

THE HILLS SHIRE COUNCIL

3 Columbia Court, Baulkham Hills NSW 2153
PO Box 7064, Baulkham Hills BC NSW 2153

Telephone +61 2 9843 0555
Facsimile +61 2 9843 0409

DX 9966 Norwest

Email council@thehills.nsw.gov.au
www.thehills.nsw.gov.au

ABN No. 25 034 494 656

23 October 2014

Acting Director
Local Plans, Codes and Development Guides
Department of Planning and Environment
GPO Box 39
SYDNEY NSW 2000

Our Ref: FP58

Dear Sir/Madam

Review of SEPP 65 and the Apartment Design Guide

I refer to the review of *State Environmental Planning Policy 65* (SEPP 65) and the Apartment Design Guide which was released on 23 September 2014. Council, at its Ordinary Meeting of 14 October 2014, considered a report on this matter (Attachment 1) and resolved that:

'A submission be forwarded to the Department of Planning and Environment, together with a copy of this report, advising that Council strongly opposes the application of State Environmental Planning Policy 65 and the new supporting Apartment Design Guide to the Hills Shire as it undermines Council's housing strategy and development standards and will result in housing stock that does not respond to the needs of existing and future residents'.

Council's decision was unanimous with all twelve (12) Councillors united against SEPP 65. Council too is focused on delivering housing, focussed on housing affordability, focussed on apartment design and focussed upon quality of life for residents. Council strongly objects to the operation of SEPP 65 and how it undermines Council's own efforts to deliver housing for 100,000 more people over the next twenty (20) years in a manner that ensures compatibility with our current and future community.

The Hills Shire Council recognises that high density development is appropriate within centres that have efficient access to public transport and other support services. As the Shire continues to grow there will be a greater demand for new housing and it is accepted that apartments will play a key role in meeting this future demand. With this in mind Council is committed to ensuring that this form of housing becomes an attractive and viable lifestyle option for future families within the Shire. While we will grow by 100,000 more people, over 80% of our residents will be under 65 and with over 20% under the age of 15. Council is therefore committed to ensuring these developments have a diversity of apartment typologies and sizes to match our demographic trends and needs.

Council has particular objection with the existing Clause 30A of SEPP 65, particularly in relation to the restriction that apartment sizes cannot be used as a reason to refuse a Development Application. Instead of being removed as it is inconsistent with the NSW Government's commitment to return local planning to Local Government, it is made worse under the draft amendments to also include reduced car parking. Car parking is a critical issue and a fundamental mode of transport choice for most people. Family living is reliant on motor vehicles. Public transport cannot deal with the myriad of small trips at different destinations that are so typical of family life. Trips to schools, after school activities, friends, study groups and sporting events are virtually impossible if totally reliant on public transport.

Apart from Clause 30A, Council also raises objection to draft Clause 6A. Again, this clause overrides Council's development standards in critical areas of privacy, solar access, common spaces, apartment layout, ceiling heights, balconies, private open spaces, natural ventilation and storage. Your policy mandates a minimum standard without any incentive to do more. Any development better than the minimum standard is only at the discretion of the developer with Council's traditional role being made redundant. That might be fine for inner city living and for investors, but it is not appropriate for the Hills Shire.

The above clauses of draft SEPP 65 seem to be aimed at lowering construction costs to respond to the housing affordability issue. Lowering development standards is a very poor way of addressing housing affordability. Housing has become unaffordable for a multitude of reasons on both the supply and demand side. Not least has been the rise in medium house prices against the real rise in wages. Over the past forty (40) years that gap has widened and based on our own evidence, it is the price of land that has been a major contributor. Land prices reflect many things in the market place and attacking Council's local development standards is not the way to address the issue.

The Hills Shire has been mindful of the need to provide housing and jobs for Sydney's population growth. Council is also mindful that we need to encourage more people to choose apartment living as their housing choice. Sydney cannot continue to produce housing typologies based on the traditional mix of single lot housing, medium density housing and high density housing of the past. That is why the Hills Shire has adopted a strategy of putting density around centres of high amenities, services and transport. Being mindful that our Shire's current and future population is made up of growing families, Council introduced developments standards to make these developments family friendly. Just recently, Council exhibited and adopted controls to improve apartment diversity and product mix. Our policies have been working. The Hills Shire does not need SEPP 65 to deliver on our housing targets. The SEPP is contradictory in that it promotes a range of apartment sizes and mix in the design principles, but takes a very narrow minded approach to achieving them.

In summary, Council has previously raised significant concern with the Department regarding the impact of SEPP 65 on provision of housing affordability and apartment size and mix. However, rather than alleviating these concerns the flawed provisions of the Policy have been retained, expanded, and made more prescriptive. Council recently embarked on a body of strategic work to address the trend for apartment developments currently being approved with a propensity for single bedroom apartments, and with apartment sizes that are at the smallest end of the market. Council has prepared and publicly exhibited a change to its DCP in relation to apartment sizes and apartment mix principally aimed at ensuring housing diversity and therefore maintaining affordability. Importantly, the controls ensure that homeowners have access to a range of apartment options to exercise market choice and provide apartment stock that responds to what people would like to own rather than what is only available. Copies of the Council Reports on these controls are included as Attachments 2 and 3 of this letter and form part of Council's submission.

Given the reasons outlined above and the key issues outlined within the Council Report on this matter, Council strongly opposes the application of SEPP 65 and the Apartment Design Guide to The Hills Shire. As previously requested, given the Hills Shire has been proactive over many years to meet housing targets, an exemption to SEPP 65 is requested.

If you have any questions in relation to Council's submission please do not hesitate to contact Council's Group Manager – Strategic Planning, Michael Edgar, on 9843 0105.

Yours faithfully



Dave Walker
GENERAL MANAGER

Attach:

1. Council Report and Minute, 14 October 2014
2. Council Report and Minute, 9 September 2014
3. Council Report and Minute, 8 July 2014

affordable housing. Council's continued position in relation to housing affordability is that it is best achieved by addressing supply (land use zonings and provision of critical infrastructure like sewerage, water and power to influence developer take up) and ensuring product diversity. These matters have not been appropriately addressed as part of the review.

This State Policy will undermine local controls prepared as a result of evidence based planning that respond to the housing stock our current and future population desires and needs. The operation of the SEPP is an unacceptable outcome, especially considering Council has been accepting its responsibility for population growth and has a proven track record in achieving its housing and job targets while maintaining the character, amenity and quality of life of The Hills Shire.

HISTORY

26/07/2002	Commencement of State Environmental Planning Policy No.65 – Design Quality of Residential Flat Development
20/12/2002	<p>SEPP 65 amended to require consideration of the Residential Flat Design Code (RFDC) when determining development applications for residential flat development and when preparing local environmental plans, development control plans and master plans relating to residential flat development.</p> <p>SEPP 65 amended to insert apartment size and ceiling heights as standards that cannot be used as grounds for refusal, if the ceiling height and apartment sizes proposed are equal to, or greater than, the minimum standards identified within the Residential Flat Design Code.</p>
16/11/2011 24/02/2012	– Public Exhibition of the SEPP 65 and Residential Flat Design Code Review - Discussion Paper
28/02/2012	Council resolved to that a submission be forwarded to the Centres and Urban Renewal Branch of the then Department of Planning and Infrastructure highlighting matters of importance to The Hills Shire.
23/09/2014 31/10/2014	– Public exhibition of the review of SEPP 65 and the new Apartment Design Guide.
07/10/2014	Councillor Workshop on the review of SEPP 65 and the new Apartment Design Guide.

BACKGROUND

State Environmental Planning Policy 65 – Design Quality of Residential Flat Development (SEPP 65) was first introduced in 2002 with the principal aim of improving the overall quality of residential flat development in New South Wales. In order to achieve this, the SEPP establishes principles for good design and provides guidance for evaluating the merit of design solutions.

SEPP 65 establishes ten design quality principles which are intended to ensure high quality development outcomes and more liveable urban areas. Any environmental planning instrument or development control plan which includes provisions relating to residential flat development must achieve the design quality principles and have regard to the Residential Flat Design Code. The ten principles are listed below:

- Principle 1 – Context;
- Principle 2 – Scale;
- Principle 3 – Built Form;
- Principle 4 – Density;
- Principle 5 – Resource, Energy and Water Efficiency;
- Principle 6 – Landscape;
- Principle 7 – Amenity;
- Principle 8 – Safety and Security;
- Principle 9 – Social Dimensions and Housing Affordability; and
- Principle 10 – Aesthetics.

When determining applications for residential flat development consent authorities must consider:

- The advice of the relevant design review panel (if any);
- The design quality evaluated against the ten design quality principles; and
- The Residential Flat Design Code.

The existing Residential Flat Design Code was prepared to support SEPP 65 and lift the design outcomes of apartment developments. It provides specific guidance to developers and Council on how the ten design quality principles identified within the SEPP should be applied. It deals with key elements such as location, size and scale, appearance and amenity of buildings and is used as a source of best practice benchmarks for the planning and design of residential flat buildings.

There has been no substantial review of SEPP 65 since its commencement in 2002. Accordingly, a review (commenced in 2011) has been undertaken by the Department of Planning and Environment to ensure that the SEPP and the Design Guide remain a relevant resource for developers and Councils through the design, development assessment and plan making process.

Following preliminary consultation in mid-2011, the Department of Planning and Environment prepared a discussion paper which was exhibited in late-2011. At its meeting of 28 February 2012 The Hills Shire Council considered a report on the discussion paper and resolved that a submission be forwarded to the Centres and Urban Renewal Branch of the then Department of Planning and Infrastructure. The key matters of importance to The Hills Shire related to the following:

- SEPP framework;
- Application of the Policy;
- Application of the Residential Flat Design Code;
- Standards that cannot be used as grounds for refusal;
- Parking;
- Site coverage; and
- Qualified Designers.

Following further review by the Department, a number of changes are now proposed to the Policy, together with the new Apartment Design Guide (replacing the Residential Flat Design Code). The proposed amendments are on exhibition until 31 October 2014. The Apartment Design Guide has no statutory weight however through the clauses in SEPP 65, Council's DCP in a number of key outcome areas is overridden by the Guidelines. The changes are aimed at increasing the supply of well designed, affordable apartments, to introduce greater consistency in the adoption of basic design principles, and to encourage more innovative design.

The Department of Planning and Environment will consider submissions and feedback received during the exhibition period. A final report will be put to the Minister for Planning for a decision on whether the changes to SEPP 65 and the design guide be adopted for use.

REPORT

The purpose of this report is to provide recommendations for a submission on the review of SEPP 65 and the Apartment Design Guide. This report provides an outline of the proposed changes and comments addressing specific matters that are considered to be of high importance to The Hills Shire.

1. COUNCIL PREVIOUS SUBMISSION

As mentioned within the background of this report Council, at its meeting of 28 February 2012, considered a report on the draft discussion paper on the review of SEPP 65 and the Residential Flat Design Code and resolved that a submission be forwarded to the then Department of Planning and Environment. The following table provides Council previous comments and identifies how the comments were addressed.

Submission Comment	How the issue was addressed
SEPP 65 Framework	
<i>SEPP 65 must be rationalised and simplified with many of its requirements transferred into the Environmental Planning and Assessment Act 1979 (EP&A Act), Environmental Planning and Assessment Regulation 2000 (the Regulation), the Standard Instrument Local Environmental Plan and Section 117 Ministerial Directions.</i>	This has not occurred. The SEPP is principally in its existing format. New provisions are proposed to be included within the SEPP, giving the standards within the Guide more weight to override locally prepared controls.
Application of the Policy	
<i>No objection is raised in relation to broadening the SEPP to apply to serviced apartments. However, there must be additional guidance provided to ensure that serviced apartments are located separately to residential apartments, when both are proposed within a single development. Serviced apartments are focused on the provision of short term tourist and visitor accommodation and are generally serviced or cleaned by the owner or manager of the building. The separation of these two forms of development will ensure that the amenity of the residential apartments is maintained.</i>	The SEPP has not been expanded to apply to serviced apartments.
<i>The broadening of the SEPP to include design quality principles that apply to villas and townhouses is not supported. Council's current controls provide guidance on built form and relationship to surrounding</i>	Whilst the SEPP has been broadened to apply to shop top housing and mixed use development, the Policy will not apply to villas or townhouses.

