearance and form of a building, the relationship of a building to its neighbours, and issues associated with streetscape, neighbourhood character and external amenity, are generally no different to other forms of residential accommodation. Accordingly, the following five section of Clause 55 are equally relevant to student accommodation as they are to other types of accommodation:

▪ neighbourhood and site description and design response;
▪ neighbourhood character and infrastructure;
▪ site layout and building massing (other than for car parking provisions);
▪ amenity impacts; and
▪ detailed design.

The section of Clause 55 titled ‘on-site amenity and facilities’ is less relevant to student accommodation than to other forms of housing. In particular provisions that relate to private open space and to storage.
The aspects of Clause 55 that are not relevant essentially relate to car parking, private open space and storage. The wording of the objectives for each of those provisions is sufficiently flexible to enable a responsible authority to reduce the specified standards to meet the particular needs of students. However the opportunity exists for alternative guidelines to be provided in relation to these matters in a local planning policy to provide a consistent approach.

**existing residential development policy (clause 22.03)**

The MacroPlan report clearly identifies preferred locations for student accommodation within the City of Whitehorse. Preferred locations include:

- within 500 metres of a tertiary educational institution;
- in or within 500 metres of Principal or a Major Activity Centre;
- within 500 metres of public transport that connects to tertiary educational institutions; and
- within 500 metres of convenience retailing and main roads, open space and recreational amenities that are connect to a tertiary education institute by public transport.

Opportunities also exist within key strategic redevelopment sites that are well located for student accommodation, such as the former brickworks site which is now part of the Burwood Heights Major Activity Centre.

Clause 22.03 of the planning scheme contains Council’s existing residential development policy. The policy divides the residential parts of the municipality into three areas, each of which has a different ‘potential’ to accommodate new residential development and different design guidelines to guide the future form of development. These areas comprise the following:

- substantial change areas;
- natural change areas; and
- minimal change areas

The ‘area’ in which a development is located will have implications on the built form that will be appropriate for any particular student accommodation development that might occur. Having regard to the objectives and policies identified for each of these ‘areas’ the following built form implications emerge:

- In those parts of the Residential 1 Zone and Mixed Use Zone designated as ‘natural change’:
  - Buildings should generally be one to two storeys. A third storey or third storey component may be appropriate on larger and wider sites, where generous landscape setbacks are provided to side and rear boundaries, or on main roads and collector roads.
  - Buildings of four storeys are not appropriate.
A higher intensity of development is appropriate in those parts of the Residential 1 Zone and Mixed Use Zone identified for substantial change:

- Buildings of up to 4 storeys, and possibly more, may be appropriate depending on the recommendations of structure plans prepared for each substantial change area.

- Student accommodation is not appropriate in ‘minimal change’ areas.

- A higher intensity of development may be appropriate in business zones and within a principal or major activity centre, depending on the location within the zone, abutments to other uses and to other zones, and any structure plan prepared for those zones or activity centres.

**Assessment of applications**

There are a number of policies and guidelines that are appropriate to use to assess planning permit applications for student accommodation. The appropriateness of various policies and guidelines will vary depending in the location and / or the zone in which a development is located.

The new local policy for student accommodation that is recommended to be included in the planning scheme as part of this report, will apply to all planning permit applications for student accommodation within the municipality. In addition to that policy, other policies and guidelines appropriate to use are as follows:

- In those parts of the Residential 1 Zone and Mixed Use Zone designated as ‘natural change’, proposals will be assessed using the residential development policy contained in Clause 22.03 and Clause 55. Flexibility will be exercised in relation to those elements of Clause 55 that relate to car parking, private open space and storage, in accordance with the guidelines provided in the local student accommodation policy.

- In those parts of the Residential 1 Zone and Mixed Use Zone identified for substantial change, proposals of up to three storeys will be assessed using the residential development policy contained in Clause 22.03 and Clause 55. Flexibility will be exercised in relation to those elements of Clause 55 that relate to car parking, private open space and storage, in accordance with the guidelines provided in the local student accommodation policy. Proposals of four storeys (or more) will be assessed using the urban design principles contained in Clause 19.03 and the Higher Density Housing Guidelines referred to in that Clause.

