

**Place AU**

Planning & Investment Intelligence

METHODOLOGY & DATA STATEMENT

Housing Needs Assessment

How the Housing Needs Assessment is built: the sources behind demand, supply and affordability, how the delivery gap against the state housing target is calculated, the role of AI, and the limits of the evidence base.

DOCUMENT

Methodology & Data
Statement v1.0

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01 Purpose of this statement

This statement sets out how the Housing Needs Assessment is built: where every figure comes from, how it is calculated, what role artificial intelligence plays, and what the product cannot tell you. It is written so that a strategic planner, housing lead, executive team or panel can assess the method before relying on the output, and so that any figure in a delivered report can be traced back to a named public source.

Place AU publishes this statement because a report is only as useful as the confidence you can place in it. Where a method involves a judgement, that judgement is named here rather than buried. Where a limit exists, it is stated rather than glossed.

STATUS OF THIS DOCUMENT

This is a methodology statement, not a warranty of outcome and not professional advice. It describes the process Place AU follows. It does not guarantee that any particular decision made in reliance on a report will be correct. Section 09 sets out the limits of the product and Section 10 explains how errors are corrected.

02 What this product is, and what it is not

The Housing Needs Assessment is a defensible evidence base on housing demand, supply gaps, affordability and delivery against the state housing target. It is built to be relied on in a housing strategy, a planning scheme amendment or a formal submission, which means every target, gap and projection has to trace to a named government source and survive being quoted back.

WHAT IT IS NOT

- It is not a housing strategy. It is the evidence a strategy is built on.
- It is not a land supply audit at parcel level, and it does not test the feasibility of any individual site. Site-level capacity and viability are covered by the Deliverable Capacity Index.
- It is not a demographic projection produced by Place AU. Projections are taken from the state projection series and attributed to it.
- It is not planning or legal advice on any amendment or submission.
- It does not determine need for any individual household or allocate any dwelling.

03 Geography and horizon

The standard unit is the local government area, with a supporting evidence layer at Statistical Area Level 2 under ASGS 2021. The reporting horizon is 2051, matching the horizon of the Victorian state housing targets.

WHY NO SMALL AREA TARGETS ARE PUBLISHED

State housing targets are set at local government area level and are **not** subdivided below it by the publishing department. The assessment therefore does not allocate any share of a council target to a small area, because doing so would present a Place AU apportionment as though it were government policy. The small area layer instead supplies need and constraint evidence to help a council direct its own effort, which is a different task to setting a target.

Where a figure is only published at a coarser geography than the one being discussed, the assessment reports it at the geography it was published for and says so. It does not disaggregate a published LGA figure to SA2 by apportionment and then present the result as an SA2 figure.

04 Data sources

Every figure in a report is retrieved from one of the sources below. No figure is sourced from a commercial data provider, a proprietary panel, a subscription database or an aggregator, and no figure is estimated by Place AU where a published figure exists.

SOURCE	PUBLISHER	WHAT IT SUPPLIES	LICENCE
ABS Census of Population and Housing 2021	Australian Bureau of Statistics	Dwelling stock, tenure, household composition, occupancy, rent and mortgage costs	CC BY 4.0
ABS Estimated Resident Population	Australian Bureau of Statistics	Current population base and observed change	CC BY 4.0
ABS Building Approvals	Australian Bureau of Statistics	Dwelling approvals by type, the basis of the delivery run-rate	CC BY 4.0

SOURCE	PUBLISHER	WHAT IT SUPPLIES	LICENCE
Victoria in Future projections	Department of Transport and Planning (Vic)	Official population, household and dwelling projections to the horizon	Crown copyright, reuse per publisher terms
Plan for Victoria housing targets	Department of Transport and Planning (Vic)	The confirmed dwelling target for each local government area to 2051	Crown copyright, reuse per publisher terms
Homes Victoria reporting	Homes Victoria	Social and affordable housing stock and delivery	Crown copyright, reuse per publisher terms
Victorian Property Sales Report	Valuer-General Victoria	Median sale prices and volumes by locality and dwelling type	Crown copyright, reuse per publisher terms
Rental Report	Department of Families, Fairness and Housing (Vic)	Median rents and affordability by dwelling type and locality	Crown copyright, reuse per publisher terms
National Housing Supply and Affordability Council	Australian Government	National supply and affordability context	Crown copyright, reuse per publisher terms
Infrastructure Victoria	Infrastructure Victoria	Published infrastructure and settlement analysis used as context	Crown copyright, reuse per publisher terms
ABS ASGS 2021, Edition 3	Australian Bureau of Statistics	Boundary geometry for the council and its small areas	CC BY 4.0

