



Response to *Mosman Council*
Draft Local Strategic Planning Statement
Shelter NSW submission
August 2019

Introduction – and the context for Shelter NSW

Shelter NSW has been operating since 1975 as the state’s peak housing policy and advocacy body. Our vision is “A secure home for all”. We pursue our vision through critical engagement with policy and practice and thought leadership. We provide systemic advocacy and advice on policy and legislation for the whole NSW housing system to resolve housing inequality and we seek to ensure that the voices of housing consumers are included in our policy responses and review.

Our approach involves engaging, collaborating and connecting with Government, the private and not for profit sectors, stakeholders and consumers. Our research centres on the causes of inequity and injustice in the housing system and we advocate solutions that aim to make the housing system work towards delivering a fairer housing system for all.

Shelter NSW is concerned about the housing crisis in NSW and the rising trends in homelessness, housing rental stress as well as the impacts of poor- quality housing, particularly on low income households¹. Over three quarters of lower income renters in NSW are paying unaffordable rents (92% of very low- income renters in Sydney). Lower cost properties are being steadily replaced with new ones at higher rents, and new concentrations of disadvantage have been created across our major cities as low income households are displaced. The NSW rental market is failing, forcing our most vulnerable citizens to go without essentials and are being excluded from jobs and opportunities.

Shelter NSW priorities are [centred on four core areas](#)², all of which are relevant to the Local Strategic Planning Statements:

- **Building enough low-cost rental housing to meet current and future need** – and recognition that social and affordable housing are critical social and economic infrastructure;

¹ See Shelter NSW 2019 Election Platform

<https://www.sheltersnsw.org.au/uploads/1/2/1/3/121320015/sheltersnsw-2019-election-platform.pdf>

- **Making housing fair for all** – so that people with specific housing needs such as accessibility or adaptability needs have fair access to housing;
- **Giving renters secure homes** - so that they have security of tenure and can put down their roots in a community without fear of unfair evictions; and
- **Making sure low-income households aren't excluded in the redevelopment of Sydney and regional centres.**

We are pleased to provide comment on Mosman Council's draft Local Strategic Planning Statement (LSPS).

The broader context

It is important to consider the issue of housing affordability in the context of the Greater Metropolitan Region, and the urban planning system that operates across New South Wales. There is currently considerable public interest in the policies and instruments that can be used to generate more affordable housing through the planning system, which is pertinent to the work of councils as local planning authorities. This has been captured in the Greater Sydney Commission's (GSC) Region and District Plans, which have recommended the introduction of Affordable Rental Housing Targets in areas to be defined by councils and in planned precincts. The NSW Department of Planning, Industry and Environment (DPIE) has noted housing affordability as a key principle for consideration in the development of councils' local housing strategies. DPIE has also recently amended State Environmental Planning Policy No 70 (SEPP70) – Affordable Housing (Revised Schemes) to make all councils in New South Wales eligible to consider using the inclusionary zoning provisions available in the Environmental Planning and Assessment Act 1979, and published a *Guideline for Developing an Affordable Housing Contribution Scheme*.

This is all occurring amidst a growing and changing population dynamic that is applying new pressures to our existing urban communities. Sydney is no longer just growing outwards, pushing its rural/urban fringe further from the city's main centres. It is consolidating and developing new urban centres closer to the fringe, and large tracts of already developed land that are well within the city's inner and middle suburban rings are earmarked for or undergoing renewal at increasing levels of density. As communities and neighbourhoods are reformed at higher densities by market driven developers, the likelihood of low-cost housing in the private rental market being displaced is increased, resulting in more lower income households looking for affordable housing in suburban and regional centres that are well connected to the CBD and the rest of the metropolitan area. This has an impact on wealthy areas where housing is expensive such as Mosman Local Government Area (LGA) as many people who work in the area cannot live nearby and have to travel from afar, and some of the people who grew up in the area are unable to purchase or even rent.

