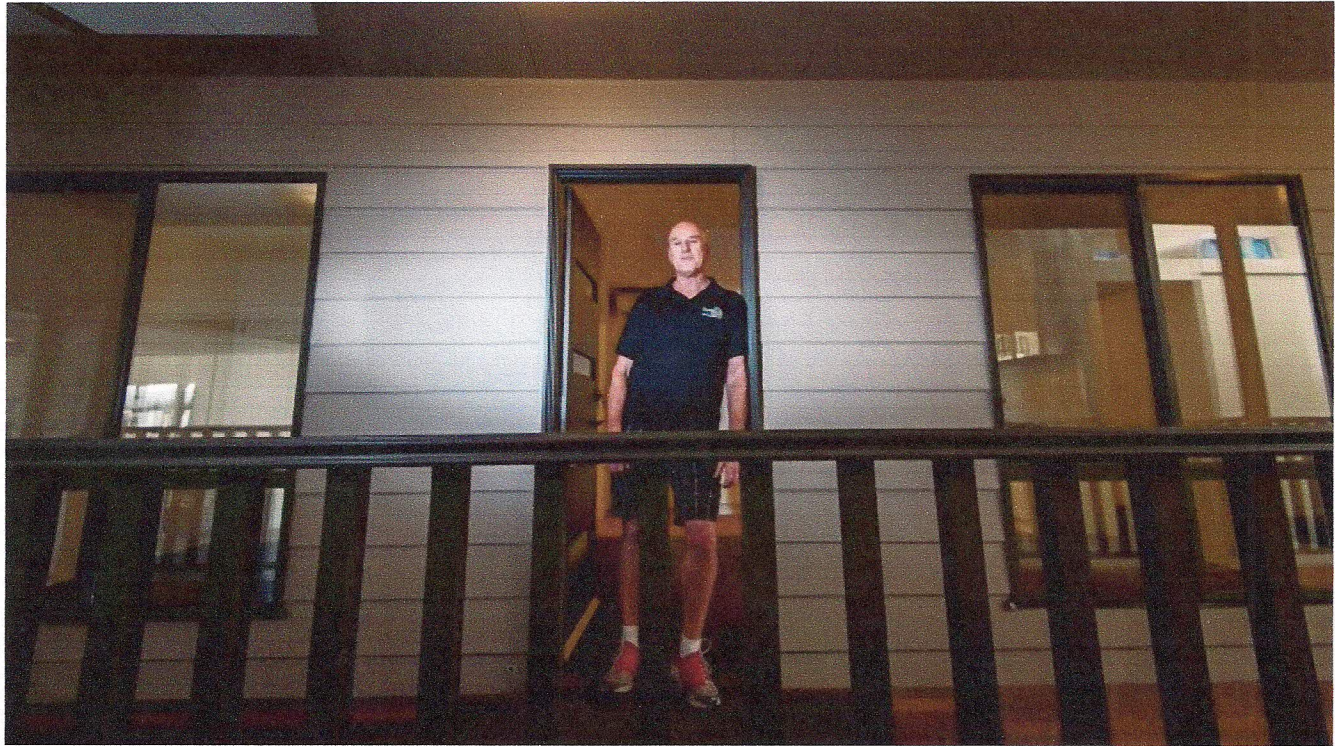


Granny flats: a cheap housing solution?

Date

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Shane Bray of Superior Granny Flats says it can be a challenge getting council approval to build a granny flat. *Photo: Justin McManus*

Granny flats could become a major source of cheap housing in Victoria, with the Andrews government to consider changes to strict rules preventing small backyard homes being rented out.

Victoria has some of the toughest regulations on granny flats in the nation.

Although it varies from council to council, those wanting to build a small cabin in their garden typically have to prove that the future occupant is a dependent person, such as a teenager or disabled elderly parent.



A 56-square-metre home in Geelong by Small Change Design and Construction. *Photo: Supplied*

The granny flat also has to be removed if the person dies or moves out.

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Suppliers say they field a constant stream of calls from customers who want to build and rent out a granny flat, but cannot get approval without applying for a planning permit to build a second home, an often time-consuming and expensive process.

"There is definitely a pent-up market," said builder Sally Wills, whose company Small Change Design and Construction specialises in very small housing.

The Andrews government has pledged to review the rules around granny flats after an expert committee advising on Melbourne's 40-year plan suggested planning obstacles for smaller-scale infill projects be removed to create more affordable housing.

Acting Planning Minister Lisa Neville said the government was "making sure planning rules keep pace with people's needs".

New South Wales is experiencing a granny flat boom after it introduced new affordable rental laws in 2009, allowing "secondary dwellings" up to 60 square metres to be approved within 10 days in all residential zones.

Almost 5000 granny flats were approved in 2013-14, a more than three-fold increase since 2009.

Hundreds of granny flats are advertised for rent in Sydney, from about \$200 to \$550 a week. Many are newly built and boast up to three bedrooms, study areas, air conditioning and shared pools and gardens.

The Victorian government does not collect figures on granny flats. However Jackson Yin said his kit home company, iBuild Building Solutions, supplied 10 times more granny flats to Sydney than it did to Melbourne, despite being Melbourne based.

"That means something is wrong with the planning process," Mr Yin said.

Shane Bray, owner of Superior Granny Flats, said he believed council "red tape" had only worsened in recent years as it could take up to a year to get council approval for a dependent person's unit. "You really come up against people who lack common sense," he said.

Mr Bray said his company was receiving growing inquiries from younger people who were priced out of the housing market and wanted to build a small home in their parent's backyard.

Preston woman Leah Healy, 32, and her husband have investigated building a small house at the back of Ms Healy's father's property in Northcote.

However, they do not qualify under dependent person's provisions, while subdivision of the land could cost \$50,000.

Ms Healy, an arts industry worker said she couldn't afford to buy a house of her own – but her father was willing to give her the land to build something on.

"It's great that they allow people to have their mum and dads in backyard houses, but there are also the kids who can't afford a house because the prices are insane."

"It doesn't seem fair."

A [petition by Small Change Design and Construction](#) calling on the Victorian government to introduce laws similar to NSW has received 750 signatures.

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