- In business zones and within principal or major activity centres, proposal of up to three storeys will be assessed using Clause 55 as a reference, where appropriate. Proposals of four storeys or more will be assessed using the urban design principles contained in Clause 19.03, the Higher Density Housing Guidelines referred to in that Clause, and the Activity Centre Design Guidelines.
As the distance from preferred locations increases

As students have different needs to many other residents, it is appropriate that the standards that apply to more traditional forms of residential accommodation are varied to meet the specific needs of students. Key standards that justify a flexible approach include car parking, private open space and storage. Smaller rooms sizes and the use of shared facilities etc are also design features relevant to consider in relation to student accommodation.

The justification for varied standards is greatest when student accommodation is well located in relation to tertiary institutions or activity centres, and where good access to public transport exists between the two. Such locations provide students with convenient access to a wide range of services and facilities available on-campus or in activities centres, and to public transport and to public open space. This proximity and convenience reduces the need for on-site car parking, on-site private open space and on-site amenities etc.

As the distance from these facilities increases, the justification for a reduction in these residential design elements becomes less. Greater distance from, and consequently less access to, services and facilities and public transport, will lead to an increased need for car parking and the need for a more ‘self-contained’ form of accommodation and a higher level of internal amenity to be provided on the site of a student accommodation facility. It is appropriate consideration of the distance of a proposed facility from identified ‘preferred areas’ is a relevant matter to take into account in deciding to allow flexibility in residential standards associated with student accommodation. It is appropriate to incorporate this principle into any student accommodation policy prepared for Whitehorse.

The demand for student accommodation in Whitehorse

The MacroPlan report identified a very significant demand for purpose built student accommodation in Whitehorse (p50). It identified that the total number of beds presently in the municipality is 426. It estimated that the demand by 2010 will be for double that number of beds, and that by 2030 over 10 times the existing number of beds is likely to be required to meet anticipated demand in the City of Whitehorse (i.e. 4,403 additional beds by 2030).

This level of demand needs to be seen in the context of the overall demand for additional housing in the municipality. The MSS identifies that the municipality may need to accommodate an additional 10,000 dwellings over the next 30 years. The MacroPlan report makes no reference to whether or not the overall demand for 10,000 dwellings includes the demand for student accommodation or not.

Metropolitan and local planning policies encourage a substantial proportion of new housing to be accommodated in Whitehorse to be established in and close to activity centres, and in the case of Whitehorse in ‘substantial change’ areas.

The consequence is that it is likely that the demand for convention medium and higher density housing will be competing with the demand for student accommodation in such locations. This will exacerbate issues concerning the availability of sites, affordability and the ability to meet the likely demand for student accommodation within ‘preferred areas’ in the long term.
The market will determine the relative viability of redeveloping sites in these locations for medium to higher density conventional apartments, compared to student accommodation facilities.

Council will need to continually monitor the rate of development of medium and higher density housing, and of student accommodation within preferred locations, and the degree to which anticipated demand for both forms of housing is being accommodated. Depending on the degree to which demand is being accommodated, Council may need to review its existing housing and residential development policies, and structure plans prepared for activity centres and substantial change areas.

affordability

The MacroPlan report comments that affordability is a key consideration for student accommodation. It refers to the impact on affordability of unnecessary standards for student accommodation developments, and of restricting such developments to locations in and close to activity centres where land prices are higher etc.

Affordability is undoubtedly an important issue. It is an issue in regard to all forms of housing, not just student accommodation. Housing affordability is a key issue for many sectors of the housing market throughout Victoria and Australia at the present time.

Given the high demand identified for purpose built student accommodation, the relatively restricted location preferences identified for such accommodation in the MacroPlan Report, and the fact that those locations are also preferred locations for other forms of medium and higher density development, demand for sites in such locations is likely to be high. This will undoubtedly have an impact on housing affordability.