Locally prepared and implemented planning strategies that aim to address housing affordability challenges will help mitigate some of these negative impacts, provided they are sufficiently ambitious and properly resourced. But the context in which urban change is currently occurring means

concentrating on local strategies is only one part of managing a response. Advocating the need for affordable housing strategies to neighbouring and nearby councils, especially those where major urban redevelopment is set to occur will also be necessary. In the absence of proper city-wide or state-wide strategies, more councils implementing local affordable housing strategies will make it easier for councils in the inner suburbs of Sydney’s metropolitan region such as Mosman Council to manage the impacts of population growth, development and urban renewal on their own communities, even while that renewal may be happening elsewhere.

Analysis

Shelter NSW congratulates Mosman Council on the preparation of their LSPS to outline a high level “20 year vision for land use in the area, the special character and values that are to be preserved and how change will be managed in the future”, as required by section 3.9 of the Environment Planning and Assessment Act 1979. Producing a LSPS is critical to the development of a council’s Local Housing Strategy and revision of Local Environmental Plans (LEPs), which are actions required by the GSC Regional and District Plans.

Shelter NSW does not believe a “one-size-fits-all” approach will be of value when it comes to local councils’ capacity to deliver (or facilitate the delivery of) new Affordable Housing across Sydney and New South Wales. We understand the need for variation across different areas to suit the broad range of local conditions. In particular, we note and understand the constraints outlined by Mosman Council p22/23 of the LSPS regarding size of the LGA, environment, topography and number of heritage buildings. However, we have developed some [principles we would like to see applied](#) in all LSPSs³. Our analysis and comments on Mosman Council LSPS are underpinned by these principles.

1. The LSPS recognises and quantifies local need for housing that is affordable to those on the lowest 40% of incomes

The LSPS should recognise that housing affordability is an issue within the area. It should include some high-level measures of this need such as the proportion of households in the area who are in housing stress, and/or the proportion of very low and low income households in the area. The LSPS should commit to further quantifying and measuring the need for affordable housing within the LGA as a component of an LHS.

2. The LSPS commits to developing a Local Housing Strategy

The LSPS should commit to developing a comprehensive LHS based on current housing growth, housing demand and growth trends. The LSPS should make clear that the LHS will identify and prioritise areas for growth. The LSPS should also state that the LHS will integrate principles related to affordable housing, including potentially a Local Affordable Housing Strategy and/or specific Affordable Housing programs.

³ See <https://www.shelternewsw.org.au/blog/exhibition-of-draft-local-strategic-planning-statements>

3. The LSPS commits to addressing housing affordability, including through a local strategy and/or programs for growth in dwellings that are affordable to those on the lowest incomes, ideally through Affordable Housing products.

Given the need identified in #1, the LSPS should recognise that increasing the number of affordable dwellings in the area is a key component of liveability and a strategic priority in the context of the LSPS. The LSPS should commit to locally appropriate strategies for growing the number of dwellings that are affordable to people on very low to moderate incomes. This can include planning mechanisms that encourage housing diversity but shouldn't be limited to them as they are unlikely to address the affordable housing need without further targeted intervention (see principle #4).

Ideally these strategies should identify opportunities for delivery of affordable housing dwellings in the area, financed through planning mechanisms such as

SEPP 70/Affordable Housing Contribution Schemes

Voluntary Planning Agreements

Section 7.11 contributions

A commitment to seeking approval for SEPP 70 schemes is strongly desirable.

A commitment to other value capture mechanisms that allow for delivery of affordable housing through rezoning is also strongly desirable, however, might not be practical for all local government areas due to differences in rezoning potential.

4. The LSPS commits to housing diversity

The LSPS should commit to the promotion or facilitation of housing diversity through local planning controls and initiatives. This ensures housing supply is diverse and provides housing choice to diverse community members. This may have an effect on housing affordability, but shouldn't be the only strategy included in the LSPS to address housing affordability issues. Indeed, it is extremely difficult to assess whether promotion of housing diversity through local planning controls and initiatives will affect private market affordability. It is also extremely unlikely to improve housing affordability for very low and low income households.

The LSPS should also commit to new residential development that caters to households with specific accessibility and adaptability needs.

5. The LSPS commits to social diversity

The LSPS should recognise that culturally and socially diverse communities are inclusive, healthy and creative. This precludes any LSPS, and additional strategic planning identified for development in the LHS, from concentrating growth in affordable housing stock in specific parts or precincts within the LGA.

