

# Shelter NSW Submission

## Wollondilly Shire Council Draft Local Housing Strategy

June 2020



### Introduction

Ongoing research shows an inadequate supply of housing choice for particular populations groups, such as older and younger residents in regional centres across NSW. Much of this is due to the existing housing stock being dominated by freestanding homes, with a significant percentage of these homes occupied by 'empty nesters', many of whom have reached retirement age, and the existing housing stock no longer meets their needs. The other worry is younger people who leave regional towns in search of alternative housing and lifestyle options. Housing affordability is also a growing issue for low incomes renters in regional NSW. These conditions diminish people's quality of life and impacts on community well-being and productivity, which are also vital to the long-term suitability of regional centres.

Wollondilly Shire Council Draft Local Housing Strategy (2020) acknowledges these issues and the need for land-use strategies that deliver sustainable outcomes that meet the housing needs of the broader community and supports more housing choice. With these matters in mind Shelter, NSW welcomes the opportunity to make comments on the Wollondilly Shire Council Draft Local Housing Strategy (June 2020), and we remain open to any further consultations.

### About Shelter NSW

Shelter NSW was established in 1975, as the NSW State housing peak body to advocate for better housing outcomes in response to urban and regional redevelopment pressures. We grew from this to now representing the interests of a diverse network of partners and members who include organisations and individuals that share our vision to deliver housing security for all NSW residents. We pursue this vision through critical engagement with government, policy and collaborative leadership initiatives.

### Shelter NSW Comments on Draft Wollondilly Shire Council Draft Local Housing Strategy - June 2020

Shelter NSW congratulates Wollondilly Shire Council on the preparation of its comprehensive Draft Local Housing Strategy (2020). Our following submission aims to provide feedback on ways to support or strengthen the identified priorities outlined in your report.

The Draft Local Housing Strategy notes objectives to deliver homes in the right locations, which are 'diverse, accessible and affordable'. We are pleased to provide the following comments in line with the Council stated objectives. In situations where Shelter NSW suggestions go beyond the direct control of the Council, we are happy to collaborate on any future advocacy-based actions.

## Wollondilly Shire Council Draft Housing Priorities and Shelter NSW Recommendations

### **1. Provide housing in areas that are adequately serviced by infrastructure**

#### **Shelter NSW Recommendations**

##### **Maintain and encourage housing supply in the right locations**

The following recommendations aim to support the housing needs of younger residents and deliver alternative housing options for older residents to age in place.

- Increase housing choice in the form of more townhouses, villas and apartments connected to existing centres and essential infrastructure.
- Deliver infill development that aims to revitalise established residential areas.
- Close the mismatch between current and future housing needs by supporting ways to deliver seniors housing in locations close to town and village centres (taking into consideration land and environmental constraints).
- Aim to deliver more housing diversity as part of any 'town centre' or master planning process.
- Introduce more medium-density (R3) zones within town centres.

##### **Maintain Local Built Form Character Through Best Practice Design Outcomes**

To ensure new infill or residential developments enhance the existing build form of regional town centres and their main streets, Shelter NSW recommends that the Council develop a local character assessment system. This system could include design elements in a DCP for any Master plans proposal. In line with this initiative, we suggest that the Council might like to review the following two documents; 'Implementing Good Design' and Evaluating Good Design (2018) by NSW Governments Architect (<https://www.governmentarchitect.nsw.gov.au/guidance/implementing-good-design>).

### **2. Promote housing diversity and affordability**

#### **Shelter NSW Recommendations**

##### **Understanding the issue of Key workers and housing need in the era of Covid 19**

The pandemic has highlighted the inequality between essential workers with secure employment and those without. Sitting alongside this situation is the growth of a highly casualised workforce and insecure employment options.

The impacts of Covid 19 will see many key workers without secure employment need to access affordable housing options over the coming years. In light of this Shelter NSW would like the Council to consider the role of 'key workers' and support ways to support the delivery of affordable housing over the next few years to address the economic disparities resulting from the Covid-19 pandemic.

Shelter recommends that any commitment in the Council Housing policy include the impact of Covid 19 and expand the definition of key worker to include the retail, hospitality public and private transport sectors.