As a consequence student accommodation is likely to be forced further from ‘preferred locations’ than is desirable. It is likely that Council will be called upon to consider planning permit applications for student accommodation outside of ‘preferred locations’. In considering applications in such locations Council will place greater emphasis on compliance with neighbourhood character and off-site amenity considerations than will be the case within preferred locations. As the distance from preferred locations increases, less flexibility will be exercised in supporting reduced standards in terms of car parking, private open space, storage, and other design aspects that can be justified in situations where student accommodation more conveniently located in relation to activity centres and educational institutions and the like.
3 existing planning policy context

melbourne 2030

Melbourne 2030 does not include any policies that specifically relate to student accommodation. However it does include policies that strongly encourage the intensification of residential densities through the metropolitan area in order to reduce the outward growth of Melbourne and to create a more compact and sustainable city. It also includes policies to increase the diversity and affordability of housing throughout Melbourne, in order to provide a range of housing opportunities that better accommodate the changing needs of the population in years to come. It places particular emphasis on focusing new housing opportunities in and close to activity centres, on strategic redevelopment sites and in locations on the principle public transport network. It also emphasises the need to recognise and protect areas of valued character.

These general policies provide a framework that is supportive of accommodating the need for student accommodation in the City of Whitehorse. Student accommodation is a legitimate component of the wide diversity of different housing types that is required to accommodate the needs of the future population of the municipality.

local planning policy framework

As with Melbourne 2030, the local policy provisions of the Whitehorse Planning Scheme do not specifically refer to student accommodation. Rather it provides more general policy statements about the need to provide for the diverse housing needs of the expected future population of the municipality. It also refers to importance of ensuring that new housing can be accommodated in a way that maintains and enhances the character of the municipality's existing residential areas.

Objectives in relation to housing include (Clause 21.06):

To maintain and enhance the character of the City’s residential areas.

To provide for a wide range of housing types to meet the changing needs of the population.

To ensure that higher density housing is directed to specific areas, including activity centres, with excellent public transport and shopping access and is integrated with existing residential areas in a form consistent with the character of neighbourhoods.
Strategies to achieve these objectives include:

Identifying housing areas suitable for substantial, natural and minimal change.

Encouraging higher density housing development in identified areas, including activity centres, transport nodes and a range of commercial and community facilities.

Clause 220.3 of the local planning policy framework provides a location perspective to Council’s housing policies. It identifies three different types of residential areas and includes objectives, statements of desired future character, and design criteria that outlines the degree of change expected to occur and the intensity and form of new housing appropriate for each.

4 review of planning decisions / policies etc

This section of the report summarises issues relevant to student accommodation identified from VCAT decisions, existing policies of other municipalities, and panel reports that relate to student accommodation. It provides useful background information to inform decisions about the composition of a student housing policy for Whitehorse.

review of VCAT decisions

definitions

- VCAT decisions refer to student accommodation as ‘residential building (student accommodation)’.

- The preamble to permits is usually along the lines of ‘Use and development of the land for a residential building (comprising wholly student accommodation) generally in accordance with the endorsed plans and subject to the following conditions.’

need for student accommodation

- Need for student accommodation in an area is not a consideration given weight by the Tribunal. The following quote from Melbourne International Student Accommodation v Boroondara CC (2004) VCAT 800 paragraph 34 is noted:

‘The main point is that demonstrated need for a facility or use may be a relevant factor but ‘lack of a need will rarely, if ever, be a ground for refusing to grant a permit.’
appropriate locations

- Adjacent to educational institutions.
- Within activity centres.
- Where existing policy supports the location.
- A site’s location at the junction of main roads is an appropriate location as there are fewer sensitive abuttals (Melbourne International Student Accommodation v. Whitehorse CC and Ors (2004 VCAT 800)).