Submission Comment	How the issue was addressed
<i>development for villas and townhouses that has resulted in many good developments across the Shire. Council is in a better position to develop controls that work with local circumstances rather than a one size fits all. The setting of minimum standards only undermines Council's ability to encourage innovative development that deals with local conditions.</i>	
Application of the Residential Flat Design Code	
<i>The Residential Flat Design Code should be given weight as part of a State wide development control plan template. This will enable the inclusion of the design quality principles within the Code and will ensure consistent design quality benchmarks for residential flat buildings.</i>	A State wide development control plan has not been pursued at this stage. As part of the review of the planning system, planning controls are proposed to be included within proposed 'Local Plans'.
<i>If the Code becomes part of a State wide development control plan, the content must be flexible so as to enable the design solutions to be adapted to the unique contexts of each local government area.</i>	
Standards that cannot be used as grounds for refusal	
<i>Objection is raised to the inclusion of standards which relate solely to the design and amenity of apartments. Consent authorities must retain the authority to refuse applications if it is considered that a proposal is inappropriate for a particular location based on local conditions. This will ensure that the SEPP and design solutions remain flexible and sensitive to the localities within which they are applied.</i>	<p>Provisions related to development standards have been expanded to include car parking as a 'Standard' that cannot be used as grounds for refusal.</p> <p>A new provision of SEPP 65 is proposed to allow key sections of the Apartment Design Guide to prevail over development control plans. Controls contained within development control plans relating to the following matters will have no effect:</p> <ul style="list-style-type: none">• Visual privacy;• Solar and daylight access;• Common circulation and spaces;• Apartment layout (including apartment sizes);• Ceiling heights;• Balconies and private open space;• Natural ventilation; and• Storage.
<i>The Standards that cannot be used as</i>	The Standards that cannot be used as grounds for refusal have been retained

Submission Comment	How the issue was addressed
<i>grounds for refusal should be removed from the SEPP and included within the Standard Instrument Local Environmental Plan template and Development Control Plans. State wide development standards must be implemented through the Standard Instrument LEP as opposed to SEPPs.</i>	and expanded to include parking. The Standards within the Code which are referred to within the provision have also been refined and made more prescriptive.
Parking	
<i>No objection is raised, in principle, to the promotion of reduced parking requirements within areas that have access to frequent public transport services. However, minimum standards should be applied through Development Control Plans that respond to local conditions. The promotion of reduced parking requirements within areas outside of key centres will increase on-street parking. This will have an unacceptable impact on the amenity of the Shire's residential areas.</i>	Car parking standards have been included within the Apartment Design Guide which removes or reduces car parking requirements for land within 0-400 and 400-800 metres from a railway station or light rail stop.
<i>Council objects to the inclusion of a specific reduced car parking rate within the Code. Specific parking requirements must be established at the local level and have regard to local conditions.</i>	
Site Coverage	
<i>The inclusion of a primary development control which provides guidance on site coverage within the SEPP is not supported. Development standards should be applied through Development Control Plans that respond to local conditions.</i>	Site coverage has not been included as a primary development control within the SEPP. This is consistent with Council's submission.
Definition – Qualified Designer	
<i>That the General Manager write to the Director-General of the Department of Planning and Infrastructure requesting an amendment to the definition of 'Qualified Designer' within the Environmental Planning and Assessment Regulation 2000 to 'a Registered Architect in accordance with the Architects Act 2003 or a suitably qualified Building Designer.</i>	The definition of 'qualified designer' has remained unchanged.

Table 1
Previous Submission Comments– Discussion Paper

As can be seen from the table, some matters raised in Council's previous submission have been taken on-board. However, the key concern that the SEPP gives weight to development standards relating to apartment size remains. Furthermore rather than being removed or reduced, these standards have been extended to prevail over most of Council's development controls and have been added to.

2. Housing Delivery within The Hills Shire

The Hills is one of the key locations for housing delivery in the Sydney Metropolitan Region and over the past decade, the Shire has been undergoing rapid growth at a rate greater than many other Sydney Metropolitan Local Government Areas. Over the past 30 years the Shire's population has grown by 100,000 people, with an additional 100,000 people planned over the next 30 years. The growth will be the second largest population increase within the Metropolitan Region. By 2031 The Hills Shire will be home to the third largest population in Sydney.

Whilst most Sydney Local Government Areas are development averse, The Hills has been consistently planning for and delivering new housing to meet the State's growth objectives. Since the setting of the state government residential growth targets in 2004, around 10,000 new homes have been delivered – with over 3,000 of these being for multi-unit dwellings or apartments. Between 2001 and 2010 The Hills had annual percentage population growth rate of 4.5%. This was substantially above the Sydney average for this time which was only 1.1%. This was also the highest growth rate for an outer Sydney statistical area, and only falling second overall across the whole region to inner Sydney.

Many more homes are in the pipeline across a variety of dwelling types. Over the past 10 years approximately 3,700 residential apartment units have been approved, with over 380 approved so far this year. Council is also meeting Sydney's needs for traditional house and land packages with over 900 residential lots approved this year alone in the North Kellyville and Balmoral Road Release Areas.

Strategically Council also works to increase housing supply. Over the past 6 years numerous planning proposals have been supported by Council that have the potential to increase the residential yield across the Shire in the order of at least 6,200 dwellings. Many of these are for medium and high density housing. Another major generator of growth is the North West Rail Link and the development which will occur within each of the Railway Station Precincts. The State Government has identified that the areas surrounding the eight (8) new stations are predicted to provide up to 28,000 new homes by 2036. Most of this growth is forecast to occur within The Hills Local Government Area. The renewal project is expected to stimulate investment in new residential and commercial development to the value of \$35 billion by 2036.

As can be seen The Hills Shire has been more than accepting of the need to accommodate future population through a balanced growth approach. Council's housing strategy and Local Environmental Plan identifies and zones sufficient land to ensure The Hills Shire can provide homes for the additional population expected over the coming 30 years. Despite shortages in critical but basic infrastructure that supports housing production and despite the Global Financial Crisis and the subsequent lag in development, Council is delivering on its targets.

3. SEPP 65 – KEY CHANGES

An overview of the key changes to the Policy is provided below.

Application of the Policy

The Policy will be extended to apply to mixed use development and shop top housing of three or more storeys. Currently the Policy only applies to residential flat buildings containing three (3) or more storeys.

Design Review Panel

The proposed amendments specify that members of a design review panel are to be qualified and experienced in the fields of architecture, landscape architecture or urban design. It is noted that Council does not currently have a design review panel.

Application of Development Control Plans

A new provision of the SEPP 65 is proposed to allow key sections of the Apartment Design Guide to prevail over development control plans. Council's controls relating to the following matters will have no effect:

- Visual privacy;
- Solar and daylight access;
- Common circulation and spaces;
- Apartment layout (including apartment sizes);
- Ceiling heights;
- Balconies and private open space;
- Natural ventilation; and
- Storage.

Car Parking

A car parking standard has been included within the Apartment Design Guide which removes or reduces car parking requirements for land within 800 metres of a railway station or light rail stop. With respect to the potential implications of The Hills Shire, the Guide identifies that for any land within 800 metres of a railway station or light rail stop, the car parking requirement contained within the *RMS Guide to Traffic Generating Development*, or the car parking requirement prescribed by the relevant Council would apply, whichever is less. It is noted that the RMS car parking rates are significantly lower than Council's current parking rates (refer to table 3 in Section 4 of this report). Council would not be able to refuse a development on the ground of car parking, if it complies with these rates.

Design Quality Principles

The Design Quality Principles are proposed to be consolidated, simplified and included within a schedule to the Policy. The SEPP is proposed to contain the following nine (9) principles:

- Principle 1 – Context and Neighbourhood Character;
- Principle 2 – Built Form and Scale;
- Principle 3 – Density;
- Principle 4 – Sustainability;
- Principle 5 – Landscape;
- Principle 6 – Amenity;
- Principle 7 – Safety;
- Principle 8 – Housing Diversity and Social Interaction; and
- Principle 9 – Architectural Expression.

4. APARTMENT DESIGN GUIDE – KEY CHANGES

The Residential Flat Design Code has been renamed as the Apartment Design Guide. The changes proposed to the Guide include the following:

- Specific criteria and solutions for design outcomes;
- Greater flexibility for applicants to propose alternative design solutions in areas such as deep soil and open space, balconies, and apartment layout, to suit the needs of a particular development;
- A minimum size of 35m² for studio apartments (other minimum apartment sizes are already specified);
- Greater flexibility for applicants to reduce or remove car parking spaces, where there is good access to public transport and there is market demand to do so; and
- Criteria and solutions for managing external noise and for limiting noise transfer between apartments, buildings and their private open spaces.

The existing Code apartment sizes of 50m² for 1 bedroom apartments, 70m² for 2 bedroom apartments and 95m² for 3 bedroom apartments are to be retained and strengthened through the provisions of the SEPP which gives the Guide apartment sizes significant weight over Council's locally prepared controls.

5. KEY ISSUES FOR THE HILLS SHIRE

Whilst a number of changes are proposed to both SEPP 65 and the Apartment Design Guide, there are some specific matters that are considered to be of high importance to The Hills Shire. These matters are listed below:

- (a) Housing Affordability;
- (b) Application of Local Controls;
- (c) Apartment Size and Mix;
- (d) Car Parking; and
- (e) Quality of Life

A detailed response to each of the abovementioned issues is set out below.

(a) Housing Affordability

Apartment buildings are long term building stock so it is very important that if they are to be built, they are to be resilient over the long term. Unlike house and land packages where landowners can choose the style and size of their home, a homeowner wanting an apartment can only choose from what is being provided. It is therefore imperative that there be diverse unit sizes and diverse unit typologies.

Whilst there are many factors which impact on housing affordability it is evident that the SEPP, with a specific focus on the 'Standards that cannot be used as grounds to refuse development', has failed and has not achieved its key objective of improving housing affordability. It is noted that as part of the review there has not been any evidence provided which demonstrates that the Policy has improved housing affordability since its commencement, nor has any evidence been provided to demonstrate that the proposed changes will improve housing affordability into the future.

Comments continually put forward by the development industry are that smaller apartments are cheaper to construct and that the provisions of "excessive" car parking spaces increases the cost of apartments, which ultimately impact on housing affordability.

While that is true, removing these standards ultimately become “priced in” to the overall development costs which in the long run, lowers the standard and amenity of our apartment stock.

The planning system has failed if the key way in addressing housing affordability is through lowering development standards. It is considered that affordability is best achieved by addressing supply (land use zonings and critical infrastructure like sewerage, water and power to influence developer take up), ensuring product diversity and providing a financial incentive. Council’s experience is that concessions targeted at reducing the cost of construction become factored into the market. A similar situation has been seen with the capping of developer contributions within the Shires release areas. Removing a car parking space will not save a homeowner \$40,000-\$50,000 as it will be factored into the base price of the land just as it is when Council rezones land for higher density or increases floor space ratio or height controls. As a result, Council continually receives applications where developers seek variations to controls. The SEPP 65 policy, with a specific focus on the ‘Standards that cannot be used as grounds for refusal’, gives legitimacy to that behaviour.

The State’s Policy under SEPP 65, including the proposed amendments, will do nothing to address housing affordability in the long run. Reducing car parking requirements will price apartments with an off-street car parking space higher into the market which is of no benefit for the future families of The Hills Shire.

(b) Application of Local Controls

Concern is raised in relation to the new provision of the SEPP which enables developers to disregard locally prepared controls. As mentioned previously within this report, an additional provision is proposed to be included under Clause 6 of the SEPP which identifies that:

‘The provisions of a development control plan under Division 6 of Part 3 of the Act, whenever made, are of no effect to the extent to which they aim to establish standards with respect to any of the following matters in relation to residential flat development that are inconsistent with the standards set out in the Apartment Design Guide:

- (a) visual privacy;*
- (b) solar and daylight access;*
- (c) common circulation and spaces;*
- (d) apartment layout;*
- (e) ceiling heights;*
- (f) balconies and private open space;*
- (g) natural ventilation; and*
- (h) storage’.*

These are key local development standards that should be the domain of the local Council and its community. Rather than being used as a guide for developers, designers, planning practitioners and the community in the delivery of well-designed affordable apartments, the Policy will simply continue to be used as a tool for developers to avoid and disregard local controls prepared through evidence based planning. This clause is contrary to the NSW Government Policy of ensuring Local Councils and their communities are given control over local planning.

The changes which are proposed, allow for the mandating of prescriptive standards across the entire State with little to no regard for local context. Under the planning reforms it was clearly stated that it would be built on a partnership between the state,

the community, local council's agencies and the private sector and that NSW Planning Policies would be high level documents that would not be prescriptive nor set-out detailed development controls. It was stated that a key focus of a new planning system was to allow *"people, businesses and organisations...to be fully engaged in the decisions that shape their local area and economies"* and to make *"a shift in focus from one that restricts and controls development to one that enables positive development outcomes"* that protect the environment and enhance people's way of life.

The changes proposed as part of this review will have significant ramifications on future development and planning outcomes within Council's high density areas as it is a 'one size fits all Policy' which will result in a product that fails to meet the needs and expectations of future residents. It is areas like The Hills where lowering development standards will result in higher profits as history has shown people are prepared to pay a high price to live in The Hills, but to a standard. If the apartment developments are built to the minimum standards of this Policy, high density living as a viable lifestyle option for families will not be achieved.

