



Response to *Willoughby Council*  
*Draft Local Strategic Planning Statement*  
Shelter NSW submission  
September 2019

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### 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 households<sup>1</sup>. 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 being excluded from jobs and opportunities.

Shelter NSW priorities are [centred on four core areas](#)<sup>2</sup>, all of which are relevant to the Local Housing Strategies and 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;

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<sup>1</sup> 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 Willoughby Council's draft Local Strategic Planning Statement (LSPS). Our submission is informed by the draft Local Housing Strategy (LHS) published in February 2019, "Willoughby Council Draft Housing Strategy to 2036" and some recommendations could be integrated in either strategic planning document.

### **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 Willoughby 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. We strongly support the resolve of Willoughby Council to advocate for State Government to invest in social and affordable housing to supplement the dwellings generated by contributions levied through the planning system<sup>3</sup>. 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 Willoughby Council to manage the impacts of population growth, development and urban renewal on their own communities, even while that renewal may be happening elsewhere.

### **Shelter NSW Principles for LSPS and LHS**

Shelter NSW congratulates Willoughby Council on the preparation of a comprehensive LSPS based on evidence from the LHS and other studies, 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 revision of Local Environmental Plans (LEPs), an action required by the GSC Regional and District Plans.

Shelter NSW’s position is that a “one-size-fits-all” approach will be of little 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. However, we have developed some [principles we would like to see applied](#) in all LSPSs<sup>4</sup>, and subsequently LHS.

Our analysis and comments on Willoughby Council LSPS and LHS are underpinned by the following 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.

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<sup>3</sup> LSPS page 25.

<sup>4</sup> See <https://www.shelternsw.org.au/blog/exhibition-of-draft-local-strategic-planning-statements>

## **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. 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 enjoying high environmental amenity, combined to great liveability and access to jobs and services, close to Sydney Central Business District (CBD) – a metropolis well known for its housing affordability issues– housing in Willoughby LGA is much more expensive than in the rest of Greater Sydney. The median house price in Willoughby in 2017 was \$2.5 million dollars<sup>5</sup>, more than double the median value of a house in Greater Sydney, \$1,070,000 AUD. The difference is less impressive for strata titled dwellings, but still very significant (\$993,000<sup>6</sup> versus \$764,000 for Greater Sydney). Regarding rents, prices are also much more expensive, about 39% higher than the average in Greater Sydney (e.g. median weekly rent \$620 as compared to \$447 average in Greater Sydney – we note the significant jump to \$820 for the third quartile weekly rent<sup>7</sup>). Although they recognise the significant impact housing stress can have on quality of life<sup>8</sup>, unfortunately neither the draft LSPS nor the draft LHS provide data about the number of households experiencing housing stress within the area. We expect however that numbers would be significant, particularly for very low to moderate income households, given the levels of rent in the LGA.

The demand for social housing in the area is high and waiting times are very long. As of 30 June 2019, there were 1292 general and 179 priority applicants (households, not only individuals) on the NSW

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<sup>5</sup> See LHS page 33.

<sup>6</sup> Ibid.

<sup>7</sup> See Rent and Sales Report for March 2019 Quarter, FACS: <https://www.facs.nsw.gov.au/download?file=664499>

<sup>8</sup> See LHS page 32.

Housing register for CS04 Northern Suburbs FACS allocation zone, which Willoughby LGA belongs to, with expected waiting times of 5 to 10 years for all types of properties.

Shelter NSW is pleased to see that Willoughby Council recognises the need to address housing affordability issues in the area. In particular, we support the vision for Willoughby in 2036 outlined page 7 that “Willoughby provides a diversity of housing which caters to a range of households” and “providing affordable housing and options for young people and families”. While households’ incomes in the LGA may be significantly higher than in Greater Sydney, there are still significant amounts of lower income households living and working in the area. We commend Willoughby Council’s recognition that housing will become increasingly unaffordable for people on lower income including key workers<sup>9</sup>, and that housing stress impacts both current life quality and future prospects negatively<sup>10</sup>. We would recommend, however, that the commentary throughout the LSPS is amended to reflect that affordable housing is targeted at all lower income households and not specific professions, as this can sometimes become unclear.

Current trends indicate that housing affordability will continue to decline in the area – as it will in all areas that are reasonably accessible to employment and services throughout the Sydney basin – as long as metropolitan and state-wide social and affordable housing strategies and related policies are not developed or adopted. [Shelter NSW Election Platform 2019 document](#) provides further detail on the policies and reforms across the system that we believe are required to address the housing affordability crisis in NSW.