density

- Even if a site is located outside an activity centre, the Tribunal has found that a higher density alone is not fatal to an application if an appropriate design outcome can be achieved that entails transition to properties, parking provision and internal amenity (Melbourne International Student Accommodation v. Whitehorse City Council (2005) VCAT 91).
- The density recommendations outlined within the City of Whitehorse Housing Study are not relevant to student housing proposals.

visual bulk

- Clause 55, while not applying to some developments, is used as a guide by the Tribunal to assess visual bulk impacts. In K Walters and others vs. MGS Architects (2005) VCAT 1428 visual bulk was identified as an important amenity issue, but more leniency was given to the fact that the proposal was within the Box Hill Activity Centre. A balance was found between allowing new development and accommodating existing residents.

noise

- Student housing has been found by the Tribunal to be a relatively quiet residential use with noise impacts to be controlled through a management plan.

parking

- The planning scheme requires 1 space for each lodging room.
- There is a consistent theme that parking demands associated with accommodation for international students is low.
- In many cases the Tribunal has accepted car parking rates of between 0.1 and 0.25 spaces (Melbourne International Student Accommodation v. Boroondara City Council (2004) VCAT 800).
- Examples of accepted parking rates are noted below:
- A parking rate of 0.2 spaces per bed was accepted in K Walters and others v. Whitehorse City Council (2005) VCAT 1428. The Tribunal found that this parking rate was acceptable in light of the site’s excellent access to public transport and services. In this proposal 10 spaces were provided but the Site Management Plan stipulated that there was a limit of 10 spaces on site.
- A parking rate of 0.12 spaces was accepted in Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421. In that case there were unusual circumstances were this ratio was accepted in light of the site’s proximity to the MIBT campus and Deakin University, and the fact that this was for a short term accommodation proposal comprising stays for only 3 to 12 months.

**communal facilities**

- Communal facilities are accepted as being appropriate within a student accommodation proposal but the dimensions and area need to be adequate.

**dispensation from Clause 55 requirements (open space, amenity etc)**

- Clause 55 applies to residential buildings up to three storeys in height. The standard requirements of ResCode are not specific to student housing.
- Although Clause 55 does not apply to buildings greater than three storeys in height, it is considered by the Tribunal to be a reasonable assessment tool for student housing developments and one that is used to assess residential development across Victoria. The Tribunal uses the standards as a guide to assess off site amenity impacts.
- Communal open space is acceptable and can compliment private open space. Tribunal decisions accept that the private open space requirements are less for students than for conventional residents.
- In Arundal v. Whitehorse CC (2006) VCAT 1819, while Clause 55 applied, the Tribunal commented that it was unfortunate that there was no specific open space allocation for student accommodation within the planning scheme, and there was no amount nominated in a council policy.
- In terms of internal amenity the amount of communal space available for occupants is a key consideration, along with noise proofing of bedroom walls given proximity to communal areas.

**future change of use**

- The argument cannot be raised that a change of use to standard residential accommodation without a permit will result in an increased parking requirement and thus amenity impact to the neighbourhood.
In Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421, however a condition within the Section 173 agreement required approval from the responsible authority to be sought before a change of use on the land that was a section 1 use.

Section 173 agreements are common with student housing developments between the developer and the Responsible Authority. Section 173 agreements can include, for example:

- In the event that the use of the building is no longer required for student accommodation and the use of the building is to be a Section 1 Use in the relevant zone, written approval from the responsible authority must be provided (Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421).
- Other considerations can include the provision of car parking, open space, internal layout and provision of living space and any other relevant matter (Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421).
- Can require the enforcement of the site management plan (Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421).
- Can enforce the use of all rooms within the development to be used solely as part of the student accommodation and support functions (Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421).
- Can enforce that development shall be for the exclusive use of students enrolled full time at a tertiary institution and is to be vacated by the relevant student within three months of completion of full time studies (Melbourne International Student Accommodation v. Whitehorse City Council (2005) VCAT 91).
- All rooms shall be managed by a single management entity and shall not be leased or otherwise managed other than under the control of that management entity (Melbourne International Student Accommodation v. Whitehorse City Council (2005) VCAT 91).
- All rooms to be managed by a single entity and not be leased or occupied for long term occupation but rather short term accommodation by students enrolled full time at a tertiary level educational institution (Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421).
- Cost of the preparation of the agreement to be borne by the owner (Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421).

