



**Professor Peter Phibbs**  
Director, Henry Halloran Trust

December 19<sup>th</sup> 2018

The Director, Housing Policy  
Department of Planning and Environment  
GPO Box 39  
Sydney NSW 2000

Dear Director,

**Re: Proposed amendment to State Environmental Planning Policy No. 70 – Affordable Housing (Revised Schemes) - statewide application and Draft Guidelines for Developing an Affordable Housing Contribution Scheme.**

We are writing to the NSW Government on the 'Proposed amendment to State Environmental Planning Policy No. 70 – Affordable Housing (Revised Schemes) - statewide application and Draft Guidelines for Developing an Affordable Housing Contribution Scheme'.

The Halloran Trust, a research Trust at the University of Sydney, funded through philanthropy, has been working on housing related research through funding researchers and its practitioner in residence program for a number of years.

We offer the following comments on the proposed changes and draft guideline to State Environmental Planning Policy No. 70 – Affordable Housing (Revised Schemes) (SEPP 70)

**(1) State Wide Application of SEEP 70**

The current situation places an unnecessary limitation on councils who have identified the need for affordable housing within an area or region so the proposal for the statewide application of SEPP 70 is strongly supported. Removing barriers to development, supporting affordable housing in NSW is to be commended.

**(2) Proposed Amendment to Clause 8**

Due to the existence of different definition for affordable housing and income benchmarks within distinctive policy and planning frameworks, primarily focuses on the Sydney Metropolitan Region the proposal to include a clear definition for both Metropolitan Sydney and greater NSW is welcomed.

**(3) Proposed Amendment to Clause 9**

This proposed amendment is the substantive change that will give effect to the intention of state-wide application of SEPP 70. However, clause 6 will also need

to be amended so that the implementation of the Policy is not limited to land within the Greater Metropolitan Region.

#### **(4) Proposed Amendment to Schedule 2**

Principle 3, states that affordable housing is to be made available to a mix of very low, low and moderate-income households, applies to “any combination of these households”. We understand the need for this amendment given the nature of the District Plans but would it be more appropriate to add “based on the demonstration of housing needs in the LGA”

#### **(5) Comments on the Draft Guideline for Developing and Affordable Housing Scheme**

- The Guidelines should make it clear that all councils who are preparing Affordable Housing Scheme should be encouraged to notify the public and developers ASAP so that they are aware that they might be impacted by the future operation of a scheme in the LGA.
- Viability considerations - We recommends the viability tool be made generally available by placing it in the public domain, and ensuring councils are provided with appropriate training and resources as may be required for its use. The Guidelines should clearly state that DPE will provide all assistance required to ensure councils can access and use this tool. Many councils have sharp resourcing constraints, and they might be discouraged from participating in the scheme because of this issue.
- Monitoring and Review of Affordable Housing Schemes - We would like to suggest that the Local Development Monitoring Program be expanded to include the documentation and delivery of affordable housing products both from the SEPP ARH and SEPP 70. It seems strange that a Planning Department can tell us the total number of dwelling completions but not about the built form outcomes of its own planning instruments.
- The process for requiring an affordable housing contribution - The draft stages outline requirements such as having to advise the Department, holding a preliminary meeting and so on which are an additional time and cost burden on Local Government. The Department Gateway determination process also needs to be adhered to (as outlined on page 11) to for a rezoning scheme to be submitted. The Gateway process has clear communication pathways between Council and the Department. Perhaps this process is adequate, so as to avoid creating additional levels of work and reporting for the Council.
- Preparing a Planning Proposal – On the preparation for a ‘Planning Proposal’, the Guidelines lack any explicit instruction of how to do and Affordable Housing Contribution Schemes - The guidelines should provide a working example of what an Affordable Housing Contribution Schemes looks like and how to come up with an Affordable Housing contribution rate T is set as part of the rezoning process but SEPP70 also enables collection of funds from development in other circumstances including (see section 7.32(1) a and b of the Act)

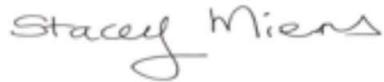
- the consent authority is satisfied that the proposed development will or is likely to reduce the availability of affordable housing within the area, (eg when a low income mainly rental apartment block is renovated and sold into the ownership market)
- (the consent authority is satisfied that the proposed development will create a need for affordable housing within the area (eg French Forest hospital)

It would appear that the Guidelines need to be expanded to take into account these other circumstances.

Thank you for the opportunity to comment.

Sincerely,

Ms Stacey Miers (Practitioner-in-Residence)

A handwritten signature in cursive script that reads "Stacey Miers".

Professor Peter Phibbs

A handwritten signature in cursive script that reads "P. J. Phibbs".