Council has a proven track record in accommodating housing growth, through both land release and urban consolidation around transit centres. In recognition of the serious implications which will occur as a result of these changes, it is recommended that Council strongly oppose the provisions within the SEPP which enable developers to disregard locally prepared controls. This will include the proposed Clause 6A 'Development control plans cannot be inconsistent with Apartment Design Guide' and proposed Clause 30 'Standards that cannot be used as grounds to refuse development consent or modification of development consent'.

(c) Apartment Size

One of the key issues is that people wanting to move into a larger apartment near services and amenities are unable to find them, and as a result are forced into smaller accommodation. Recent experience by Council is that developers are only providing the smallest apartment sizes possible, and are not having appropriate regard to the amenity of future residents. It is considered that these developments do not comply with the principles of the SEPP, however are being approved as they comply with the apartment sizes identified within the existing Guide. The proposed changes to the SEPP and Guide will not address this situation. Rather, the changes will simply cement these prescriptive minimum standards.

Proposed 'Principles 8 – Housing Diversity and Social Interaction' includes the following:

'Good design achieves a mix of apartment sizes, providing housing choice for different demographics, living needs and household budgets. Well designed developments respond to social context by providing housing and facilities to suit the existing and future social mix.'

Good design involves practical and flexible features, including different types of communal spaces for a broad range of people, providing opportunities for social interaction amongst residents'.

As can be seen the Principle identifies that 'Good design achieves a mix of apartment sizes'. However the SEPP identifies apartment area as a standard that cannot be used as a ground for refusal if the areas comply with the minimum apartment areas within the Guide. The inclusion of apartment size within this provision is clearly inconsistent with proposed Design Principle 8 which requires a mix of apartment sizes. It is highly likely that there will be regular occurrences where applications for residential flat

developments are received and propose apartments which are at the lowest sizes possible, which would be clearly inconsistent with the Principle, however these would be approved on the basis that they comply with the minimum apartment size areas within the Guide. In other words, the SEPP's own aims and principles can be undermined by the "flexibility" provided by the State. Such an outcome is known to be occurring and has been the subject of many submissions to the Department of Planning and Environment.

Through its growth strategies Council has acknowledged that Sydney needs to find houses and jobs for another 1.6 million residents over the next 20 years. If the expected 1.6 million people are to be housed in the same ratios of housing typologies that we have historically produced, Sydney will have insufficient land and it will become increasingly difficult to service by future Governments. Accordingly, planning and development practitioners need to change the perceptions about living in high rise apartments. Standards must be established that make high rise apartment living a desirable alternative to families choosing single dwellings on single lots. It is wrong to suggest that the same minimum standards should be applied broadly across the entire Sydney property market. The result of this approach will be a housing product which maximises yield however does not provide for the needs and expectations of the future residents within these apartments. Lack of appropriate diversity will also result in a reduction in housing affordability.

To address the trend for apartment developments currently being approved to be dominated by a propensity for single bedroom homes, and with apartment sizes that are at the smallest end of the market, Council has embarked on a body of strategic planning work. This strategic work had regard to population trends, local demographic knowledge and examined housing diversity and affordability in relation to residential flat buildings. Council has prepared and publicly exhibited a change to its DCP in relation to apartment sizes and apartment mix principally aimed at ensuring housing diversity and therefore maintaining affordability. Importantly, the controls will ensure that homeowners have access to a range of apartment options to exercise market choice and provide apartment stock that responds to what people would like to own rather than what is only available. The standards are squarely aimed at giving local context to the Design Quality Principles of SEPP 65. However, the changes proposed as part of this review will make Council's locally prepared controls obsolete. The fact that a State Policy can undermine local controls prepared as a result of evidence based planning is inappropriate, especially considering Council has been accepting its responsibility for population growth and has a proven track record in achieving its housing and job targets while maintaining the character and amenity of The Hills Shire. The Hills Shire Council deserves to have its controls, policy and standards upheld.

(d) Car Parking Rates

The proposed amendments seek to include car parking as a 'standard that cannot be used as a ground for refusal' if the the proposed car parking for a building is equal to, or greater than, the recommended minimum amount of car parking set out in Part 3 of the Apartment Design Guide. The Guide sets the following car parking requirements for land within the vicinity of railway stations.

Metropolitan Sydney	
Location	Minimum requirement
Sites within 400m of a railway station or light rail stop in nominated inner and middle ring metropolitan Sydney areas ¹⁾	No specific requirement
Sites within 400m of a railway station or light rail stop in the remainder of metropolitan Sydney areas	The relevant requirement set out in the RMS' Guide to Traffic Generating Development or the car parking requirement prescribed by the relevant council, whichever is less
Sites within 400 – 800 metres of a railway station or light rail stop	The relevant requirement set out in the RMS' Guide to Traffic Generating Development or the car parking requirement prescribed by the relevant council, whichever is less

Table 2
Car parking requirements (Apartment Design Guide)

It is noted that The Hills Shire Local Government Area is not located within a nominated inner and middle ring metropolitan Sydney area. Accordingly any application for development within 800 metres of a railway station in the Shire, which would include the railway stations proposed as part of the North West Rail Link, would only need to address the parking rates identified within the RMS 'Guide to Traffic Generating Development'.

A comparison of the parking rates identified within the Guide to traffic generating development and Council's current Centres Parking Rate is included within the following table.

	The Hills Shire – Centres Parking Rate	RMS Guide to Traffic Generating Development
Medium Density Residential Flat Buildings (2-20 dwellings)	<ul style="list-style-type: none"> 1 space per 1 bedroom unit. 1.5 spaces per 2 bedroom unit. 2 spaces per 3 bedroom unit. 2 visitor spaces per 5 units. 	<ul style="list-style-type: none"> 1 space per unit plus an additional 1 space per each 5x2 bedroom unit or part thereof. Also an additional 1 space per each 2x3 or more bedroom unit or part thereof. Visitor: 1 space per 5 units.
High Density Residential Flat Buildings (more than 20 dwellings)	<ul style="list-style-type: none"> 1 space per 1 bedroom unit. 1.5 spaces per 2 bedroom unit. 2 spaces per 3 bedroom unit. 2 visitor spaces per 5 units. 	<ul style="list-style-type: none"> 0.6 spaces per 1 bedroom unit. 0.9 spaces per 2 bedroom unit. 1.40 spaces per 3 bedroom unit. 1 space per 5 units (visitor parking).

	The Hills Shire – Centres Parking Rate	RMS Guide to Traffic Generating Development
		<ul style="list-style-type: none"> • Visitor: 1 space for every 5 to 7 dwellings.
Shops/Retail	<ul style="list-style-type: none"> • 1 space per 18.5m² Gross Leasable Floor Area (GLFA). <p>Note: For the purpose of comparison this rate would result in approximately 5.4 spaces per 100m² of GLFA.</p>	<ul style="list-style-type: none"> • 0-10,000 Gross Leasable Floor Area: 6.1 spaces per 100m² GLFA. • 10,000-20,000 GLFA: 5.6 spaces per 100m² GLFA. • 20,000-30,000 GLFA: 4.3 spaces per 100m² GLFA. • Over 30,000 GLFA: 4.1 spaces per 100m² Gross Leasable Floor Area.
Commercial	<ul style="list-style-type: none"> • 1 space per 40m² of gross floor area. 	<ul style="list-style-type: none"> • 1 space per 40m² of gross floor area.

Table 3
Car parking requirements Comparison

As an example, under Council's existing centres parking rate, a development comprising 100 units would need to provide a total of 183 car parking spaces, including 40 visitor spaces. However, when applying the RMS car parking rates, the same development would only need to provide 103 car parking spaces, including approximately 14 visitor spaces. This equates to a 44% reduction in the number of spaces required.

It is acknowledged that lower car parking rates should be investigated for high density areas around transport nodes with access to high frequency public transport services. However, car parking controls should be prepared at the local level having regard to local condition and be the direct result of a detailed parking policy for the area. The car parking rates contained within the RMS Guide are regional parking controls without regard to specific local issues. These are broad brush controls which should be avoided. Significant concern is raised with respect to the application of these standards, as it is unclear how the rates were developed or where the surveys were undertaken. Accordingly, any approach which seeks to mandate parking rates to certain areas without any regard to the local context of these areas is strongly opposed.

The car parking changes do enter into the lifestyle and choice of our community by restricting their car ownership rights with a policy that allows apartments to be constructed with dramatically reduced car spaces. Limiting parking spaces within developments might work for the inner city councils and Sydney City CBD but not in The Hills Shire. The generalisation of car parking rates and train station is flawed. The level of service provided at Carlingford Station and the Carlingford line (25 train services per 24hr period – Monday to Friday) compared to others like Epping Station (118 train services per 24hr period – Monday to Friday) cannot warrant a "one size" standard approach. Families need cars to assist family activities and apartment developments need to be a viable lifestyle choice for families.

Car ownership will not undermine the public transport system. The role of Government and Transport agencies is to provide cheap, reliable, accessible, convenient and safe public transport that people will always choose. Penalising communities for buying cars is not the answer and that policy will become factored into the price of land, meaning housing is no more affordable and not have the benefit of off-street car parking.

(e) Quality of Life

The practical application of SEPP 65 and the Apartment Guidelines do not respond adequately to Quality of Life for residents. It seems too focused on the ageing population that is expected over the coming decades and while that is true, seems primarily concerned with producing apartments for lone households, the elderly or the poor. Neither the SEPP nor the guidelines advance apartment stock into the modern world. A world where we will need apartments to be an alternative lifestyle option for families as well as lone or an ageing population.

The Hills Shire is going to increase from a population of around 180,000 people to around 280,000 over the next 20 years or so. Council's and the NSW Department of Planning's own demography indicate that our population will be overwhelmingly under the age of 65. Sure, the Shire will increase its percentage of people over 65 however just like the population in general, however, these individuals will in the main continue to represent a reasonable degree of wealth and will seek a high standard of living. Council already has evidence that residents are choosing to change their living arrangements from a large family home, to an apartment in close proximity to town centres and transport. Council's housing strategy combined with its adopted development standards has enabled our residents to age in place and those development standards that are proving to be successful are being undermined by the provisions of SEPP 65. There is no need for a policy that will allow a developer of an apartment block in The Hills Shire to create housing stock at the minimum size and at the minimum car parking rates. Unfortunately the nature of the industry will be most likely to take up the incentives provided by the SEPP and will lead to the production of apartments that do not necessarily match what our population will want as their home.

The minimum standards approach of SEPP 65 contributes nothing to the quality of life of future residents. While the policy will allow development to be approved based on minimum standards, it does so without any regard to the need of any other features to make up for the smaller apartments. There are no requirements to provide common rooms to allow for residents to accommodate larger family gatherings, no requirements for recreational facilities or any other feature that would contribute to greater liveability of apartment dwellers. There appears to be an apparent lack of interest in identifying what is needed to make apartment developments truly family friendly which as a Global City, Sydney needs to achieve.

CONCLUSION

As set out in the report the proposed SEPP changes and new Apartment Design Guide do little to alleviate concerns that have previously been raised by Council in relation to housing affordability and apartment size and mix. In fact, more prescriptive controls have been introduced that would make Councils development controls for apartments obsolete and car parking has been introduced as a matter which cannot be used as grounds for refusal if the standards in the Design Guide are met. These standards are considerably lower than those set by Council.

The changes which are being proposed will have significant ramifications on future development and planning outcomes within Council's high density areas as it is a 'one size fits all Policy' which will result in a product that fails to meet the needs and expectations of future residents. The product which will be delivered and supported through this Policy will contribute nothing towards promoting high density living as a viable lifestyle option.

This State Policy will undermine local controls prepared as a result of evidence based planning and is an unacceptable outcome, especially as Council has a proven track

record in achieving its housing and job targets while maintaining the character and amenity of The Hills Shire. Given the foregoing, it is recommended that a formal submission be lodged with the Department of Planning and Environment opposing the *State Environmental Planning Policy 65 – Design Quality of Residential Flat Development* and the new supporting Apartment Design Guide.

IMPACTS

Financial

This matter has no direct financial impact upon Council's adopted budget or forward estimates.

The Hills Future - Community Strategic Plan

Council's Community Strategic Direction identifies the community's vision for the Shire and outlines how Council will align its delivery of services and facilities to support this vision. Council's vision is for *'proactive leadership creating vibrant communities, balancing urban growth, protecting our environment and building a modern local economy'*. Consistent with this vision, Council is proactively seeking to facilitate a desirable living environment by opposing SEPP 65 amendments and the new Apartment Design Guide as they will undermine local controls that aim to achieve a diversity of housing choice for existing and future Hills residents.