Site Management Plans can include the following elements or specify:

A number of decisions have been analysed with regard to the site management plans, including Glencoe Developments Pty Ltd v. Whitehorse City Council (2005) VCAT 2421, Glenferrie Developments Pty Ltd v. Stonnington City Council (2006) VCAT 832 and Slobodan Music v. Melbourne City Council (2005) VCAT 302.
- Resident and/or guest behaviour, activities and noise, visitors and parties and the extent to which external areas may be used at night.

- Can limit the type of students that can reside there for example, ‘all rooms within the development shall be used solely as part of student accommodation and support functions’. All rooms must be managed by a single management entity and must not be leased or otherwise occupied as a residence other than as student accommodation for students enrolled at a tertiary level institution.’ (K Walters and others vs. MGS Architects (2005) VCAT 1428).

- Maximum number of students to be accommodated on the premises at any one time.

- Site management plan can include general nuisance amenity conditions, an on-site manager / lead tenant and the establishment of a 24 hour hotline for complaints direct to management. For example ‘all rooms within the development shall be used solely as part of student accommodation and support functions. All rooms must be managed by a single management entity and must not be leased or otherwise occupied as a residence other than as student accommodation for students enrolled at a tertiary level institution.’ (K Walters and others vs. MGS Architects (2005) VCAT 1428).

- The site management plan can limit the number of spaces on site to that provided for example - ‘In the event that the number of residents with vehicles accommodated on the land exceeds the 10 spaces provided within the basement, advice must be given by the management entity to prospective residents that no on-site car space can be provided’ (K Walters and others vs. MGS Architects (2005) VCAT 1428).

- A suitably qualified full time caretaker / manager of the student accommodation to live in the premises on a permanent basis in a residential unit set aside for his / her use. He / she must ensure that the use of the building does not cause detriment to the amenity of the area.

- The roles and responsibilities of the caretaker / manager of the student accommodation.

- Processes of receiving complaint.

- House rules.

- Supervision of residents.

- Behavioural problems – the operator under the permit to take immediate action to ameliorate the impacts.

- Servicing and cleaning of bedrooms within the buildings.

- Maintenance and upkeep of the building.

- Collection of garbage and storage of garbage and recyclables.

- Restriction of time to collect bins.

- Management of clothes drying facilities so that no laundry drying occurs on any balconies.

- Limiting use of the communal open space area to a certain time

- Signage within a building to provide 24 hour telephone contact numbers
review of existing planning policies

melbourne

The Carlton Parking Precinct Plan was to be implemented by MCC as part of Amendment C106 but was abandoned by MCC and by the Minister on 26 October 2006.

The plan sought to replace the Schedule to Clause 52.06 to make reference to the Carlton Parking Precinct Plan (City of Melbourne, April 2005). The plan was to reduce minimum parking rates for separate dwellings, apartment dwellings and student accommodation, and to include the Carlton Parking Precinct Plan (City of Melbourne, April 2005) into the Schedule to Clause 81. The rates that were proposed as part of the schedule for student accommodation were:

- car spaces to each hostel room 0.1; and
- car spaces to each apartment room 0.25

stonnington

Amendment C061 – Proposes to incorporate a student housing policy into the Stonnington Planning Scheme. A Panel was requested on 26 December 2006.

The proposed amendment will introduce a Student Housing Policy that will address issues such as: the need and preferred locations for student housing; parking issues in relation to cars and bicycles; neighbourhood character and amenity; the internal layout and facilities; the management of facilities; and retaining student housing for housing of students.