Ideally this means a percentage of all new residential development should be dedicated to affordable housing, preferably delivered on site, to ensure social mix.

6. The LSPS recommends further advocacy from local government for social and affordable housing

The LSPS should recognise that housing affordability is a complex issue that needs to be tackled by all levels of government. The LSPS should recommend further advocacy by Council to the NSW and Australian Governments for more social and affordable housing to be developed in the local area, to be funded by mechanisms outside of the planning system such as state and federal budgets.

This might also include recommendations for Council to tackle housing affordability issues at the metropolitan and regional level, for example through collaboration with other LGAs, to advocate for development of a Regional Affordable Housing Strategy to operate across council borders.

Taking the need for Housing Affordability into account in the LSPS

As an area with very high environmental amenity and scenic views due to proximity to the Harbour, and well connected to Sydney's Central Business District – a metropolis well known for its housing affordability issues– housing is much more expensive in Mosman LGA than in Greater Sydney, including compared to areas that are as close to Sydney's central business district. The median house price in Mosman is \$3.5 million dollars⁴, more than four times the median value of a house in Greater Sydney, \$825,000. The difference is less impressive for strata titled dwellings, but still very significant (\$1,000,000⁵ versus \$705,000 for Greater Sydney). Regarding rents, prices are also much more expensive, about 45% higher than the average in Greater Sydney (e.g. median weekly rent \$650 as compared to \$447 average in Greater Sydney – we note the significant jump to \$900 for the third quartile weekly rent⁶). 13.7% of all households spend more than 30% of their income on rent and 6.1% spend more than 30% on their mortgage⁷. Given that these figures are calculated compared to all households, therefore including non-rental households and people on high incomes, they are likely to be much higher for rental households and people on very low to moderate income.

Shelter NSW' review of the Mosman LSPS has raised a number of concerns, namely that the issue of housing affordability do not appear to have been adequately assessed and considered. Whilst the LSPS does mention the significant proportion of households who are renting, close to a third at 32.3%⁸, it does not include mention of rent, housing stress, or mortgage stress. Given this, we recommend that Mosman Council researches the proportion of rental households in housing stress in the LGA. While the NSW Government Planning Priority N5 for the North District Plan highlights "Providing housing supply, choice and affordability" as a priority, the commitment to affordability has not been included in the

⁴ See LSPS page 19.

⁵ Ibid.

⁶ See Rent and Sales Report for March 2019 Quarter, FACS: <https://www.facs.nsw.gov.au/download?file=664499>

⁷ ABS 2016 Quick Stats for Mosman LGA:

https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/SSC12738?opendocument

⁸ See LSPS page 19.

Mosman LSPS. Given research undertaken by SGS Economics & Planning & National Shelter in November 2018, 'Rental Affordability Index', established that the area was 'severely unaffordable' for the average Australian rental household, and was still unaffordable for households on up to \$200,000 of income a year⁹, it would be pertinent to consider such evidence for inclusion in the LSPS.

Planning Priority 4 states that "Options for housing affordability will be considered within a broader District context" and commits to an action to "collaborate with North District councils to consider options for affordable housing for key workers in the District" but not in Mosman LGA specifically.

We note that options outside of the private buying and private renting markets are very few. Waiting times for social housing in CS05 Northern Beaches allocation zone, which Mosman LGA falls under, are very long. As of 30 June 2019, there were 567 general and 105 priority applicants (households, not just individuals) on the NSW Housing register for CS05 Northern Beaches, with expected waiting times of 5 to 10 years for all types of properties up to three bedrooms, and more than 10 years for larger properties. This indicates the urgent need for more affordable rental housing for very low income people in the area.

We understand that opportunities for increased housing delivery in Mosman might be limited, due to high environmental and topographical constraints as well as relatively high density, as reflected in the Greater Sydney Commission housing target of 300 for Mosman. However, our position is that this shouldn't prevent Council from assessing housing affordability issues accurately and investigating what might be done at the local and metropolitan level to effectively respond to this issue. Regarding the action "Complete research on affordable housing and the review of planning controls by 2023." on page 35 in the monitoring section, we recommend this to be considered the first step in a process only. Given the level of need for affordable housing and that this action will occur after the LSPS and LHS have been prepared, we recommend that this research be completed earlier, with an amendment to the LSPS to include consideration of this research to inform affordable housing responses.