Licence column records the terms under which Place AU reuses the material. Where a publisher applies Creative Commons Attribution 4.0 International (CC BY 4.0), attribution is carried in the report source list. Where a dataset is published under other Crown terms, reuse is limited to what those terms permit. Place AU does not reuse any dataset whose terms prohibit commercial reuse.

SOURCES WE DELIBERATELY EXCLUDE

Place AU does not use commercial demographic providers, automated valuation model outputs, proprietary consumer panels, scraped listing data or third-party aggregators. This is a sourcing rule, not a cost decision. It means the analysis is reproducible by anyone with access to the same public datasets, the sources can be named in a public forum without a licensing dispute, and no figure depends on a commercial arrangement that could lapse.

05 How a report is produced

Place AU follows a retrieve-first architecture. Figures are retrieved from source and validated before any narrative is written. This ordering is the single most important control in the system and the reason the product behaves differently from a general purpose AI assistant asked to write a report.

1. **LGA and evidence layer identified.** The council is confirmed, and the small areas inside it are resolved to ASGS 2021 geometry, before analysis begins.
2. **Data retrieved.** Population, dwelling, approvals and target figures are pulled from the sources in Section 04.
3. **Target verified against the primary source.** The dwelling target is checked against the final confirmed Plan for Victoria figure for the council, not against a superseded draft or a secondary report of it. This check is done every time, because draft target figures circulated widely before the final release and remain in circulation.
4. **Delivery gap calculated.** The current approvals run-rate is measured against the annual pace the confirmed target requires.
5. **Reviewed.** Every figure is checked against its source by a person.
6. **Narrative written.** Only once the figures are locked does the assessment explain what the gap means for strategy and submissions.

WHY THE TARGET CHECK IS A NAMED STEP

A housing target is the single figure most likely to be quoted from an assessment and the one most likely to be wrong, because draft figures are published, reported and repeated before the final figure is confirmed. Place AU treats the target as a verification step in its own right and cites the confirmed source and its release date next to the number in the assessment.

Vintage handling

Every retrieved figure is stamped at runtime with the release or vintage it came from, and that vintage is carried through to the delivered report. Where two figures in a report come from different vintages, both are shown rather than silently harmonised to the newer one.

Failing visibly

If a source cannot be reached or returns an unexpected structure, the pipeline stops and reports the failure. It does not substitute a cached figure, a prior-year figure or an interpolated value. A missing figure appears in the report as missing, with the reason. This is a deliberate trade: an incomplete report is recoverable, a silently stale one is not.

06 Models and calculations

The delivery gap

The central calculation compares the pace of delivery the target requires against the pace currently being achieved. Both sides are arithmetic on published figures. Neither is modelled.

REQUIRED ANNUAL RUN-RATE

`required = confirmed dwelling target to 2051 ÷ years from the target base year to 2051`

The base year is the base year of the confirmed target series, and it is stated with the figure. Dividing by the wrong number of years is the most common error in published commentary on housing targets, so the year count is shown in the assessment rather than left implicit.

CURRENT ANNUAL RUN-RATE

$\text{current} = \text{mean annual dwelling approvals over the stated rolling period}$

Calculated on ABS Building Approvals over a multi-year rolling window rather than a single year, because approvals are volatile and one large project can move a single year substantially. The window used is stated with the figure.