RECOMMENDATION

A submission be forwarded to the Department of Planning and Environment, together with a copy of this report, advising that Council strongly opposes the application of State Environmental Planning Policy 65 and the new supporting Apartment Design Guide to the Hills Shire as it undermines Council's housing strategy and development standards and will result in housing stock that does not respond to the needs of existing and future residents.

ATTACHMENTS

Nil

MINUTES of the duly convened Ordinary Meeting of The Hills Shire Council held in the Council Chambers on 9 September 2014

ITEM-2 **POST EXHIBITION REPORT - DEVELOPMENT CONTROLS FOR RESIDENTIAL FLAT BUILDING (FP196)**

Proceedings in Brief

An apology was tendered by Councillor Preston on behalf of the Dan Brindle - Director of BBC Planning representing GPT who could not attend the meeting.

A MOTION WAS MOVED BY COUNCILLOR DR BYRNE ADJUNCT PROFESSOR AND SECONDED BY COUNCILLOR GANGEMI THAT

1. The Draft The Hills Development Control Plan 2012 (Part B Section 5 – Residential Flat Buildings, Part D Section 6 – Rouse Hill Regional Centre, Part D Section 8 – Norwest Residential Precinct, Part D Section 12 – Carlingford Precinct, Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills) be adopted and public notice be given in a local newspaper and
2. Council write to the Minister of Planning
 - a) strongly opposing Clause 30A of SEPP65 and
 - b) requests in Councils favour that the entire shire be exempt from Clause 30A of State Environment Planning Policy 65 – Design Quality of Residential Flat development.

THE MOTION WAS PUT AND CARRIED UNANIMOUSLY

537 RESOLUTION

1. The Draft The Hills Development Control Plan 2012 (Part B Section 5 – Residential Flat Buildings, Part D Section 6 – Rouse Hill Regional Centre, Part D Section 8 – Norwest Residential Precinct, Part D Section 12 – Carlingford Precinct, Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills) be adopted and public notice be given in a local newspaper and
2. Council write to the Minister of Planning
 - a) strongly opposing Clause 30A of SEPP65 and
 - b) requests in Councils favour that the entire shire be exempt from Clause 30A of State Environment Planning Policy 65 – Design Quality of Residential Flat development.

Being a planning matter, the Mayor called for a division to record the votes on this matter.

VOTING FOR THE MOTION

Clr Dr Byrne, Clr Harty OAM, Clr Hay OAM, Clr Tracey, Clr Thomas, Clr Preston, Clr Taylor, Clr Keane, Clr Gangemi, Clr Jefferies, Clr Haselden

VOTING AGAINST THE MOTION

None

Councillor Keane declared a less than significant, non-pecuniary conflict of interest in the following Item-3 DA 297/2008/HB/B - Proposed Section 96(2) Modification for Castle Towers - Various Lots bounded by Castle Street, Pennant Street, Showground Road, Old Northern Road and Kentwell Avenue, Castle Hill as she is on the Board of Endeavour

MINUTES of the duly convened Ordinary Meeting of The Hills Shire Council held in the Council Chambers on 9 September 2014

Foundation, whose Chairman is on the Board of Directors for QIC. Cllr Keane signed the Conflicts of Interest Register and stayed in the room.

ITEM-3 **DA 297/2008/HB/B - PROPOSED SECTION 96(2) MODIFICATION FOR CASTLE TOWERS - VARIOUS LOTS BOUNDED BY CASTLE STREET, PENNANT STREET, SHOWGROUND ROAD, OLD NORTHERN ROAD AND KENTWELL AVENUE, CASTLE HILL**

Proceedings in Brief

John Gale of Gale Projects Group Pty Ltd addressed Council regarding this matter.

A MOTION WAS MOVED BY COUNCILLOR HAY OAM AND SECONDED BY COUNCILLOR KEANE THAT the Recommendation contained in the report be adopted.

THE MOTION WAS PUT AND CARRIED.

538 RESOLUTION

The Modification Application be approved subject to the following:

1. The deletion of Condition 1 and replacement with:

1. Development in Accordance with Submitted Plans

The development being carried out in accordance with the following approved plans and details, stamped 297/2008/HB, and as amended by Modification Application 297/2008/HB/A and 297/2008/HB/B and returned with this consent except where amended by other conditions of consent.

REFERENCED PLANS AND DOCUMENTS – ORIGINAL DA 297/2008/HB

PLAN	DESCRIPTION	DATE
DA 000C-0	Perspective Image 2	July 2007
DA 000D-0	Perspective Image 3	July 2007
DA 000E-0	Perspective Image 4	July 2007
DA 000F-0	Perspective Image 5	July 2007
DA000G-0	Perspective Image 6	July 2007
DA000H-0	Perspective Image 7	July 2007
DA002-4	Site Plan and Site Location Map	July 2007
DA003-3	Site A – Level 1 Plan – Basement Carpark	July 2007
DA003A-3	Site A - L1 & L1 Site B Reference Plan	July 2007
DA004-3	Site A – Level 2 Plan - Basement Carpark	July 2007
DA004A-3	Site A - L2 & L1B Site B Reference Plan	July 2007
DA005-3	Site A – Level 3 Plan - Retail	July 2007
DA005A-3	Site A – L3 & Site B – L3 Reference Plan	July 2007
DA006-3	Site A – Level 3 Mezzanine Plan – Carpark	July 2007

ITEM-2	POST EXHIBITION REPORT - DEVELOPMENT CONTROLS FOR RESIDENTIAL FLAT BUILDING (FP196)
THEME:	Balanced Urban Growth
OUTCOME:	7 Responsible planning facilitates a desirable living environment and meets growth targets.
STRATEGY:	7.2 Manage new and existing development with a robust framework of policies, plans and processes that is in accordance with community needs and expectations.
GROUP:	STRATEGIC PLANNING
AUTHOR:	FORWARD PLANNING COORDINATOR BRENT WOODHAMS
RESPONSIBLE OFFICER:	MANAGER FORWARD PLANNING STEWART SEALE

EXECUTIVE SUMMARY

It is recommended that the draft apartment size and mix controls for residential flat buildings be adopted. The draft controls will come into force once notice is given in a local newspaper. It is further recommended that Council write to the Minister for Planning requesting an exemption from Clause 30A of *State Environmental Planning Policy* for the entire Shire.

The development controls are supported because they will ensure that the type of high density housing which is provided within The Hills Shire is appropriate to meet the needs of all future residents.

The exhibited apartment mix and size controls were prepared having regard to Principle 9 of *State Environmental Planning Policy 65 – Design Quality of Residential Flat Development* and will facilitate diverse housing options to improve housing affordability. The controls require the provision of a mix of 1, 2 and 3 bedroom apartments and the provision of a range of apartments sizes, including 30% at the SEPP 65 'affordable housing' rates identified within SEPP 65.

The draft controls were exhibited for thirty-one days from Tuesday 29 July 2014 to Friday 29 August 2014, and exhibition material was available to view at Council's Administration Centre and all Council Libraries. The material was also available to view and download on the 'Major Plans on Exhibition' page of Council's website.

A total of six (6) submissions were received by Council during the exhibition period. The key issues raised in the submissions include the impact on housing affordability, the application of Clause 30A of SEPP 65, the housing mix control, application of controls to the Rouse Hill Regional Centre, use of household income to determine apartment size typology, catering for lone person households and households without children, and car parking rates. A review of the submissions has indicated that there are no post exhibition amendments to be made to the draft controls.

As Sydney continues to grow there will be reliance upon a greater proportion of higher density development within centres which have access to public transport services. In order to ensure that housing within The Hills Shire is affordable it is imperative that there is an appropriate diversity of housing options in the marketplace. Whilst there are a number of factors which impact on housing affordability and the price of housing, Council must ensure that the type of housing being provided is appropriate to meet the needs of all future household compositions and incomes.

HISTORY

- 20/05/2014** Councillor Briefing on draft development controls.
- 08/07/2014** Council considered a report on the draft development controls.
- 29/07/2014** – Public Exhibition of the draft development controls.
- 29/08/2014**

BACKGROUND

As part of the assessment of high density residential development consideration must be afforded to *State Environmental Planning Policy 65 – Design Quality of Residential Flat Development* (SEPP 65). SEPP 65 was first introduced in 2002 with the principal aim of improving the overall quality of residential flat development in New South Wales by establishing consistent objectives and processes within the planning system. This was followed in September 2002 by the Residential Flat Design Code (RFDC), a design guideline which provided discussion, analysis, examples and principles, primarily structured as a tool for developers and development assessment officers.

SEPP 65 has achieved great results in terms of urban design and the amenity of apartments, but has now started to erode housing diversity. If allowed to continue, this will put upward pressure on apartment prices and will not produce apartments which are appropriate for family households.

At its meeting of 29 April 2014 Council considered a report on the outcome of the exhibition of planning proposal which sought to amend *Local Environmental Plan 2012* to permit a high density mixed use development at 301 Samantha Riley Drive, Kellyville. In support of the planning proposal a draft development control plan was prepared to address a number of matters including active frontages, setbacks, road layout, podium and tower elements, landscaping and open space, building design and layout, apartment size and mix, amenity and stormwater management.

While the affordability argument is continually used to justify smaller apartments and the imposition of Clause 30A of the SEPP, as outlined within the body of this report, there is no evidence to suggest that the cost savings are passed onto the future home buyers through reduced unit prices. In this regard, it is considered that Clause 30A has failed to the detriment of housing affordability and the amenity of future residents within high density developments.

Clause 30A of State Environmental Planning Policy No.65

Clause 30A of SEPP 65 was introduced in 2008 with the purpose of placing downward pressure on housing pricing to ensure that housing was cheaper to construct and buy, and specifies that a consent authority cannot refuse consent to a development application for a residential flat development on the grounds of ceiling height or apartment area if the proposal complies with the minimum controls identified within Part

3 of the Residential Flat Design Code. The Code includes a 'rule of thumb' relating to the provision of affordable housing which states that *"if council chooses to standardise apartment sizes, a range of sizes that do not exclude affordable housing should be used. As a guide, the Affordable Housing Service suggests the following minimum apartment sizes, which can contribute to housing affordability (apartment size is only one factor influencing affordability):*

- 1 bedroom apartment 50m²;
- 2 bedroom apartment 70m²;
- 3 bedroom apartment 95m²."

Recent experience has found that developers rely upon the "rule of thumb" apartment sizes and ignore the site specific apartment size controls established within Council's Development Control Plan. This approach is considered to be in direct conflict with Principle 9 of SEPP 65 which requires that new developments should:

- *Optimise the provision of housing to suit the social mix and needs in the neighbourhood or, in the case of precincts undergoing transition, provide for the desired future community.*
- *Address housing affordability by optimising the provision of economic housing choices and providing a mix of housing types to cater for different budgets and housing needs.*

In response to the above, a review was undertaken to identify apartment mix and size controls to ensure that the type of housing being provided within The Hills Shire is appropriate to meet the needs of all future household types and incomes. At its meeting of 8 July 2014 Council considered a report on the outcome of the review and resolved as follows:

'The Draft The Hills Development Control Plan 2012 (Part B Section 5 – Residential Flat Buildings, Part D Section 6 – Rouse Hill Regional Centre, Part D Section 8 – Norwest Residential Precinct, Part D Section 12 – Carlingford Precinct, Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills) be publicly exhibited'.

The draft controls seek to ensure the provision of housing diversity by identifying apartment mix and size controls for residential flat buildings within The Hills Shire. The draft controls are included within Part B Section 5 – Residential Flat Buildings of the DCP. Four (4) site specific sections of the DCP were also updated to delete the existing apartment mix and size controls identified within these sections. This was done to ensure that a consistent approach is provided across the Shire.

The draft apartment mix controls for residential flat buildings seek the following:

- No more than 25% of the dwelling yield is to comprise either studio or one bedroom apartments.
- No less than 10% of the dwelling yield is to comprise apartments with three or more bedrooms.

For residential flat buildings (containing 30 or more apartments) three (3) distinct apartment size categories are identified. The Type 1 category consists of the 'affordable housing' sizes as recommended within SEPP 65, the Type 3 category consists of Council's existing apartment size controls, and the Type 2 category is generally a mid-point between Types 1 and 3 size categories.

Apartment Size Category	Apartment Size	Source
Type 1		
1 bedroom	50m ²	Affordable Housing (SEPP 65)
2 bedroom	70m ²	
3 or more bedrooms	95m ²	
Type 2		
1 bedroom	65m ²	Mid-Point
2 bedroom	90m ²	
3 or more bedrooms	120m ²	
Type 3		
1 bedroom	75m ²	The Hills DCP 2012
2 bedroom	110m ²	
3 or more bedrooms	135m ²	

Table 1
Apartment Size Categories

The distribution of apartment sizes will be as follows:

- Type 1 apartments shall not exceed 30% of the total number of 1, 2 and 3 bedroom apartments.
- Type 2 apartments shall not exceed 30% of the total number of 1, 2 and 3 bedroom apartments.
- All remaining apartments are to comply with the Type 3 apartment sizes.