While the proportion of households in Mosman on high incomes is very high (44.5%), there would be a significant number of households that are on lower to moderate incomes, given that Planning Priority 9 states that most employment in the area resides in retail, professional services, health care, and food services (p41). Given this, the level of housing rental stress mentioned earlier, and the waiting times for social housing, this indicates a need for affordable housing in the area to provide local housing for local workers. Such housing would have a positive impact on productivity and congestion, as discussed further in a later section. Lack of affordable housing has negative impacts on the quality of life for key workers, with financial and health costs associated with long distance commuting and the secondary impacts this has on time available to spend with family or in the local community. The provision of affordable housing would align with Priority 8 to reduce congestion and Priority 9 to provide opportunities for local employment.

⁹ See November 2018 Rental Affordability Index, SGS & National Shelter:
<https://www.sgsep.com.au/maps/thirdspace/australia-rental-affordability-index/>

Even though incomes in Mosman are high, it can also be assumed that the median prices for houses and strata titled dwellings put home ownership out of reach for many individuals, couples and families in the area. It is reasonable to assume that many will be displaced and have to move out of the area they have grown up in due to skyrocketing housing prices and private rental prices.

Overall, these factors highlight an urgent need for additional supply of social and affordable housing for very-low, low and moderate income households in the LGA. The LGA is experiencing a deterioration of affordability for such households across the housing stock that already exists within the area. This risks creating a 'rich enclave' where social diversity is reduced, with adverse impacts on productivity. This could lead to difficulties in filling essential and lower paid jobs which support the economy, and which enable the community to thrive.

We would recommend that Council include commentary and analysis in the LSPS which recognises the need for affordable housing in the area and which also recognises that affordable housing is critical social and economic infrastructure.

Commitment of the LSPS to developing a Local Housing Strategy (LHS)

For the reasons outlined above, we particularly support the following elements of Mosman Council LSPS:

1. Planning Priority 4, page 35, "to provide housing choice and opportunities to meet changing demographics and population needs, with housing growth in the right locations." In particular we support the action "to prepare a Local Housing Strategy to ensure sufficient housing is delivered to meet community needs and demands".

We recommend that the LHS includes consideration and discussion of the need for affordable housing in the area and how Council is considering contributing to delivery of affordable housing across the district. This should include specific affordable housing targets for Mosman LGA, even if they are modest given the constraints on delivery of housing in the LGA.

Commitment of the LSPS to housing diversity

Shelter NSW supports Planning Priority 4, promoting housing choice to meet the changing needs of members of the community, and Planning Priority 5, "to ensure that building design and construction is of high quality". Housing diversity strategies should ensure housing supply is diverse, and adapted to the needs of all. Whilst this may have an effect on housing affordability the LSPS should include a range of additional strategies to address housing affordability issues, as discussed further in the next section.

We support in particular the following actions outlined page 35/6 of the draft LSPS:

- Action 4 page 35 to “review planning controls for adaptable housing and universal design given the ageing population”. This will ensure ageing in place is possible for the growing ageing population.
- Action 1 page 36 to review planning controls contained in the LEP and DCP to ensure high quality construction and design.

The ageing population of Mosman LGA (median age 42, 19% of people are 65 and over, see page 15) and growing need for adaptable, accessible and diverse housing, strongly support the commitment of Mosman Council to adaptable housing informed by the principles of universal design.

Shelter NSW recommends that the planning controls outlined in actions mentioned above refer to the levels of the Liveable Housing Design Guidelines (LHDG) from Liveable Housing Australia¹⁰. We recommend the inclusion of more specific guidance around delivery of residential dwellings informed by universal design principles, either in the LSPS or at a later stage in the LHS and then the DCP:

- That a significant proportion of new residential development achieves the silver level of the LHDG, allowing ‘visitability’ of dwellings for people with mobility issues
- That a proportion of all new residential development achieves the gold or platinum level of the LHDG

Accessibility of public space and universal, inclusive design are also of primary importance to create healthy, inclusive communities. Concerning the accessibility of public space, we suggest that the language is strengthened in some or all of the Planning Priority 5, 6, 8 and 12 to ensure the built environment and amenity in the LGA are designed to be accessible to all members of the community. It could include a reference to the Seven Principles of Universal Design¹¹, for example.