The strategic basis of the amendment was:

- Numerous applications had been received.
- Under the current planning scheme there is no direction given to Council or to the development industry as to the appropriate location for student housing.
- There are currently no guidelines as to where student housing should be provided, how it is to be managed, how amenity issues are to be addressed and how appropriate standards for student accommodation will be achieved.
- The city has a number of tertiary institutions including Monash University (Caulfield Campus), Holmesglen Institute of TAFE (Chadstone campus), Swinburne University of Technology (Prahran Campus) and Deakin University (Toorak Campus). These institutions cater for a large number of overseas students who have distinctive accommodation needs - although Deakin University has advised that it will close its Stonnington campus in the near future.
- The policy provides for a reduced rate of car parking provision.
- A Management Plan will be required for new student housing which will ensure that appropriate management arrangements are in place.
The policy will provide clear direction for the Council, community and the development industry about the standards that will apply for this type of use and development.

**glen eira**

**Amendment C042** - Inserted a student housing policy in the local planning framework of the planning scheme (Clause 22.09).

A panel report (June 2005) was prepared which found that the amendment was appropriate, subject to recommended conditions. Issues considered by the Panel included the suitability of the prioritised locations, the adequacy of the accommodation guidelines, especially for the needs of international students, the provision of support services, and the impact on neighbourhood amenity and character.

Key findings of the Panel included the following:
- The Panel considered that an amendment as opposed to guidelines provides more certainty.
- Importance of proximity to public transport for location of student housing.
- The panel supported the locations for student housing developments prioritised in the policy for Zone 1 and Zone 2.
- Will be the most comprehensive policy developed so far.
- Reduced parking provision as proposed within the policy was acceptable.
- Requirement for each habitable room to have direct access to light and fresh air was affirmed by the panel.
- None of the student housing policies are prescriptive regarding room sizes:
  - Glen Eira – student room should be large enough for a desk, computer, bed, bookshelves, wardrobe other storage space and pin board.
  - MCC guidelines range between 10.8m² floor area to 16m² and accept an area of 8.5m² if the student will have access to ‘ancillary and amenity spaces.’
- Policy encourages the provision of communal facilities with ground level area at a ratio of 2.5m² per bed and in a maximum of 2 parcels, each parcel with a minimum dimension of 3 metres. Panel supported no prescriptive size per room.
- Panel concluded that the need for the landowner to enter into a Section 173 Agreement with the responsible authority was justified and management plan adequate to protect the amenity of the surrounds.
- A number of minor revisions to the policy were proposed.
5 a new student accommodation policy for Whitehorse

Appendix 1 to this report includes a student accommodation policy for Whitehorse. It is based on the considerations contained throughout this report and the other two reports prepared as part of the series of reports prepared addressing student accommodation in Whitehorse. Key matters identified throughout the process that are considered important to include in a local policy are listed below:

- A description of what student accommodation is, the different types of student accommodation that exist, how student accommodation relates to the accommodation definitions included in the planning scheme, and the types of student accommodation that the policy seeks to influence.

- Preferred and non-preferred locations throughout the municipality for student accommodation. Preferred locations would most likely include activity centres, locations around institutions, location on public transport routes / pedestrian and cycle routes that connect to institutions, on-campus accommodation, higher density accommodation as part of the redevelopment of major sites throughout the municipality (where accessible to institutions).

- Clear policy guidance is required in relation to the degree, form and density of student accommodation encouraged (or otherwise) in substantial change and natural change areas throughout the municipality.

- Polices and guidelines Council will use to assess planning permit applications for student accommodation.

- Guidance in relation to those aspects of student accommodation that vary from other forms of housing and which are not adequately addressed by other provisions presently contained in the planning scheme. This will include matters such as internal amenity, on-site amenity, private open space, car parking, storage etc.

- Guidance regarding the types of conditions and requirements Council will impose on planning permits issued for student accommodation in relation to matters such as Section 173 Agreements regarding future change of use, management plans and the like.
appendix 1

local policy for student accommodation