For residential flat developments containing less than 30 apartments the existing apartment size controls within Development Control Plan 2012 will continue to apply as follows:

- 1 bedroom apartment – 75m²;
- 2 bedroom apartment – 110m²; and
- 3 or more bedroom apartment – 135m².

REPORT

The purpose of this report is to inform Council of the outcome of the exhibition period of the draft apartment mix and size controls.

1. Exhibition Details

The draft development controls and supporting documents were exhibited for thirty-one days from Tuesday 29 July 2014 to Friday 29 August 2014. The exhibition material included the following:

- Council Report and Minute, 8 July 2014;
- Draft The Hills DCP 2012 (Part B Section 5 – Residential Flat Buildings);
- Draft The Hills DCP 2012 (Part D Section 6 – Rouse Hill Regional Centre);
- Draft The Hills DCP 2012 (Part D Section 8 – Norwest Residential Precinct);
- Draft The Hills DCP 2012 (Part D Section 12 – Carlingford Precinct); and
- Draft The Hills DCP 2012 (Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills).

Notification of the exhibition was placed in The Hills Shire Times and The Rouse Hill Times on two separate occasions being:

- The Hills Shire Times on Tuesday 29 July 2014 and repeated on 12 August 2014; and
- The Rouse Hill Times on Wednesday 30 July 2014 and repeated on Wednesday 13 August 2014.

All exhibition material was available to view at Council's Administration Centre and all Council Libraries. The material was also available to view and download on the 'Major Plans on Exhibition' page of Council's website.

2. Key Issues

In response to the exhibition of the draft controls Council has received six (6) submissions. The key issues raised within the public submissions and planning comments addressing each issue are included below:

- (a) Impact on Housing Affordability;
- (b) Application of Clause 30A of SEPP 65;
- (c) Objection to the Housing Mix Control;
- (d) Application of Controls to the Rouse Hill Regional Centre;
- (e) Use of Household Income to Determine Apartment Size Typology;
- (f) Catering for Lone Person Households and Households without Children; and
- (g) Car Parking Rates.

A full summary of the submissions is included within Attachment 1 of this report.

(a) Impact on Housing Affordability

Concern was raised that the draft controls would negatively impact on housing affordability. The application of the draft apartment sizes will potentially force the developer to cut costs in other areas in the interest of providing a product that can be afforded by the local market. If the developers are unable to find savings, then the development proposal becomes unfeasible and simply does not occur.

Comment

The purpose of the draft apartment mix and size controls is to ensure that the type of housing which is provided within The Hills Shire is appropriate to meet the needs of all future residents. The position that the solution to housing affordability is to provide smaller apartments, as they are cheaper to produce, is not supported. Rather, it is considered that the long term solution to housing affordability is to provide a broad range of housing options within high, medium and low density residential areas.

A one size fits all approach across the Metropolitan Area is not appropriate. Apartment buildings are long term building stock so it is very important that if they are to be built, they are to be resilient over the long term. Unlike house and land packages where landowners can choose the style and size of their home, a homeowner wanting an apartment can only choose from what is being provided. It is therefore imperative that there be diverse unit sizes.

The draft apartment mix and size controls have been prepared to reflect the needs and expectations of future households within The Hills Shire's high density residential areas. Without the imposition of some form of control on the size and mix of apartments it is likely that the market will opt for dwelling sizes that will generate the highest return for developers at the expense of housing affordability and diversity. Whilst smaller

apartments should be provided to meet the needs of a certain demographic within the market, moderate and larger apartments should also be provided to alleviate demand on the smaller and more affordable housing options.

If moderate and larger apartments are not provided, those who desire and have the financial capacity to purchase a larger apartment will be forced into purchasing a smaller apartment. This will have the effect of increasing the demand and value of the smaller apartments which will impact on the capacity of lower income earners to enter into the housing market. As The Hills Shire accommodates population and housing growth, there will be a greater proportion of higher density development being provided. In order to ensure that housing within the LGA is affordable it is imperative that there is an appropriate diversity of housing options in the marketplace.

It is noted that Clause 30A of SEPP 65 was introduced in 2008 with the purpose of placing downward pressure on housing prices to ensure that housing was cheaper to construct and buy. However, the position that the introduction of Clause 30A has improved housing affordability is considered to be incorrect as there has been limited improvement in the affordability of apartments since the introduction of the Clause. Whilst the application of SEP 65 specifically relates to residential flat development, it is important to look at the trend in the sale price of attached dwellings when analysis the affordability of this form of development. The following graph shows the trend in the median price of attached dwellings (includes flats, apartments, semi-detached, row and terrace houses) within the Greater Sydney Region between September 2003 and September 2013.

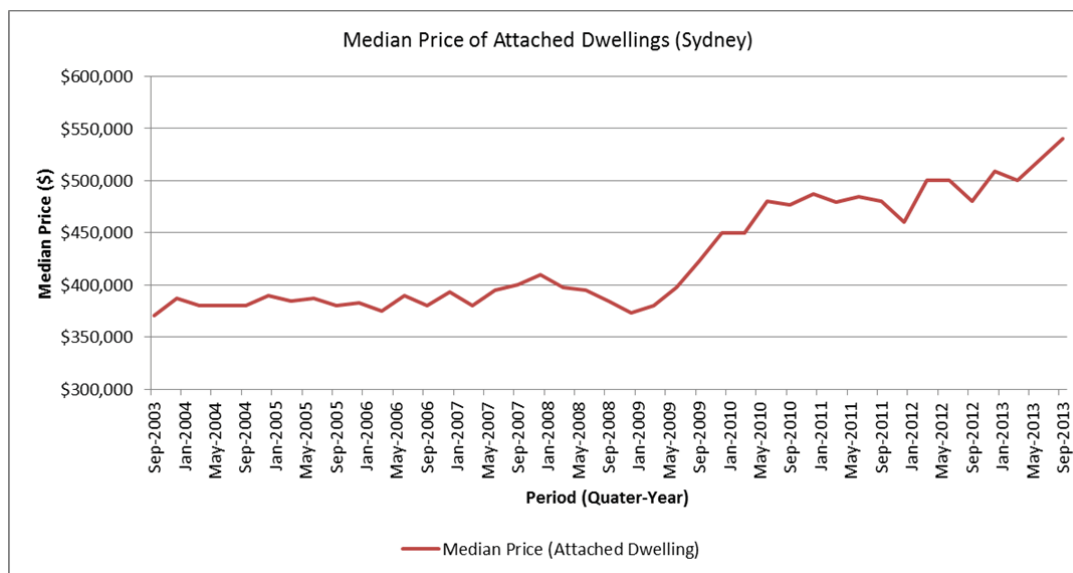


Figure 1
Median Sale Price – Attached Dwellings (Sydney)

Between September 2003 and September 2013 the median price for attached dwellings within the Sydney Metropolitan Region increased from \$371,000 to \$540,000 per dwelling which equates to a 45% increase over the period or an average annual increase of 4.5% per annum. However since the introduction of Clause 30A in July 2008, the median price of attached dwellings has increased from \$385,000 to \$540,000 per dwelling which equates to an average annual increase of 8% per annum.

As a comparison, between 2006 and 2011 the median weekly household income within the Sydney Metropolitan Region increased from \$1,154 to \$1,447 which equates to a 25% increase over the Census period or an average annual increase of 5% per annum. As can be seen the rise in the price of attached dwellings since the introduction of Clause 30A has significantly outstripped the average rise in median income. The result of this is an increase in the price to income ratio and a reduction in the affordability of these dwellings as residents are required to allocate more of their income toward the repayment of home loans. Whilst there are many factors which impact on housing affordability, it is evident that Clause 30A has failed and has not achieved its key objective of improving housing affordability by placing downward pressure on sale prices. If the mandating of smaller apartment sizes places downward pressure on the cost of construction, then it is evident that the cost savings are not being passed onto the home buyers through reduced sale prices.

As mentioned within the background of this report, developers have generally been opting for smaller apartments in a likely attempt to increase dwelling yield and profit margins. Whilst the affordability argument is continually used to justify smaller apartments, there is no evidence to suggest that that cost savings are passed on by developers. This clause of the SEPP is providing a mechanism for the delivery of smaller sub-standard apartments tailored made to property investors.

(b) Application of Clause 30A of SEPP 65

Concern is raised that the controls are unenforceable and should be abandoned. The draft controls are inconsistent with Clause 30A of SEPP 65 which identifies that a consent authority must not refuse consent to a development application for the carrying out of residential flat development on the grounds of apartment area if the proposed area for each apartment is equal to, or greater than, the recommended internal area and external area for the relevant apartment type set out in Part 3 of the Residential Flat Design Code.

Comment

It is acknowledged that Clause 30A of SEPP 65 specifies that a consent authority cannot refuse consent to a development application for a residential flat development on the grounds of ceiling height or apartment area if the proposal complies with the minimum controls identified within Part 3 of the Residential Flat Design Code. The Code includes a 'rule of thumb' relating to the provision of affordable housing which states that "if council chooses to standardise apartment sizes, a range of sizes that do not exclude affordable housing should be used. As a guide, the Affordable Housing Service suggests the following minimum apartment sizes, which can contribute to housing affordability (apartment size is only one factor influencing affordability):

- 1 bedroom apartment 50m²;
- 2 bedroom apartment 70m²;
- 3 bedroom apartment 95m²."

One of the key issues is that people wanting to move into a larger apartment near services and amenities are unable to find them, and as a result are forced into smaller accommodation.

Recent experience by Council is that developers are only providing the smallest apartment sizes possible, and are not having appropriate regard to the amenity of future residents. It is considered that these developments do not comply with the Principle 9 of SEPP 65, however are being approved as they comply with the affordable housing apartment sizes identified within the Residential Flat Design Code. The 'Rule of Thumb'

controls have become the norm for developments, to the detriment of providing housing diversity and choice for future residents. This practice is resulting in development that is inconsistent with the principles of providing a diversity of housing choice and fails to provide adequate opportunities for families to choose to live in these locations.

Recent experience in The Hills Shire suggests that developers are not responding to market demand. Rather, the developers are building the smallest apartments allowed, which are selling as that is what is available. Based on feedback received as part of the preparation of the draft controls, there is a developing trend where developers in an effort to sell approximately 70% of the housing stock off the plan before the financial institutions will lend the funds to commence construction. As a result developers are proposing small one (1) and two (2) bedroom apartments, which are largely tailored to investors who have a limited interest in whether the apartments have appropriate amenity.

It is acknowledged that apartment size cannot be used as grounds for refusal if the proposal complies with the minimum controls identified within Part 3 of the Residential Flat Design Code. However, Clause 30A(2) of the SEPP states that '*Nothing in this clause permits the granting of consent to a development application if the consent authority is satisfied that the proposed development does not demonstrate that adequate regard has been given to the design quality principles in Part 2 of this Policy*'. As mentioned previously, the draft controls have been prepared having regard to Principle 9 of SEPP 65 which requires development to optimise the provision of housing to suit the social mix and needs in the neighbourhood and also requires development to provide a mix of housing types to cater for different budgets and housing needs. On this basis, any application for development which comprises a mix of apartments which considerably varies from the control would be inconsistent with Principle 9 and on this basis it is unlikely that approval would be granted.

It is recommended that should Council adopt the draft controls a further request be sent to the Minister for Planning seeking an exemption to Clause 30A of State Environmental Planning Policy No.65 for the entire Shire to make it clear and to support Council controls which will adhere to the Principles of the SEPP.

(c) Object to the Housing Mix Control - Existing Provision is Appropriate

Concern is raised that the prescription of apartment mix will limit the developers' ability to respond to market demand. The proportion of dwellings with 1, 2 and 3 bedrooms within a development must be determined by the market and that the approach being pursued does not recognise that if there is a genuine demand for a particular size of dwelling then the development community is then able to deliver.

Comment

Recent experience by Council has found that developers are opting for the developments that comprise a disproportionately large number of 1 bedroom apartments. In July 2013 a Section 96 Modification was approved by the Sydney West Joint Regional Planning Panel (JRPP) for an 18 storey apartment development in Carlingford. Not a single apartment size within the development complied with Council's development control plan and the apartment mix changed from a predominance of two (2) and three (3) bedroom units to a majority of small one (1) bedroom units.

Situations like this are considered to be unacceptable and fail to deliver housing outcomes to meet the needs of future residents and also fail to improve the perception that high density living is a viable and attractive lifestyle option for families. As part of the preparation of the draft controls a review was undertaken of the housing mix

provided within 800 metres of other transit centres within the Greater Sydney Region. Based on the outcome of this review the following controls were identified:

- No more than 25% of the dwelling yield is to comprise either studio or one bedroom apartments.
- No less than 10% of the dwelling yield is to comprise apartments with three or more bedrooms.