Concerning the following actions related to parking in the LGA:

- Priority 4, page 35, to “review planning controls for on-site parking for medium density housing considering the demand for parking in Mosman”.
- Priority 8, page 40, to “maximise public car parking availability”.

We note that there is consensus in urban planning theory and practice around induced demand by the creation of parking and road capacity, and that these two actions are likely to go against the planning priorities of Mosman Council, Planning Priority 8 to improve access and encourage active transport and Planning Priority 14 to adapt and manage climate change. Increased parking provision both for public car parking and medium density housing is also likely to increase the costs of development, and place increased strain on road infrastructure and land available for development. This will reduce housing diversity rather than increase it, and we therefore suggest that it be removed from the LSPS.

¹⁰ See <http://www.livablehousingaustralia.org.au/95/downloads.aspx>

¹¹ See Centre for Excellence in Universal Design, <http://universaldesign.ie/What-is-Universal-Design/The-7-Principles/>

We also note that the number of households in Mosman LGA without a car has consistently decreased since 2001, and the number of households with more than 3 cars has consistently increased (page 24, Presentation at 24/07/2019 LSPS Public meeting). This is a trend that goes against trends in Metropolitan Sydney and urban areas across the world, and it is established best practice that Council should aim to reverse this trend and not enable it.

We understand that Mosman Council focus is on *housing choice and diversity* (see page 35/37 for example), rather than a *housing affordability* approach per se. We fully support the principle of housing diversity and acknowledge the importance of a range of housing typologies being planned for and delivered across various localities, at increasing levels of density where appropriate. However, such an approach alone will not deliver meaningful improvements to housing affordability given the constraints of current federal and state policy settings, and with no known future policy or funding settings to significantly boost social and affordable housing supply. It is extremely unlikely to improve housing affordability for very low and low income households, and at best this type of strategy is likely to improve affordability only for households on moderate incomes. This can be inferred from the already noted deterioration in housing affordability across the LGA, but is also reflected in recent research, from the Australian Housing and Urban Research Institute (AHURI) which found that:

*Most of the growth in housing supply has been taking place in mid-to-high price segments, rather than low price segments. There seems to be structural impediments to the trickle-down of new housing supply. Targeted government intervention might be needed in order to ensure an adequate supply of affordable housing.*¹²

It is important for Local Government authorities to consider the types of intervention that are available to them within the policy and funding frameworks set by federal and state governments.

To this end, Shelter NSW strongly recommends the development and implementation of more specific measures to address the need for more affordable housing identified by Council, as described in the next section.

Commitment of the LSPS to address housing affordability

As mentioned previously, Shelter NSW acknowledges there are specific constraints that apply to Mosman LGA which impact how much housing can be delivered locally. However, there are issues that must be addressed to retain a productive, inclusive and diverse community such as productivity impacts and intergenerational equity. We note the low target set by the GSC for delivery of new housing, 300 dwellings by July 2021. This is a very low target, even compared with neighbouring areas of similar sizes such as Lane Cove LGA, for example, which has a target of 1900 dwellings. Although opportunities for delivery of affordable housing through value capture mechanisms might be scarce, given the low level of

¹² Ong, R., Dalton, T., Gurran, N., Phelps, C., Rowley, S. and Wood, G. (2017) *Housing supply responsiveness in Australia: distribution, drivers and institutional settings*, AHURI Final Report No. 281, Australian Housing and Urban Research Institute Limited, Melbourne, <http://www.ahuri.edu.au/research/final-reports/281>

the target, it also means that a significant proportion of this new housing could be delivered as affordable housing relatively easily. Indeed, even just 30 dwellings would represent 10% of the target. We recommend the development of a specific Local Affordable Housing Strategy, especially the identification of local sites where Council could support the delivery of new affordable housing initiatives, especially those which demonstrate innovation and partnering across the sectors to optimise outcomes for residents and the community.