Shelter NSW recognises the long interest Willoughby Council has had in affordable housing issues, and its leadership in developing a City Housing Policy in 1998, and continuously advocating for more social and affordable housing. Council alone, however, cannot address the important demand for housing that is affordable, as many policy levers are outside of its control, as recognised page 29 and throughout the LHS. Reforms of the private rental market and other housing policies, involving actions from all levels of government will be needed to end housing stress and homelessness.

### **Commitment of the LSPS to housing diversity**

Shelter NSW strongly supports the vision of Willoughby Council to “providing a diversity of housing that caters to a range of households, allowing residents to stay in their communities as they age”. Overall, we support Priority 1, “Increasing housing diversity to cater to families, the aging population, diverse household types, and key workers” which is particularly appropriate. This aims to ensure housing supply is diverse and provides housing choice to diverse community members. It is also appropriate that changes in composition of housing typologies reflect changes in households’ composition as outlined in Section 2 of the LHS.

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<sup>9</sup> Ibid.

<sup>10</sup> See LSPS page 25.

Whilst a housing diversity strategy may have an effect on housing affordability, it is unlikely to have significant effects for very low and low income households as discussed further at the end of this section. Shelter NSW also recognises that Willoughby LGA already has a significant proportion of high density (41%) and medium density (14%) dwellings in its housing stock. While this means housing in the area is already catering to diverse households and their needs, it also means that further increase in housing diversity is unlikely to have significant housing affordability effects for lower income households.

We support the following in particular regarding housing diversity initiatives outlined in Willoughby LHS and LSPS:

- The fact that most Business zones (B12, B2, B4, B5) allow provision of shop top housing. This will provide some more affordable dwellings and encourage vibrant mixed use centres.
- The fact that WDCP requires a proportion of new residential development to be adaptable housing, up to 50% of new dwellings.

We support WDCP currently requiring that a proportion of all new development in the LGA, including low and medium density housing, is adaptable housing. Adaptability, however, only allows for retrofitting and changes to dwellings in the future. This is not considered best practice, especially when taking into account that universal design provides high levels of liveability for all, rather than just for users with mobility issues. Given the ageing population and the growing need for adaptable, accessible and diverse housing Shelter NSW recommends that the support of Willoughby Council for accessible housing is strengthened by adding the following to the action, using reference to the levels of the Liveable Housing Design Guidelines (LHGD) from Liveable Housing Australia<sup>11</sup>:

1. That all new apartment development achieves the silver level of the LHGD, allowing ‘visitability’ of dwellings for people with mobility issues
2. That a proportion of all apartment development achieves the gold or platinum level of the LHGD

Accessibility of public space and universal, inclusive design are of primary importance to create healthy, inclusive communities. We suggest inclusion of explicit actions and outcomes indicators, which stipulate the built environment and amenity in the LGA will be designed to be accessible to all members of the community. These actions could refer to the Seven Principles of Universal Design<sup>12</sup> being included in the DCP or in the relevant infrastructure strategies, for example. This would contribute to achieving Willoughby Council’s goal to “improve the public domain and urban design” and “create great spaces” as described in Planning Priority 6 and 9.

Shelter NSW does not hold any specific views on where housing should be located within Willoughby’s LGA, and recognises Council is best placed to assess and decide where the bulk of new housing should

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<sup>11</sup> See <http://www.livablehousingaustralia.org.au/95/downloads.aspx>

<sup>12</sup> See Centre for Excellence in Universal Design, <http://universaldesign.ie/What-is-Universal-Design/The-7-Principles/>

be delivered. It is important to consider spatial equity and social diversity, however, when planning for delivery of affordable housing and new housing in general. If new development is to be “contained” around Chatswood and R3/R4 zones, there needs to be consideration about how to deliver affordable housing across the LGA, including in low density zones. Indeed, “traditional family housing” in these areas is only affordable for high income households and not families on lower incomes.

Concerning the *housing choice and diversity* approach as opposed to 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.*<sup>13</sup>

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.

### **Commitment of the LSPS to address housing affordability**

Shelter NSW congratulates Willoughby Council for its leadership on affordable housing delivery and advocacy. Generally, we support the commentary and the actions outlined page 25 of the LSPS in Priority 2, “Increasing the supply of affordable housing”. We note Willoughby Council has been a leader in affordable housing delivery through its affordable housing strategy and requiring 4% of GFA in new developments to be used for the purpose of affordable housing.

The actions outlined by the LHS are appropriate, well defined, and linked to specific areas where needs and opportunities have been identified.