The above controls are not considered to be overly strict or unreasonable as they will facilitate the delivery of a mix which is typical of other transit centres within the Sydney Metropolitan Region. It is imperative that future high density development accommodates a portion of three (3) bedroom apartments to ensure that the housing stock within these areas cater for the needs of families. It is also important that future high density developments are not over supplied with small one (1) bedroom units.

(d) Rouse Hill Regional Centre

The draft controls will undermine the planning platform underpinning the delivery of The Rouse Hill Regional Centre in terms of dwelling diversity and housing affordability as outlined in the original master plan. The Rouse Hill Regional Centre has been developed from the outset to provide a range of innovative housing choice when complete. The proposed amendments to the DCP for Rouse Hill will undermine this with a disproportionate bias toward 3 bedroom product. The apartment buildings, in close proximity to the rail line and Bus T-Way were planned from the outset to contain predominantly 1 and 2 bedroom product.

Comment

In order to ensure that a consistent approach is provided across The Hills Shire with respect to apartment mix and size, Part D Section 6 – Rouse Hill Regional Centre of Development Control Plan 2012 was amended to remove the existing apartment size controls.

The comments raised that the draft controls will undermine the planning platform underpinning the delivery of The Rouse Hill Regional Centre in terms of dwelling diversity and housing affordability as outlined in the original master plan are not supported. The original master plan for the Rouse Hill Regional Centre included a number of master plan objectives to guide the future planning and development of the Rouse Hill Regional Centre. A key objective of the master plan related to the provision of a 'Diverse Housing Choice' and was as follows:

'To incorporate housing forms – such as apartments, town houses, shop-top housing, and detached dwellings – which demonstrate a range of choice, diversity and affordability as an integral part of the Rouse Hill Regional Centre'.

The exhibited draft controls will ensure that the type of high density housing which is provided within The Hills Shire is appropriate to meet the needs of all future residents. The draft controls have been prepared having specific regard to Principle 9 of SEPP 65 and will facilitate diverse housing options to improve housing affordability.

As the draft controls seek to facilitate housing diversity, they are considered to be consistent with the objectives of the original master plan for the Town Centre. It is noted that the existing product provided within the Rouse Hill Regional Centre has been three (3) and four (4) bedroom dwellings (townhouses and detached dwellings). However, it is still considered that that future apartment and shop top housing

development should be no different than other high density and mixed use areas, in that a diversity of housing options should be provided.

The suggestion that the apartment buildings will contain predominantly one (1) and two (2) bedroom product would be an unacceptable outcome, because high density development within the Rouse Hill Regional Centre has efficient access to shops, public transport services and communal facilities. If there will only be one (1) and two (2) bedroom apartments on offer then larger family households will be completely excluded from this location and would only be accommodated within the surrounding town houses and detached dwellings. This is not supported as it would not meet the housing choice objectives of the master plan or Principle 9 of the SEPP.

The control requires that no less than 10% of the dwelling yield is to comprise apartments with three (3) or more bedrooms. The draft mix controls are considered to be reasonable and will ensure that larger family households can be accommodated within the higher density areas.

It should be noted that the current apartment size controls contained within Part D Section 6 – Rouse Hill Regional Centre of DCP 2012 requires the size of future apartments to comply with the existing larger apartment sizes with a maximum of 10% of the total number of units permitted to have the following minimum floor areas:

- 1 bedroom apartments: 65m²;
- 2 bedroom apartments: 90m²; and
- 3 bedroom apartments: 110m².

Accordingly, the exhibited draft controls are more lenient than the controls which are currently contained within Part D Section 6 – Rouse Hill Regional Centre. If the amendment is not made then the existing controls would remain. As the draft controls will promote housing diversity and affordability, it is recommended that future development within the Rouse Hill Regional Centre be subject to the new apartment mix and size controls.

(e) Application of Household Income

The policy platform which sets apartment sizes in bands based on the household income of the whole Local Government Area (including those that will never contemplate living in an apartment) demonstrates the naivety of the approach and ignorance of the market drivers that contribute to supply, demand and price points for apartments and different housing product in the area.

Comment

It is recognised that there are many factors which impact on housing affordability including apartment supply, location, design and other macroeconomic factors such as interest rates. However, the approach which is being pursued is to facilitate diverse housing options.

The determination on the apartment size typology was based on household income bands as extracted from ABS 2011 data. The basis of this position is that Principle 9 of SEPP 65 requires future development to 'address housing affordability by optimising the provision of economic housing choices and providing a mix of housing types to cater for different budgets and housing needs'. Accordingly, the use of income brackets to determine the apartment size typology is considered to be more than reasonable as the controls require the provision of a range of apartments sizes, including 30% at the SEPP 65 'affordable housing' rates identified within SEPP 65.

As the Region grows there will be a greater proportion of people living within high density environments, including a broad range of household structures and income levels. Accordingly, the apartment stock should not be tailored to solely to meet the demand of low income earners, lone persons and couples without children. Whilst this demographic should be catered for within the future housing stock, the housing that is provided should meet the needs of all residents. By making this form of housing a more viable option for a broader demographic, over time this form of housing will become a more viable option for future residents.

(f) Lone Person Households and Households without Children

Comments identified that over the next 20 years the Department of Planning and Environment projects that couples with children will drop to 49% and couple only households and lone person households will increase from 34% to 37% whereas only 8.5% of dwellings are one or two bedrooms. The increasing demand for smaller apartments of one and two bedrooms will not be satisfied if there are unreasonable and unjustified targets on the percentage of different unit types (in terms of bedrooms) in each development.

The households containing a lone person or a couple without children can be appropriately accommodated in smaller one bedroom dwellings.

Comment

It is agreed that into the future there will be a higher proportion of lone person households and couples without children. Accordingly, the proportion of one (1) and two (2) bedroom apartments will need to increase. In recognition of this the draft controls seek to deliver an appropriate diversity of housing options including a mix of one (1), two (2) and three (3) bedroom apartments.

The assertion that households containing a lone person or a couple without children will only demand small one (1) bedroom apartment is not supported as this would contribute nothing to the amenity of residents within these apartments. It is considered that a significant portion of households within this demographic would still require additional internal space and/or an additional bedroom for storage of personal belongings or a guestroom. Furthermore, these buildings typically have a larger life span so it is important that these be resilient over the long term. Population trends will change over the next century so it is very important to ensure housing diversity and mix is provided.

If State Government targets of accommodating more people within and around centres are to be achieved then the industry must progress toward providing a product which caters for a wider variety of household types. As the proportion of high density housing within the Shire and the Region increases, there is going to need to be a greater shift of people toward high density living. In order for this to be successful these places must provide a higher degree of amenity than what is currently being provided. This extends beyond having a well landscaped open space area and a communal swimming pool.

A Grattan Institute report titled 'The Housing We'd Choose' dated June 2011 explored the relationship between housing people say they want and the housing which is available within the existing property markets of Sydney and Melbourne. The report explores the hypothesis that the housing supply which is available within the markets do not match the choices and trade-offs that people would make if they could. With respect to apartments respondents raised a number of concerns including that apartments are too small with insufficient outdoor space. There was also significant concern raised regarding the quality of apartment stock in terms of noise and acoustic privacy. In

pursuing integrated transport and planning policy, whereby greater density is encouraged around transport nodes, planning controls must address and where possible alleviate the perceived concerns with this form of housing.

The draft controls which have been prepared are seeking to alleviate these concerns by ensuring that an appropriate diversity of housing options is available. If only small one (1) and two (2) bedroom apartments are provided, the stigma of high density living will remain and families will turn away from apartments as a viable housing option.

(g) Car Parking

Comments raised concern with respect to blanket car parking rates which have become increasingly irrelevant. Blanket car parking rates do not effectively consider proximity to other transport options or housing affordability. That is, consumers may well accept an apartment well serviced by public transport, within easy walking distance to shops with only one (1) car parking space allocated in return for a cost saving.

Council's DCP should set minimum car parking requirements in line with RMS guidelines and also permit the applicant to suggest an alternative car parking scheme supported by expert traffic advice.

Comment

Whilst not directly relevant to the apartment mix and size controls, it is recognised that households within and within the vicinity of major transit hubs may choose to have a lower car ownership rate (approximately 1 car per household) and a higher proportion of households with either no car or one (1) car. The basis of this is that these areas have efficient access to public transport services which reflected in the rate of public transport patronage where approximately 40% of employed residents catch public transport to work. However, this is not always the case and overall residents in The Hills Shire choose to own more than one car per household. As families grow generally more cars are garaged at that household.

It is noted that Council currently has a centres car parking rate which requires the following private car parking provision:

- 1 bedroom apartments: 1 space per dwelling;
- 2 bedroom apartments: 1.5 spaces per dwelling; and
- 3 bedroom apartments: 2 spaces per dwelling.

The above rate currently applies to locations within The Hills Shire which have access to high frequency public transport services. However, any decision to reduce parking rates below the existing centres rate would need to occur as part of a broader parking policy, which takes into account local transport and travel behaviour, not standard parking rates within the RMS Guidelines which are principally tailored to suit inner city areas.

NEXT STEPS

Should Council resolve to adopt the draft development controls, they will come into effect on the date that public notice of its approval is given in a local newspaper. The adoption of the draft apartment mix and size controls will support a further request to the Minister for Planning that The Hills Shire be exempt from Clause 30A of *State Environmental Planning No.65*.

CONCLUSION

The development controls will ensure that the type of high density housing which is provided within The Hills Shire is appropriate to meet the needs of all future residents. The draft controls have been prepared having specific regard to Principle 9 of *State Environmental Planning Policy No.65* and will facilitate diverse housing options to improve housing affordability. Accordingly, it is recommended that Council send a further request the Minister of Planning for an exemption to Clause 30A of State Environmental Planning Policy No 65 for the entire Shire.

IMPACTS**Financial**

This matter has no direct financial impact upon Council's adopted budget or forward estimates.

The Hills Future - Community Strategic Plan

Council's Community Strategic Direction identifies the community's vision for the Shire and outlines how Council will align its delivery of services and facilities to support this vision. Council's vision is for '*proactive leadership creating vibrant communities, balancing urban growth, protecting our environment and building a modern local economy*'. The proposal is consistent with the following outcomes:

- Balanced Urban Growth – Safe, convenient and accessible transport options that enable movement through and within our Shire; and
- Balanced Urban Growth – Responsible planning facilitates a desirable living environment and meets growth targets.

RECOMMENDATION

1. The Draft The Hills Development Control Plan 2012 (Part B Section 5 – Residential Flat Buildings, Part D Section 6 – Rouse Hill Regional Centre, Part D Section 8 – Norwest Residential Precinct, Part D Section 12 – Carlingford Precinct, Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills) be adopted and public notice be given in a local newspaper.
2. Council write to the Minister of Planning requesting that the entire Shire be exempt from Clause 30A of *State Environmental Planning Policy 65 – Design Quality of Residential Flat Development*.

ATTACHMENTS

1. Summary of Submissions (14 Pages);
2. Draft The Hills Development Control Plan 2012 (Part B Section 5 – Residential Flat Buildings) (30 pages);
3. Draft The Hills Development Control Plan 2012 (Part D Section 6 – Rouse Hill Regional Centre) (77 Pages);
4. Draft The Hills Development Control Plan 2012 (Part D Section 8 – Norwest Residential Precinct) (38 Pages);
5. Draft The Hills Development Control Plan 2012 (Part D Section 12 – Carlingford Precinct) (59 pages); and
6. Draft The Hills Development Control Plan 2012 (Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills) (37 Pages).