We would like to discuss the following actions further:

- We note the concerns of Council page 44 of the LSPS linked to the application in Mosman LGA of the Housing Code and the Low Rise Medium Density Housing Code from the Codes SEPP. We understand and support Council's commitment to environmental amenity and significant views to and from foreshore slopes. We note however, as recognised throughout the LSPS that absence of surplus land in the LGA, and the significant proportion of land zoned for public recreation (35%) means that the huge majority of development and new housing in the area will have to happen through infill. If this infill development is carefully managed and regulated, there are opportunities for Mosman Council to encourage greater housing diversity and delivery of some affordable housing while maintaining the high level of environmental amenity the community enjoys and values. We strongly recommend that any action seeking the permanent exclusion of parts of the LGA from the LRMDH Code, such as the one described page 44 in Planning Priority 11, is tied to detailed planning strategies regarding how Mosman Council will regulate infill development, including planning controls encouraging delivery of housing that is affordable to people on low and moderate income, and dedicated affordable housing to be managed by a registered CHP.

We recommend the following amendments to the draft LSPS for better outcomes

- Add as an action in Priority 3, 4 or 6 for Mosman Council to investigate an Affordable Housing Contribution Scheme under SEPP 70 for Spit Junction local centre and for Military Road Corridor. As noted in the LSPS page 37, Spit Junction is the main local centre within Mosman, and there are opportunities for amalgamation and redevelopment of sites up to five stories. This provides an opportunity for value capture mechanisms within the framework of SEPP 70, and could contribute to delivery of much needed affordable housing on site. We note that many of the local employment in Spit Junction is in retail. Retail workers on low and moderate income could benefit from the affordable housing, increasing local housing for local workers and decreasing congestion in line with priorities 8 and 9 related to Productivity in Mosman LSPS.
- Add an action in Priority 3 or 4 of the LSPS for Mosman Council to consider exemption from section 7.11 and/or section 7.12 contributions for affordable housing development led by a Community Housing Provider (CHP). We note that Mosman 2018 Contributions Plan currently exempts development for the provision of infrastructure funded by section 7.12 contributions and small scale development led by a non for profit charity from contributions. Considering that

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affordable housing is essential social and economic infrastructure, and that CHPs are non-for-profit charities who could deliver small scale development, we recommend considering an exemption to increase feasibility of affordable housing delivery in Mosman LGA.

- Explicitly state in the LSPS that Mosman Council will consider other planning mechanisms at their disposal to facilitate the delivery of affordable housing, such as Voluntary Planning Agreements and use of section 7.11 contributions to deliver essential social and economic infrastructure such as affordable housing.

On the specific question of seeking approval for SEPP 70 / Affordable Housing Contribution Schemes Shelter NSW understands the *housing diversity* approach places a strong reliance on rezoning and up-zoning areas for higher density residential development, leading to significant uplift in land values in the areas identified for prospective development or redevelopment. This creates opportunities for communities to share in some of the increased value and can be used to fund new infrastructure and community facilities, and this is facilitated by provisions in the *Environmental Planning and Assessment Act 1979*. We note the growing recognition at the State Government level for this to include funding for new affordable housing, as is reflected in the recent extension of SEPP 70 to allow all councils across New South Wales to adopt Affordable Housing Contribution Schemes.

Such schemes are already in operation in the City of Sydney local government area. Similar schemes are also in development in the Cities of Willoughby and Randwick, as well as the Inner West Council, for example. These schemes require developers who wish to operate within certain defined precincts, as approved and included in a revised Local Environmental Plan, to make a contribution to a Council's affordable housing program as a condition of development consent.

Importantly, where there is certainty around the requirement for developer contributions, the apparent extra costs to developers are capitalised into the price they pay for developable land, as previously discussed. This means developers' viability considerations are not unduly impacted by the need to provide affordable housing contributions, allowing councils to fund and develop their own portfolios of targeted affordable housing through the uplift in value created by rezoning land for higher density use.