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<sup>13</sup> 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>



We strongly support Priority 2 of the draft LSPS, “increasing supply of affordable housing” in general, and the following actions in particular:

- Increase the proportion of total floor space to be delivered as affordable housing in new developments from 4% to 7% by 2021 and 10% by 2026. We note however that this only applies to specific sites identified in the WLEP 2012 as described page 32 of the LHS. Given the level of need, Shelter NSW recommends that these contributions apply to all new development in the LGA. We also believe that due to the very high levels of value created when land is upzoned, value capture mechanisms could be higher, and recommend 15% as a target by 2030. Schemes under SEPP 70 for areas such as St Leonards, Artarmon and Chatswood should be considered.
- Deliver affordable housing when Council’s land is redeveloped for housing purposes. We recommend that a target is added to this action, for example 30% considering that the land is government owned.

We also support Council’s statement that “other measures to increase the amount of affordable housing may also be appropriate where there is development uplift, including using planning agreements” and would like to suggest the following:

- Specifically recognise affordable housing as essential social and economic infrastructure in Priority 4 and/or 17. This is in line with the [latest Australian Infrastructure Audit](#) recognising housing as infrastructure for the first time. While we understand the competing priorities Councils face while using development levy to fund new infrastructure, recognising this will provide Council with flexibility and choice in the number of planning mechanisms it can use to facilitate affordable housing delivery, including section 7.11.
- Consider exempting Community Housing Providers from contributions levied through section 7.11 and 7.12 and other contributions for infrastructure, considering they are already providing essential infrastructure through their developments under the form of social and affordable housing.
- Explore opportunities to deliver affordable housing outside of development uplift and new development, for example on direct delivery on Council owned land. This will ensure affordable housing is delivered across the area and not in specific areas of the LGA, which will be good for social and economic diversity.

Shelter NSW believes a higher target for new affordable housing dwellings in Willoughby LGA by 2036 would be appropriate considering the housing supply projections and the high need identified through the LSPS. Indeed, the current target of 80 dwellings by 2036 only represents an increase of 48 dwellings in 17 years, or 2.8 dwellings per year. Considering the levels of capture of new floor space for the purpose of affordable housing, currently 4% and increasing to 10% by 2026, we recommend that Council sets a more ambitious target such as at least 200 affordable housing dwellings by 2036. This would represent an increase of 168 dwellings, or 2.5% of the projected housing supply and is more ambitious while still easily achievable. Shelter NSW believes up to 500 dwellings could be achieved with the right mechanisms in place.

Mixed use, functioning strategic centres are an essential part of great urban environments and thriving communities. We support Local Planning Priority 6 “Planning for local centres that are vibrant places”. Shelter NSW supports Willoughby’s Council to deliver housing in key centres whenever possible without undermining the main land use. We support sensitive infill strategies such as allowing shop top housing in the DCP to encourage delivery of innovative, diverse housing.

Similarly we support the retention of industrial land described in Priority 10. We recommend that in addition, Council considers an innovative mixed use approach as part of its review of the zoning mechanisms used in the LEP. For example, exclusively allowing social and affordable housing managed by a CHP or government provider in light industrial zone when this does not preclude achieving the primary objectives of the strategy. This is being considered by Inner West Council as part of their LHS, for example, and could be an innovative way to deliver some additional affordable housing dwellings although not in high numbers. The mixed use and innovative delivery would allow for homes close to jobs, achieving the objectives outlined by Council in the LSPS and LHS such as local homes for local workers.

We also recommend that Council integrates its commitment to “continue to advocate for state government to invest in social and affordable housing” into the list of actions of the LSPS.

On the specific question of seeking approval for SEPP 70 / Affordable Housing Contribution Schemes Shelter NSW acknowledges and understands that 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.

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. 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 Willoughby Council attention to the [Strengthening Economic Cases for Housing Policies](#) report, led by CHIA NSW and UNSW City Futures, and to which Shelter NSW partnered and 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 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.

Shelter NSW strongly supports Principle 15 committing to “improving the efficiency of Willoughby’s built environment”. Well-designed homes powered by affordable clean energy benefit landlords through reductions in their utility costs such as water, common area lighting, and environmentally sustainable homes are more attractive to tenants, so can assist in reducing vacancy rates. The benefits for tenants, include savings through reduced utility costs, resulting in more “after housing” income and enabling tenants to live more comfortably and generally have a better housing experience. There is also evidence that lower income households in homes with lower utility costs and with environmentally sustainable features are less likely to have rent arrears and more able to save. Shelter NSW has been involved in discussions leading to a recent advocacy win regarding mandating energy efficiency provisions for residential buildings in the National Construction Code<sup>14</sup>.