Attachment 1

Summary of Public Submissions

No.	1
Issues raised	<p data-bbox="583 390 1237 478">1. <i>The submission comments that local development controls should not be more onerous than State Government Policy.</i></p> <p data-bbox="621 510 1237 840"><i>The submission continues by commenting that amenity is not simply a function of apartment size, it is dependent on the design, orientation, and location of the apartment development. Insisting on overly generous apartment sizes will potentially force the developer to cut costs in other areas in the interest of providing a product that can be afforded by the local market. If the developer is unable to find savings, then the development proposal becomes unfeasible and simply does not occur.</i></p> <p data-bbox="621 871 1237 1018"><i>The submission continues by raising concern about the minimum apartment sizes, particularly that they should exceed the rules of thumb contained within the Residential Flat Design Code.</i></p> <p data-bbox="532 1050 821 1077">Planning Comments:</p> <p data-bbox="532 1079 1237 1136">Matters relating to housing affordability are discussed in Section 2(a) of the Council Report.</p> <p data-bbox="583 1167 1237 1556">2. <i>The author comments that the controls are unenforceable and should be abandoned. The basis of this position is that the draft controls are inconsistent with Clause 30A which identifies that a consent authority must not refuse consent to a development application for the carrying out of residential flat development on the ground of apartment area if the proposed area for each apartment is equal to, or greater than, the recommended internal area and external area for the relevant apartment type set out in Part 3 of the Residential Flat Design Code.</i></p> <p data-bbox="532 1587 821 1614">Planning Comments:</p> <p data-bbox="532 1617 1237 1673">Matters relating to the application of Clause 30A of SEPP 65 are discussed in Section 2(b) of the Council Report.</p> <p data-bbox="583 1705 1237 1820">3. <i>The author raises concern that the prescription of apartment mix as this will limit the developers ability to respond to market demand.</i></p> <p data-bbox="621 1852 1237 1969"><i>The proportion of dwellings with 1, 2 and 3 bedrooms within a development must be determined by the market, not Council regulation that demonstrates little or no</i></p>

understanding of market forces. This approach does not recognise that if there is a genuine demand for a particular size of dwelling that the development community is then able to deliver.

The Residential Flat Design Code acknowledges that there is a need to consider the fact that dwelling variety may not always be possible and that apartment mix must be refined by considering population trends in the future as well as present market demands.

Planning Comments:

Matters relating to the housing mix control are discussed in Section 2(c) of the Council Report.

- 4. The author comments that we move to more urban living the reliance on blanket car parking rates becomes increasingly irrelevant. Blanket car parking rates do not effectively consider proximity to other transport options or housing affordability. That is, consumers may well accept an apartment well serviced by public transport, within easy walking distance to shops with only one (1) car parking space allocated in return for a cost saving.*

Furthermore, excessive car parking requirements are not consistent with government policy that seeks to encourage higher density development in accessible locations, expressly to reduce the reliance on the private motor vehicle.

Council's DCP should set minimum car parking requirements in line with RMS guidelines and also permit the applicant to suggest an alternative car parking scheme supported by expert traffic advice.

Planning Comments:

Matters relating to car parking are discussed in Section 2(g) of the Council Report.

- 5. In this regard, the most recent population data says that in the next twenty years our population will grow by 1.6 million people and that we will need to provide 664,000 more houses in Metropolitan Sydney.*

Council should be showing leadership by ensuring that its planning controls actually assist in meeting housing targets set in the Metropolitan Strategy.

Given that approximately 28 per cent of all private dwellings are now apartments with

	<p><i>terraces and townhouses making up approximately an additional 13 per cent of housing stock, there must be a recognition that the market is seeking out apartment and medium density housing within suburbs that provide good access and amenity.</i></p> <p>Planning Comments:</p> <p>The draft Metropolitan Strategy for Sydney, exhibited between March and May 2013, projects that 1.3 million more people will be living in Sydney by 2031. This growth would require the delivery of approximately 545,000 new homes and 625,000 new jobs right across the metropolitan area. A key aspect of the draft Strategy is that it was prepared having regard to the major infrastructure priorities contained within the State Government's Long-Term Transport Master Plan and State Infrastructure Strategy.</p> <p>The draft Strategy identifies that approximately 15 per cent (or about 30,000 hectares) of the current Metropolitan Urban Area is undeveloped land yet to reach its full potential. This could provide capacity for over 200,000 additional dwellings which equates to approximately 36% of the housing target to 2031. Despite a significant amount of land being rezoned in greenfield areas, the delivery of new homes remains low. In order to ensure that there is sufficient housing stock to meet the demand of the future population, a 'balanced growth' approach is being pursued which combines both land release on the city's fringe and higher density development around strategic centres.</p> <p>The Hills Shire is proposed to be located within the 'West Central and North West Subregion', along with the Auburn, Blacktown, Holroyd and Parramatta Local Government Areas (LGAs). The subregion has been allocated a housing target of 148,000 by 2031.</p> <p>Council has maintained a planned and deliberate approach to managing urban growth within the Shire. This includes the identification of high density areas within precincts that show capacity to accommodate further growth, with the result being increased population around town centres and major transport nodes.</p> <p>Council was committed to accommodating its fair share of Sydney's expected 1.6 million additional people by 2031. Council accepts that Sydney is growing and recognises that the North-West is one of the major growth centres.</p>
Action	<ul style="list-style-type: none"> No action required.
No.	2
Issues raised	

1. *The author comments that the proposed amendments will undermine the planning platform underpinning the delivery of The Rouse Hill Regional Centre in terms of dwelling diversity and housing affordability as outlined in the original master plan.*

The approach to achieving the housing diversity and affordability benchmarks in the Rouse Hill Regional Centre has relied on providing a mix of dwelling types. To date the focus has been on the release of land lots (where owners typically build 3 and 4 bedroom houses) and multi dwelling housing, which are all 2 storey 3 bedroom product, with dwelling sizes ranging from 150m² to 200m² for detached product and 130m² to 150m² for attached product.

To date, 100% of product in the Rouse Hill Regional Centre has been 3 and 4 bedroom. Consequently, the number of 3 bedroom product for future dwellings in apartment buildings has purposely been reduced to cater only for a selected market segment (families wanting to live in proximity to a town centre environment with superior access to transport requiring a reduced amount of parking).

Council should acknowledge that the Rouse Hill Regional Centre has been developed from the outset to provide a range of innovative housing choice when complete. The proposed amendments to the DCP for Rouse Hill will undermine this with a disproportionate bias toward 3 bedroom product. The apartment buildings in close proximity to the rail line and Bus T-Way was planned from the outset to contain predominantly 1 and 2 bedroom product.

Planning Comments:

Matters relating to the application of the apartment mix and size controls to the Rouse Hill Regional Centre are discussed in Section 2(d) of the Council Report.

2. *The additional costs developers will be forced to spend on the larger apartments will mean similar end retail prices for both town houses and larger 3 bedroom apartments, stalling the 3 bedroom apartment market. This amendment has the potential to undermine the viability of most apartment buildings in The Hills Shire. This has already been highlighted as a risk by builders looking at apartment sites in the Rouse Hill Regional Centre.*

The amendments will increase construction

	<p><i>costs and dwelling prices which directly and adversely impact on housing affordability.</i></p> <p>Planning Comments: Matters relating to housing affordability are discussed in Section 2(a) of the Council Report.</p> <p><i>3. The proposed amendments are specifically contrary to the provisions of the Environmental Planning and Assessment Act and State Environmental Planning Policy (SEPP) No 65 – Design Quality of Residential Flat Development.</i></p> <p><i>Clause 30A was inserted into SEPP No 65 in 2008 in response, and to ensure, inappropriate standards were not being imposed by Council that would undermine affordability.</i></p> <p><i>The drafting of Clause 30A of SEPP No 65 is clear. It does not permit the consent authority to refuse an application if the apartment sizes comply with Part 3 of RDFC. Any DCP provision proposed by Council to require apartment sizes above these or to arbitrarily set a mix of apartment sizes, cannot be lawfully applied in the assessment process.</i></p> <p><i>SEPP No 65 is an environmental planning instrument that applies to the State and the provisions proposed to be incorporated in to the Development Control Plan are inconsistent and incompatible with the provisions of the SEPP and can have no effect in relation to the assessment of an application. Indeed the proposed amendments to the DCP in respect to apartment sizes are the very reason why Clause 30A was inserted in SEPP No 65.</i></p> <p>Planning Comments: Matters relating to the application of Clause 30A of SEPP 65 are discussed in Section 2(b) of the Council Report.</p> <p><i>4. There is no quantifiable need for the proposed amendments, the analysis in the Council report does not support the Council hypothesis that there is not a good range of apartment dwellings being delivered by the industry or that Principle 9 of the Residential Flat Design Code is not being achieved.</i></p> <p><i>The author has carried out the same analysis of residential flat buildings approved in the Hills Shire between May 2011 and March 2014. This analysis found that of the 1,517 dwellings approved, 34% were one bedroom (ranging from 53m² to 115m²), 56% were two bedrooms (ranging from 73.6m² to 129m²) and</i></p>
--	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p><i>10% were three bedroom (ranging between 94m² and 183m²). This hardly supports the hypothesis of the Council report that developers are not providing housing choice for the market, nor the specific amendment proposed for the DCP.</i></p> <p>Planning Comments: Matters relating to the housing mix control are discussed in Section 2(c) of the Council Report.</p> <p><i>5. The policy platform to set apartment sizes in bands based on the household income of the whole Local Government Area (including those that will never contemplate living in an apartment) demonstrates the naivety of the approach and ignorance of the market drivers that contribute to supply, demand and price points for apartments and different housing product in the area.</i></p> <p>Planning Comments: Matters relating to the use of household income to determine apartment size typology are discussed in Section 2(e) of the Council Report.</p> <p><i>6. The author comments that there are clear trends occurring to the residents of The Hills that do not support Council's policy amendments to the DCP. Comparison of the last sets of census data (2006 and 2011) show that households without children now represent over 37.4% of all households in The Hills Shire, with lone person households representing nearly 12% of this category. Most of these households can be appropriately accommodated in smaller one bedroom dwellings.</i></p> <p>Planning Comments: Matters relating to catering for lone person households and households without children are discussed in Section 2(f) of the Council Report.</p> <p><i>7. The author comments that a planning authority should not assume it knows the market and cast controls which force developers to deliver a larger product to meet a perceived demand at an affordable price. The residential market place is dynamic, and influenced by a number of factors. Planning controls should never be set to force delivery of product based on a Council's assessment of the market, which can change dramatically and relatively quickly, leaving developers with product which is poorly priced and difficult to sell to the detriment of the viability of the project.</i></p>
--	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	<p><i>There is no evidence to demonstrate that the Council's larger apartment sizes have a design intent that can bring better apartment living and design. In fact it will have the effect of reducing the mix of apartment sizes as developers will be forced to produce all dwellings at Council's manipulated minimum apartment size in each dwelling type to offer an affordable product.</i></p> <p>Planning Comments: The draft controls are not mandating larger apartments. Rather they seek to ensure the delivery of housing diversity. The controls were prepared having specific regard to Principle 9 of SEPP 65 and will facilitate diverse housing options to improve housing affordability. The controls require the provision of a mix of 1, 2 and 3 bedroom apartments and the provision of a range of apartments sizes, including 30% at the SEPP 65 'affordable housing' rates identified within SEPP 65.</p>
Action	<ul style="list-style-type: none"> • No action required.
No.	3
Issues raised	<p><i>1. State Government has not mandated smaller apartments. The Residential Flat Design Code (RFDC) and the SEPP Affordable Rental Housing (SEPP) seek to encourage affordability by suggesting rules of thumb on apartment size in the case of the RFDC and a size minimum that cannot be used as grounds for refusal of an application in the case of the SEPP. These smaller apartments are not mandated as is proposed by Council but rather are guidelines that can be varied.</i></p> <p>Planning Comments: Matters relating to the application of Clause 30A of SEPP 65 are discussed in Section 2(b) of the Council Report.</p> <p><i>2. Comment that apartment size is closely related to apartment cost and, consequently, any mandated increase in size will detrimentally affect housing affordability. A restricted supply of affordable dwellings would increase competition for these dwellings and force out those least able to compete who are likely to be those who would benefit from the more accessible locations of apartments.</i></p> <p><i>The author continues by stating that the minimum apartment sizes for 1, 2 and 3 bedroom apartments set out by the draft DCP amendments, which respectively are 75sqm, 110sqm and 135sqm, are actually 50-57%</i></p>

higher than those specified by the State Government.

The price penalty associated with provision of over-size apartments to a market segment which can buy the same product, albeit with a lower floor area, in an alternate location. In other words, rather than buy an over-size apartment at Rouse Hill, both first home buyers and mature down sizers can buy a product with the same number of bedrooms in an alternative location such as Epping, Macquarie Park or Eastwood.

Such an outcome, results in existing Shire residents being penalised and potentially moving out of the area and away from their established family, friends and social networks.

Planning Comments:

Matters relating to housing affordability are discussed in Section 2(a) of the Council Report.

3. *Council's justification for a range of apartment sizes is based on the range of incomes. However there is no basis provided for this justification. Rather than buy a larger apartment, a purchaser may be more inclined to purchase a better designed apartment or one with higher quality fittings or in a better location. Further dwelling mix should be considered across the full range of dwelling types and not specific types.*

It is commonly accepted that design of the apartment internally and externally is important to a sense of space. "Good architecture in 75 square metres feels a lot bigger than poor architecture in 85 square metres.

In relation to apartment mix, a minimum apartment mix restricts a developer's ability to respond to changing market needs and preferences. Housing diversity and choice should be viewed over the whole housing market which, at this point in time in The Hills Shire, is heavily skewed to dwelling houses of a size mismatched with household structure. Apartments provide the opportunity to address that mismatch.