DELIVERY GAP

$\text{gap} = \text{required run-rate} - \text{current run-rate} ; \text{pace} = (\text{current} \div \text{required}) \times 100$

Reported both as an absolute annual shortfall and as the share of the required pace currently being achieved, together with the number of years the target would take at the observed rate.

APPROVALS ARE NOT COMPLETIONS

The run-rate is measured on approvals because approvals are published consistently, at the right geography, and close to current. Approvals are an upper bound on delivery: not every approved dwelling is built, and those that are built complete some years later. The assessment states that the run-rate is an approvals measure. Where a council needs the gap between approval and completion quantified rather than noted, that is the delivery reconciliation layer of the Deliverable Capacity Index.

Affordability

PRICE TO INCOME RATIO

$\text{ratio} = \text{median dwelling price} \div \text{median annual household income}$

Both figures are stated with their source and vintage. Where the price and income vintages differ, both years are shown rather than adjusted to a common year.

RENTAL AFFORDABILITY

$\text{rent share \%} = (\text{median weekly rent} \div \text{gross weekly household income at the band}) \times 100$

Reported by income band. Thirty per cent of gross income is used as the widely applied housing stress threshold, and it is identified as a convention rather than a statutory definition.

Social and affordable housing

SOCIAL HOUSING SHARE

$$\text{share \%} = (\text{social housing dwellings} \div \text{total dwellings}) \times 100$$

Social housing counts are taken from Homes Victoria reporting and dwelling totals from the ABS. Because the two series are compiled differently and to different reference dates, both dates are stated with the ratio.

Demographic change

Projected population, household and dwelling change is taken from the Victoria in Future series and attributed to it. Place AU does not produce an independent projection and does not adjust the published series. Where the observed trend since the projection base year has diverged from the projection, the assessment shows both and says so rather than choosing between them.

The small area evidence layer

Each small area is described on need and constraint indicators retrieved at that geography: dwelling structure, tenure, household composition, income distribution and socio-economic position. No target, allocation or share of the council target is computed for any small area. The layer exists to help a council decide where to direct effort, and it is labelled as such.

07 Use of artificial intelligence

AI is used to explain retrieved data in plain English. It is not used to produce, estimate, infer or recall any figure.

What the model does

- Writes the plain-English interpretation of figures that have already been retrieved and validated.
- Structures the narrative into the report's fixed section format.
- Summarises what a validated figure means for the decision the report supports.

What the model does not do

- It does not generate statistics. Every number in a report enters the process before the model is called and is passed to it as validated input.
- It does not recall figures from its training data. The system prompt prohibits this explicitly, and figures are supplied in the request rather than requested from memory.
- It does not select or rank sources. The source list is fixed by the sourcing policy.
- It does not decide anything about an identified individual.

WHY THE ORDERING MATTERS

The common failure mode in AI-written analysis is asking a model to produce numbers. Models are fluent, so invented figures read as confidently as correct ones, and they drift and date without warning. Place AU removes the failure mode rather than managing it: by the time the model is invoked, the figures are already fixed, sourced and vintage-stamped, and the model's only task is explanation. A model that is never asked for a number cannot fabricate one.

Human oversight

Consulting briefs are reviewed by Place AU before delivery. Every figure is checked against its source and every statement of interpretation is read and approved by a person before the brief is issued. Nothing is delivered to a client without that review.

Model and processing

Narrative generation uses the Anthropic Claude API. Geography and order metadata is passed to the API to generate report content, as disclosed in the Place AU privacy policy. Client material is not used to train models. Payment processing is handled by Stripe and Place AU does not store card details. Report delivery uses Resend. Each of these providers operates under its own privacy policy and some process information outside Australia.

Automated decision-making

Place AU reports are decision-support documents about places, not decisions about people. The product does not make, or substantially assist in making, a decision about an identified individual, and it does not assess, score, rank or profile individuals. Reports are produced from aggregate published statistics.

Place AU notes the automated decision-making transparency obligation inserted into the Privacy Act 1988 (Cth) by the Privacy and Other Legislation Amendment Act 2024 (Cth), which commences on 10 December 2026 and requires affected entities to describe in their privacy policy the kinds of personal information used in, and the kinds of decisions made by, qualifying automated decision-making. Place AU maintains its privacy policy against that obligation.