### **Council make an explicit commitment to deliver affordable housing by seeking inclusion into SEPP 70 (Affordable Housing Contributions Scheme)**

Relevant to Councils Local Housing Strategy is that planning instruments and policy can be used to generate more affordable housing within a Local Government Area (LGA). The NSW Department of Planning, Industry and Environment (DPIE) State Environmental Planning Policy No 70 (SEPP70) – Affordable Housing (Revised Schemes) allows Councils in NSW to use inclusionary zoning provisions in the Environmental Planning and Assessment Act 1979.

SEPP 70 is the primary tool in NSW for delivering new affordable housing products via the planning system and as such Shelter NSW suggests that the Council seek approval for inclusion into the SEPP.

SEPP 70 allows affordable housing units to be acquired via a local housing strategy. This usually includes specify areas undergoing redevelopment or master planning processes be identify to deliver an affordable housing contribution scheme. The following Councils have been included into SEPP70 and they all provide good examples of a SEPP 70 delivery framework; City of Sydney, Willoughby, Randwick, Inner West, Northern Beaches, Ryde and Canada Bay.

#### **Affordable Housing Contribution Rate**

Shelter NSW suggests that as part any SEPP 70 framework that the Council has an affordable housing contribution rate for both residential and non-residential land use zones. This is the case with the City of Sydney who has the following:

- Residential development
- On-site: 3% of the total residential floor area must be provided as affordable housing.
- Monetary: \$214.17 per square metre of the total residential floor area.
- Non-residential development
- On-site: 1% of the total non-residential floor area must be provided as affordable housing.
- Monetary: \$71.36 per square metre of the total non-residential floor area.

#### **Planning Agreement Framework to Include Affordable Housing**

An additional framework to deliver affordable housing is to include a provision to provide affordable housing in the Councils' Planning Agreement framework. This framework allows Council to acquire a community contribution in the form of affordable housing on major development sites or masterplans.

The benefit of having a planning agreement system are that it can often take years for the Council affordable housing scheme to be outlined and adopted as part of its LEP and then included into SEPP70. To address this issue, Shelter NSW suggests that a complementary planning agreement framework in place re the capture of planning benefits to deliver affordable housing in the meantime.

Listed below are two best practice planning agreement policy options.

1. Canterbury Bankstown draft Planning Agreement Policy has the following clause. Where a Planning Proposal is seeking an uplift of residential floor space that exceeds 1,000 sqm of gross floor area (as defined in the applicable local environmental plan), the equivalent of at least 5 percent of the increased residential floor space should be dedicated to the Council in the form of

residential dwellings for affordable housing, or as a cash payment for affordable housing.

2. Randwick The Council:

[https://www.randwick.nsw.gov.au/\\_data/assets/pdf\\_file/0007/25990/Planning-Agreements-Policy.pdf](https://www.randwick.nsw.gov.au/_data/assets/pdf_file/0007/25990/Planning-Agreements-Policy.pdf).

### **Council develop an affordable rental housing target for the LGA**

Shelter NSW suggests that the Council set a broad affordable housing target that's around 15% of all housing stock. This target could then be broken down by, affordable, community, and public housing. One example is from the City of Sydney Council [Sustainable Sydney 2030](#) report. It establishes the following targets by 2030, 7.5% of all housing in the local area will be social housing provided by the government and community providers, and 7.5% will be affordable housing delivered by not-for-profit or other providers.

### **Incentives to organisation or authorities that deliver affordable housing in perpetuity**

As part of Council final local housing strategy, it considers including the following incentives to organisation or authorities that deliver affordable housing in perpetuity: a fast track DA process, fee reduction or waiver, density bonus, car parking reduction bonus, waving or varying s7.11 contributions. We recommend that any incentives be targeted at public housing or not-for-profit developers (CHPs), linked to the affordable housing being secured in perpetuity, not for a minimum of ten years.

### **Acknowledge and Support the Local Aboriginal Land Council to delivery additional housing opportunities**

Shelter NSW would like to see a commitment by the Council to work with the Local Aboriginal Land Council on the development of a strategic plan for their landholders aimed at supporting the delivery of additional housing opportunities.