Finally, Shelter NSW draws Mosman Council's attention to the *Strengthening Economic Cases for Housing Policies* report¹³, led by CHIA NSW and UNSW City Futures, and which Shelter NSW co-funded. This research models the significant economic and productivity gains that could be expected from a large scale program of Government investment in housing that is both well located and affordable. While it is not within the scope of a local government authority to develop a program on the scale that has been modelled, the results of this research should give Councils greater confidence that Affordable Housing Contribution Schemes, designed to fund a local affordable housing program will have

¹³ Maclennan, D., Randolph, B., Crommelin, L., Witte, E., Klestov, P., Scealy, B., Brown, S. (2019) *Strengthening Economic Cases for Housing Policies*, City Futures Research Centre UNSW Built Environment, Sydney, <https://cityfutures.be.unsw.edu.au/research/projects/strengthening-economic-cases-housing-productivity-gains-better-housing-outcomes/>

discernibly positive economic impacts at the local level, which will not only benefit the affordable housing residents but the broader community and the local economy. Shelter NSW strongly advocates that affordable housing should be seen as critical social and economic infrastructure rather than seen as a “welfare” policy response. In this vein we would suggest that decision makers including Councils should harness this thinking in their policy and planning, as well as in the messaging to local communities so that the benefits of affordable housing are promoted and better understood.

Commitment of the LSPS to social diversity

Social diversity is an asset for all communities. Culturally and socially diverse communities are inclusive, healthy and creative, as recognised by Mosman Council in Planning Priority 3. We suggest strengthening the language in the LSPS however to be more explicit about a commitment to social diversity, in particular through the provision of affordable housing across the LGA, ideally in the form of a percentage of all new residential development that should be dedicated to affordable housing, preferably delivered on site, to ensure social mix. This is particularly relevant for Mosman LGA where prices of the private rental market and property market are not conducive to social diversity.

Commitment of the LSPS to further advocacy from local government for social and affordable housing

It is important to recognise that we need to tackle housing affordability issues at the metropolitan and regional level. Advocacy from local government to state and federal governments for direct investment in social and affordable housing would assist local government and the planning system and recognises the need for a systemic response to addressing a public policy issue that is the responsibility of all levels of Government.

Shelter NSW supports Mosman Council in its recognition that housing affordability is a complex issue that needs to be tackled by all levels of government. The LSPS could recommend further advocacy by Council to the NSW and Australian Governments for more social and affordable housing to be developed in the local area, to be funded by mechanisms including those outside of the planning system, such as those outlined in Shelter NSW, National Shelter or CHIA policy and platform documents.

Shelter NSW’ position is that partnering across all three levels of Government, as well as the not for profit and private sectors is vital to achieving sustainable social and economic outcomes for residents.

In particular we support the commitments made on page 35 to work with neighbouring councils and other levels of government to facilitate delivery of affordable housing within the North District.

Given the high constraints highlighted by Council within its LSPS related to delivery of affordable housing within the LGA, more impact might be achieved by Council through advocacy than through delivery in the LGA.

Shelter NSW recommends:

1. That the LSPS includes recommendations for Council to tackle housing affordability issues at both the metropolitan and regional level, for example through collaboration with other LGAs, to advocate for development of a Regional Affordable Housing Strategy to operate across council borders.
2. Commitment to advocate to NSW and Federal Governments for more social and affordable housing in the North District.
3. Commitment to advocate to NSW Government for reform of the Residential Tenancies Act to end 'no-grounds' evictions. This would immediately provide greater security of tenures to the 32% of households who rent their home in Mosman LGA, without requiring any spending or changes to the built form and land use within the LGA.

Implementation, Monitoring and Reporting

Shelter NSW strongly supports the commitment of Mosman Council to monitor and report on the implementation of actions to ensure planning priorities are achieved (page 30).

We recommend for the reviewing of the LSPS to go above and beyond what the EP&A Act requires by aligning the review of the LSPS and the LHS with the review of the LEP and the DCP, every five years, instead of every seven years as currently stated in the LSPS page 30.