### **Commitment of the LHS to social diversity**

Willoughby’s LSPS and Community Strategic Plan set the vision for a community that is liveable, inclusive and connected. Shelter NSW would like to see the LSPS include explicit commitment to social diversity, committing to foster safe, healthy, creative, culturally rich and socially connected communities. As mentioned previously, the LSPS and LHS include an action to dedicate a percentage of all new residential development to affordable housing. We recommend for this to be applied to all areas and preferably delivered on site or in the area to ensure social mix.

Social diversity should be encouraged not only in areas with a high proportion of social housing stock, but also in other areas through implementation of inclusionary zoning mechanisms. We strongly support the value sharing mechanisms outlined by Council in its LSPS and would like to see them applied across the LGA. While we understand the importance of protecting local character outlined in Priority 5, it is important to make sure it doesn’t hinder the other priorities of the LSPS. Appropriate infill that is sensitive to local character, whether it is delivered through the Low Rise Medium Density Housing Code or through another mechanism, will ensure density levels in all parts of the LGA allow for more diverse, affordable housing and contribute to higher levels of socio-economic diversity.

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<sup>14</sup> See <https://www.industry.gov.au/sites/default/files/2019-07/bmf-communique-18-july-2019.pdf>

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

Shelter NSW is very satisfied to see that the draft LSPS and LHS of Willoughby Council recognises that housing affordability is a complex issue that needs to be tackled by all levels of government. The LSPS recommends further advocacy by Council to the NSW Government in Priority 2 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 strongly supports the Action in Priority 2 to advocate for higher levels of affordable housing in NSW Government led urban renewal strategies, and believes this could be extended to all urban renewal initiatives.

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.

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.

Concerning housing affordability, we recommend that the LHS or the LSPS include 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. This could be integrated in the 'A Collaborative City' section as part of Priority 19. We recommend that one action is added to say that Willoughby Council will work with NSROC and neighbouring councils to develop an affordable housing strategy for the area across Council borders. The leadership of Willoughby Council could encourage other councils to develop more ambitious strategies, or assist Councils with very high topographical and land supply constraints to contribute to delivery of affordable housing at the district level rather than within their LGA.

## **Implementation, Monitoring and Reporting**

Shelter NSW supports the commitment of Council to work to ensure the on-going alignment of the LSPS with Council's overarching community strategic planning, as well as the commitment to review the LSPS and LHS regularly. We would recommend for this to be aligned with the review of the LEP and happen every five years.

We would also recommend the inclusion of monitoring indicators that are specifically related to housing affordability, and not just number of affordable housing dwellings. As mentioned previously, it is

essential to have a baseline, notably regarding housing stress for lower income households, in order to do so. We suggest using the following indicators, for example:

- 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 Shelter NSW Recommendations**

1. Amend commentary throughout the LSPS to reflect that affordable housing is targeted at all lower income households and not specific professions.
2. Review and amend Willoughby DCP so
  - a. all new apartment development achieves the silver level of the LHDG, allowing 'visitability' of dwellings for people with mobility issues
  - b. a proportion of all apartment development achieves the gold or platinum level of the LHDG
3. Include explicit actions and outcomes indicators, which stipulate the built environment and amenity in the LGA will be designed to be accessible to all members of the community
4. Apply the contributions for affordable housing described in the LSPS (4% of total floor space of new development up to 10% by 2026) to the whole LGA and not just in specific areas. These contributions should apply to all development and not to up zoned land only.
5. Set a target for the affordable housing to be delivered when Council land is redeveloped for housing purposes. Shelter NSW believes a 30% target would be appropriate.
6. Recognise specifically affordable housing as essential social and economic infrastructure in the LSPS
7. Consider exempting Community Housing Providers from contributions levied through section 7.11 and 7.12
8. Revise affordable housing dwellings target for 2036. We recommend for the target to be at least 200 dwellings and believe up to 500 dwellings could be achieved with the right mechanisms in place.
9. Consider allowing social and affordable housing managed by a CHP or government provider exclusively in light industrial zone when this does not preclude achieving the primary objectives of the strategy
10. Add an advocacy action in Priority 2 for Council to advocate to State Government for more investment in social and affordable housing to reflect what is stated in the introduction of the section
11. In Priority 19, add an action stating Willoughby Council will take steps towards working with NSROC and neighbouring councils to develop an affordable housing strategy for the area across Council borders.

12. Include specific housing affordability indicators as part of Council monitoring strategy for the implementation of the LSPS and the LHS.

### **Further discussion**

Thank you for the opportunity to take part in the formulation of Willoughby 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](mailto:thomas@shelternsw.org.au) in the first instance if you wish to discuss these comments.

Yours sincerely



Karen Walsh  
Chief Executive Officer  
Shelter NSW