Regulatory context

Australia does not currently have AI-specific legislation. The National AI Plan released in December 2025 confirmed a technology-neutral approach relying on existing law, supported by the National AI Centre's Guidance for AI Adoption and the Australian AI Safety Institute. Place AU's controls are built to the substance of that guidance: accountability is held by a named person, impacts are assessed, the system is tested and monitored, and human control is retained over what is published.

08 Data governance

Sourcing policy

Reports are built exclusively on open government data licensed for commercial reuse. There are no proprietary data dependencies, which means no figure in a report can become unpublishable because a subscription lapsed or a licensor changed its terms.

Traceability

Every figure can be traced to a named, publicly available source. Source and vintage are stated in the report itself, not held separately. A reader with access to the same public datasets can reproduce the figures.

Accuracy over completeness

Where a figure cannot be sourced, it is omitted and the omission is stated. Place AU does not fill a gap with an estimate presented as a fact. A shorter correct report is preferred to a longer one padded with inference.

Conflicting sources

Where two government sources disagree, Place AU verifies against the primary source and states which was adopted and why. Where a primary source is itself ambiguous or a figure is proposed rather than in force, both readings are named and neither is adopted silently.

Suppression

Small-area statistics are sometimes suppressed by the publisher for confidentiality. Where that applies, the report says the figure is suppressed. It is not interpolated, modelled or inferred from a larger geography.

Personal information

Reports are built from aggregate published statistics. They do not contain personal information about identified individuals. Personal information collected from clients is limited to what is needed to scope, deliver and invoice the work, and is handled under the Place AU privacy policy at placeau.com/privacy-policy.

Fitness for submission

The assessment is built so that every figure in it can be traced by a third party to a named public source, which is the practical test a submission has to survive. Where a figure is contested between sources, both are shown with the reason for the one adopted. Where the evidence needed for a conclusion does not exist, the assessment says so in the evidence requirements section rather than reaching the conclusion anyway.

09 Limitations

- **Approvals are a proxy.** The run-rate measures approvals, not completions. See the note in Section 06.
- **Projections are not forecasts of certainty.** Victoria in Future is a projection on stated assumptions. It is published by the state and used as published, and its assumptions govern the result.
- **Targets can change.** A dwelling target is a policy figure and can be revised. The assessment states the confirmed figure and its release date at the time of preparation.
- **No target exists below council level.** The assessment cannot tell a council how many dwellings any one small area must deliver, because no such figure is published. It can only show where need and constraint are greatest.
- **Vintage mismatch.** Price, rent, income, dwelling and social housing series are compiled to different reference dates. The assessment shows the dates rather than adjusting series to a common year.
- **Capacity is not tested.** The assessment measures pace against target. It does not test whether the zoned capacity exists to meet the target or whether it is viable to build. That is the Deliverable Capacity Index.
- **No individual determination.** The assessment describes need in aggregate. It makes no determination about any household or any application.

- **Victorian depth.** Coverage depth is the Victorian housing target and DTP framework. Interstate LGAs are taken on request and scoped to the equivalent state framework.
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10 Currency, versioning and corrections

Currency

Each Housing Needs Assessment states the vintage of every figure it uses. A report is a point-in-time document. Government sources are revised and reissued, and a figure correct at the date of issue may be superseded later. The report date on the cover is the date the figures were retrieved.

Corrections

If an error is identified in a delivered report, whether by Place AU or by the client, Place AU will verify it against the primary source and, where the error is confirmed, issue a corrected version at no charge, marked with a revision number and a short note describing what changed. Clients are told when a correction affects a figure they may have already relied on or published.

Methodology changes

This statement is versioned. Where a method changes in a way that would alter a previously reported figure, the change is recorded in the version history and clients who received an affected report within the preceding twelve months are notified.

Raising a question

Questions about any figure, source or calculation described here can be sent to info@placeau.com. Place AU will identify the source and the calculation behind any figure in a delivered report on request.