We are concerned, however, that there are no other monitoring indicators to measure success regarding better housing affordability in the area. This is especially important given the need identified by Council in the LSPS. We recommend the inclusion of more indicators specific to housing affordability such as:

- Decrease in proportion of residents of the LGA in housing stress
- Decrease in unmet affordable housing need
- Increase in proportion/number of dwellings in the area that are affordable to people on low to moderate incomes

Summary of Recommendations

1. Undertake research into the levels of housing stress in the area, including rental stress and mortgage stress, and include results in Mosman LSPS.
2. Complete the research on affordable housing by 2021 instead of 2023 as currently stated.
3. Include commentary and analysis in the LSPS to recognise the need for affordable housing in the area and how affordable housing is critical social and economic infrastructure.
4. Explicitly state in the LSPS that the LHS will include consideration of the need for affordable housing in the area, including specific affordable housing targets for Mosman LGA and how Council is considering contributing to delivery of affordable housing across the district.

5. Regarding the commitment to adaptable housing informed by universal design, include explicit reference to the Liveable Housing Guidelines in the following manner:
 - That a significant proportion of new residential development achieves the silver level of the LHDG, allowing 'visitability' of dwellings for people with mobility issues
 - That a proportion of all new residential development achieves the gold or platinum level of the LHDG
6. Strengthen language in some or all of the Planning Priority 5, 6, 8 and 12 to ensure the built environment and amenity in the LGA are designed to be accessible to all members of the community. It could include a reference to the Seven Principles of Universal Design¹⁴, for example.
7. Remove actions from Priorities 4 and 8 aiming at maximising public car parking and increasing parking provision requirements for medium density housing.
8. Commit to developing a specific local Affordable Housing Strategy.
9. Commit that any action seeking the permanent exclusion of parts of the LGA from the LRMDH Code, such as the one described page 44 in Planning Priority 11, is tied to detailed planning strategies regarding how Mosman Council will regulate infill development, including planning controls encouraging delivery of housing that is affordable to people on low and moderate income, and dedicated affordable housing to be managed by a registered CHP.
10. Add as an action in Priority 3, 4 or 6 for Mosman Council to investigate an Affordable Housing Contribution Scheme under SEPP 70 for Spit Junction local centre and for Military Road Corridor.
11. Add an action in Priority 3 or 4 of the LSPS for Mosman Council to consider exemption from section 7.11 and/or section 7.12 contributions for affordable housing development led by a Community Housing Provider (CHP).
12. Explicitly state in the LSPS that Mosman Council will consider other planning mechanisms at his disposal to facilitate the delivery of affordable housing, such as Voluntary Planning Agreements and use of section 7.11 contributions to deliver essential social and economic infrastructure such as affordable housing.
13. Strengthen the language in the LSPS to be more explicit about a commitment to social diversity.
14. Commit to the provision of affordable housing across the LGA, ideally in the form of a percentage of all new residential development that should be dedicated to affordable housing, either in kind or in cash.
15. Recommend further advocacy by Council to the NSW and Australian Governments for more social and affordable housing to be developed in the local area.
16. Include recommendations in the LSPS for Council to tackle housing affordability issues at both the metropolitan and regional level, for example through collaboration with other LGAs, to advocate for development of a Regional Affordable Housing Strategy to operate across council borders.

¹⁴ See Centre for Excellence in Universal Design, <http://universaldesign.ie/What-is-Universal-Design/The-7-Principles/>

17. Commit to advocate to NSW and Federal Governments for more social and affordable housing in the North District.
18. Commit to advocate to NSW Government for reform of the Residential Tenancies Act to end 'no-grounds' evictions.
19. Align the review of the LSPS and the LHS with the review of the LEP and the DCP, every five years.
20. Include indicators specific to housing affordability as part of the monitoring section of the LSPS.

Further discussion

Thank you for the opportunity to take part in the formulation of Mosman Council Local Strategic Planning Statement. Shelter NSW, as a housing policy and advocacy peak is keen to continue to work with and support Council on the further development of the LSPS and the LHS.

Please do not hesitate to contact Thomas Chailloux on (02) 9267 5733 or thomas@shelternsw.org.au in the first instance if you wish to discuss these comments.

Yours sincerely



Karen Walsh
Chief Executive Officer
Shelter NSW