The primary aim would be to support additional housing opportunities and appropriate housing design outcomes on Aboriginal-owned land. This work can be based on the Aboriginal Land Framework (introduced by the NSW Planning System in 2019). Proposed Actions:

- work cooperatively with LALC to rezone land so that it can be used for additional social housing.
- explore ways to support secondary dwellings/granny flat accommodation on existing Aboriginal/social housing lots.
- encourage the construction of additional Aboriginal social housing stock so that the underutilisation of existing housing and essential service can be addressed.
- work with public, community and Aboriginal housing providers to ensure dwellings are adequately maintained to improve the survivability of structures under bushfire or drought threat.

Work with public, community and Aboriginal housing providers to find solutions which address the issue of overcrowding in Aboriginal housing. Such solutions could include:

- flexible design allowance in DCP to expand and/or close off the edges of houses to provide additional outdoor areas, and
- housing design layouts that support both cooling and heating functions throughout the entire building.

### **Protection and Supporting Residents in Land Lease communities**

Due to housing affordability issues, many residents who don't own a home and can't access public housing live in Residential land lease communities such as residential parks, caravan parks, manufactured home estates.

As pointed out by the Tenants' Union of NSW (TU) review of the Residential (Land Lease) Communities in 2017, many of the reforms have failed to deliver protections for tenants or owners in these communities.

Highlighted below are many of the matters that impact the lives of people who live in these facilities:

- A lack of an effective compliance regime and site agreement fees set at fair market values,
- Overcharging on utility usage,
- Site maintenance and repair costs being passed on to dwelling owners, despite the repairs being part of essential infrastructure,
- Other matters, such as the value of homes, decrease due to discriminatory agreement practises and terms.

In light of the matters outlined above we suggest that the Council include these communities in its housing strategy and that the Council aim to ensure that land lease (Caravan or mobile home park) managers or owners are encouraged to address the following matters:

- strict compliance and enforcement based on fair and transparent standards,
- encourage the introduction of minimum energy efficiency standards,
- support the introduction of fixed-term leases as opposed to the periodic agreement.
- encourage fair and transparent water management practises and chargers.

### ***3. Plan and coordinate growth for emerging communities***

#### **Shelter NSW Recommendations**

Shelter NSW sees basing new residential developments on clustering dwelling patterns as one way to deliver healthier long-term housing outcomes that improve the social connection for both older and younger residents. It also has the benefit of reducing the impact of climate change and natural hazards.

#### **Housing Development that Builds Resilient to Climate Change Impacts**

We suggest that the Council encourage clustered development patterns to consolidate landscaping and vegetation, reduce the risk of bushfire/floods and facilitating the delivery of better water management practices. Connected to these consolidation initiatives we recommend that new residential fringe or semiurban release development areas be based on the General Residential (R1) zones combined with bush fire and flood management criteria as opposed to Low-Density residential subdivision zones.

**4. Build sustainable and resilient communities that protect and celebrate our environment.**

**Reducing climate change impacts**

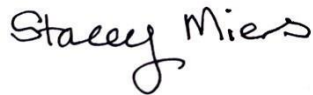
To build resilience to the changing climate, Shelter NSW suggest that Council and the NSW Government work together particularly in regional NSW, to deliver green landscape spaces in regional towns combined with an active tree planting and employment initiatives.

## Thank you

Shelter NSW appreciates the opportunity to comment on the Wollondilly Shire Council Draft Local Housing Strategy (June 2020). We hope that the comments and insights we have provided bring some value to the Council's strategic planning work in the housing policy space.

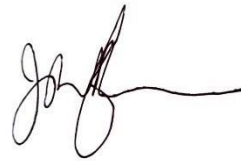
We are also happy to engage with the Council on the issues raised in our submission. If you wish to discuss our submission in more detail, please contact Stacey Miers on 0410 633 272 or by email at [stacey@shelternsw.org.au](mailto:stacey@shelternsw.org.au).

Sincerely Yours,



Principle Policy Officer Shelter NSW  
Stacey Miers

Sincerely Yours,



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