Planning Comments:

Matters relating to the housing mix control are discussed in Section 2(c) of the Council Report.

4. *Over the next 20 years the Department of Planning and Environment projects that couples*

	<p><i>with children will drop to 49% and couple only households and lone person households will increase from 34% to 37% whereas only 8.5% of dwellings are one or two bedrooms.</i></p> <p><i>The increasing demand for smaller apartments of (1) one and two (2) bedrooms will not be satisfied if there are unreasonable and unjustified targets on the percentage of different unit types (in terms of bedrooms) in each development.</i></p> <p>Planning Comments: Matters relating to catering for lone person households and households without children are discussed in Section 2(f) of the Council Report.</p> <p><i>5. The RFDC suggests a number of guidelines for apartment design involving a number of factors. This results in improved design for apartment buildings.</i></p> <p><i>These controls work together. In this context, it is not considered appropriate to "cherry pick" apartment size as unacceptable and retain the commitment to comply with the other controls. To achieve an acceptable internal spatial quality of an apartment size is not the most important factor. Poor layout and circulation space adds to size, but may not necessarily add to internal amenity. Indeed Clause 30A of SEPP No 65 prevents refusal of an application on grounds of apartment size if the RFDC sizes are met.</i></p> <p>The minimum sizes for affordable apartments in the RDFC should be designated as the minimum for all apartments in The Hills Shire. Any further size or dimensions should be determined by the market place and the skill of a registered architect.</p> <p>Planning Comments: Matters relating to the application of Clause 30A of SEPP 65 are discussed in Section 2(f) of the Council Report.</p>
Action	<ul style="list-style-type: none"> No action required.
No.	4
Issues raised	<p><i>1. The submitter commends Council in undertaking a review of the apartment mix and sizes across the local government area, as the current controls are not aligned with best practice as outlined in the Residential Flat.</i></p> <p>Planning Comments: The submitter's comment is noted.</p>

2. *The draft controls are not practical and it is recommended that Council adopt the apartment sizes identified in the Residential Flat Design Code without a restrictive proportion overlay. The application of the proposed apartment size controls for a single apartment building being 30% "Type 1 affordable", 30% "Type 2 mid-point" and the remainder "Type 3 Hills DCP 2012" proposal presents difficulties when designing and constructing apartment buildings that provide good amenity and that are cost effective to both the builder and purchaser.*

Planning Comments:

Matters relating to housing affordability are discussed in Section 2(a) of the Council Report.

3. *There are no compelling design, amenity, market demand or affordability reasons to introduce further controls, different to what is identified in the Residential Flat Design Code.*

Planning Comments:

Whilst larger apartments could be constructed, this is not occurring as developers have generally been opting for smaller apartments to increase dwelling yield and profit margins. To avoid any perceived non-compliance with Principle 9 of the SEPP, the justification being used is that the sizes are consistent with the 'Rule of Thumb' affordable housing apartment sizes.

Whilst the affordability argument is continually used to justify smaller apartments and the imposition Clause 30A, as outlined within the body of this report, there is no evidence to suggest that that cost savings are passed on the future home buyers through reduced unit prices. In this regard Clause 30A has failed to the detriment of housing affordability and the amenity of future residents within high density development.

Recent experience by Council has found that developers rely upon the "rule of thumb" apartment sizes and ignore the site specific apartment size controls established within Council's Development Control Plan. This approach is considered to be in direct conflict with Principle 9 of SEPP 65.

The draft controls are considered to be consistent with Principle 9 of SEPP 65 as they will provide a diverse range of apartment types and will contribute toward housing affordability. The Residential Flat Design Guide recommends that if council chooses to standardise apartment sizes, a range of sizes that do not exclude affordable housing should be used. The recommended apartment size controls are consistent with this recommendation as it permits up to 30% of

	<p>the apartments at the rate recommended by the Affordable Housing Service, within the Residential Flat Design Code.</p> <p><i>4. No objection is raised to the proposed mix controls for residential flat buildings. However, it is recommended that the DCP introduce wording that would provide the opportunity for the mix to be varied where there is appropriate social, economic or market justification.</i></p> <p>Planning Comments: Any variation to the proposed apartment mix and size controls during the development assessment process would need to address the objectives for the control as identified within the development control plan. No additional wording is considered to be necessary.</p>
Action	<ul style="list-style-type: none"> No action required.
No.	5
Issues raised	<p><i>1. The rising cost of housing is impacting on those who wish to purchase and also those who wish to rent homes. Regardless of whether you're purchasing or renting, housing costs are growing in Sydney, and according to Housing NSW's Rent and Sales Report for the second quarter of 2014, The Hills Shire region recorded considerable increases in both the rent and purchase prices of units. In fact, The Hills Shire region recorded the largest increase in rent for two bedroom apartments than any other Council area in NSW, at 14% for the quarter. Purchase prices for strata properties also jumped in the year to March 2014, recording an 11.7% increase. This is a strong indication that the supply of housing, particularly apartments, is not meeting demand.</i></p> <p><i>The size and type of apartments constructed often reflects what developers observe there is demand for in the current market. Smaller, more affordable, quality apartments are what is highly sought after at present and the majority of developments reflect this. It is not simply a case of fitting in as many apartments as possible for greater revenue.</i></p> <p><i>The submitter also comments that by insisting on overly generous apartment sizes will potentially force developers to cut costs in other areas in the interest of providing a product that can be afforded by the local market. This means quality will be compromised as developers seek to reduce costs, for example by seeking cheaper materials, such as more basic fittings, fixtures</i></p>

and finishes. Greater construction costs on larger apartments also mean there is less capital left over for investment in common areas, open spaces and other residential amenities residents of apartments enjoy, such as swimming pools and gymnasiums.

Planning Comments:

Matters relating to housing affordability are discussed in Section 2(a) of the Council Report.

- 2. The submitter comments that Clause 30A of the SEPP would render Council's proposed controls unenforceable, as stated in the Council Report, most developers choose to abide by the SEPP Controls rather than Council's controls, as it is a better reflection of what the market demands. It is understood Council will pursue contacting the Minister for Planning in order to exclude the Hills Shire from section 30A of the SEPP.*

Other Councils that have imposed their own DCP apartment size controls have been unsuccessful in gaining exclusion from this clause, which begs the question if The Hills Shire Council will even be successful on changing this part of the SEPP.

Planning Comments:

Matters relating to the application of Clause 30A are discussed in Section 2(b) of the Council Report.

- 3. There are many examples of residential flat developments in accessible locations, such as close to the Castle Hill and Baulkham Hills town centres, that are much sought after with apartment sizes less than those required by Council. This is a reflection of the demand in the area for good value apartments, compromising on size for affordability. Under current controls, in an area where the location is less attractive, larger apartment sizes may be offered by developers to entice buyers, offering better value for money and more space as a trade-off for a location that is less central.*

Planning Comments:

Owners are buying the smaller apartments because that is what is being offered by developers. The sale of an apartment does not necessarily indicate that the apartment has an appropriate level of amenity, nor does it prove that the apartments are meeting the needs of the residents living within them. The draft controls have been prepared as it is considered that the market fails to take into account the amenity of future residents with respect to apartment mix and size.

	<p>4. <i>Developments of over 30 apartments face stringent controls on the mix of apartments allowed, with developers having to abide by several apartment size categories and their respective maximum distribution amounts. This just adds inflexibility and confusion to the planning process.</i></p> <p>Planning Comments: This comment is not supported. The typology provides greater flexibility for development proposing 30 or more units. The rationale for this is that larger development sites, containing 30 or more apartments, generally have capacity to provide high quality communal facilities on-site to off-set any potential amenity impact resulting from smaller apartment sizes. Sites containing less than 30 apartments generally do not have the capacity to provide such facilities and for this reason the apartment size requirements should remain to ensure that the amenity of future residents is not negatively impacted.</p> <p>5. <i>The proportion of 1, 2 and 3 bedroom apartments within a development must be determined by the market, not Council regulations that demonstrate little or no understanding of market forces. This approach does not recognise that if there is a genuine demand for a particular size of dwelling, then the development industry will deliver the product.</i></p> <p>Planning Comments: Matters relating to the apartment mix control are discussed in Section 2(c) of the Council Report.</p>
Action	<ul style="list-style-type: none"> • No action required.
No.	6
Issues raised	<p>1. <i>Apartment mix should not be determined by planning controls, but rather through market demand. Prescriptive planning controls on unit mix as proposed will limit the ability for flexibility to provide the appropriate housing mix to cater for demand in a local context.</i></p> <p>Planning Comments: Matters relating to the apartment mix control are discussed in Section 2(c) of the Council Report.</p> <p>2. <i>The draft apartment size controls will increase the average apartment size by 20%. This is a direct contradiction to the objective of housing affordability. Differing housing types and for different budgets are already catered for in</i></p>

	<p><i>wider Hills Shire. Placing additional planning controls restricting new development of apartments near transport will not change housing diversity, it will only increase the cost of development.</i></p> <p>Planning Comments: Matters relating to housing affordability are discussed in Section 2(a) of the Council Report.</p> <p><i>3. Developments within 800 metres of the new North West Rail Link Stations should be encouraged to provide less car parking. Less car parking will lessen the traffic impact of proposed apartment development around stations and will encourage apartment dwellers to use public transport.</i></p> <p>Planning Comments: Matters relating to car parking are discussed in Section 2(g) of the Council Report.</p>
Action	<ul style="list-style-type: none">• No action required.

The Hills
Development Control
Plan (DCP) 2012
DRAFT

Attachment 2

THE
HILLS
Sydney's Garden Shire

www.thehills.nsw.gov.au



Part B Section 5
Residential Flat Building

B5

INDEX

1. INTRODUCTION.....	2
1.1. LAND TO WHICH THIS SECTION OF THE PLAN APPLIES	2
1.2. STATE ENVIRONMENTAL PLANNING POLICY NO. 65 (SEPP 65) – DESIGN QUALITY OF RESIDENTIAL FLAT DEVELOPMENT	2
2. AIMS AND OBJECTIVES OF THIS SECTION OF THE DCP.....	2
3. OBJECTIVES AND DEVELOPMENT CONTROLS	2
3.1. SITE REQUIREMENTS.....	2
3.2. SITE ANALYSIS	2
3.3. SETBACKS – BUILDING ZONES	3
3.4. BUILDING HEIGHTS	6
3.5. BUILDING SEPARATION AND TREATMENT	6
3.6. LANDSCAPE AREA.....	6
3.7. BUILDING LENGTH.....	7
3.8. BUILDING DESIGN AND STREETScape.....	7
3.9. URBAN DESIGN GUIDELINES	8
3.10. DENSITY	9
3.11. UNIT LAYOUT AND DESIGN	9
3.12. BUILDING MATERIALS	10
3.13. OPEN SPACE	11
3.14. SOLAR ACCESS.....	14
3.15. VENTILATION	15
3.16. LIGHTING	16
3.17. STORMWATER MANAGEMENT	16
3.18. VEHICULAR ACCESS.....	17
3.19. CAR PARKING	18
3.20. STORAGE.....	19
3.21. ACCESS AND ADAPTABILITY	19
3.22. PEDESTRIAN / BICYCLE LINKS	20
3.23. PRIVACY - VISUAL AND ACOUSTIC.....	21
3.24. SERVICES	21
3.25. WASTE MANAGEMENT – STORAGE AND FACILITIES	22
3.26. WASTE MANAGEMENT PLANNING	22
3.27. FENCING.....	23
3.28. DEVELOPER CONTRIBUTIONS	24
4. INFORMATON REQUIRED FOR A DEVELOPMENT APPLICATION	24
5. REFERENCES.....	24
APPENDIX A - DEVELOPMENT CONTROL CALCULATIONS/COMPLIANCE SHEET	26

1. INTRODUCTION

This Section of the DCP must be read in conjunction with Part A – Introduction of this DCP.

1.1. LAND TO WHICH THIS SECTION OF THE PLAN APPLIES

This Section of the DCP applies to land where, under the provisions of The Hills Local Environmental Plan (LEP) 2012, residential flat buildings are a permissible use.

1.2. STATE ENVIRONMENTAL PLANNING POLICY NO. 65 (SEPP 65) – DESIGN QUALITY OF RESIDENTIAL FLAT DEVELOPMENT

Refer to State Environmental Planning Policy No. 65.

2. AIMS AND OBJECTIVES OF THIS SECTION OF THE DCP

OBJECTIVES

Council's objectives for residential flat building development are:

- (i) *Encourage a high standard of aesthetically pleasing and functional residential flat building developments that sympathetically relate to adjoining and nearby developments.*
- (ii) *Ensure that development will not detrimentally affect the environment of any adjoining lands and ensure that satisfactory measures are incorporated to ameliorate any impacts arising from the proposed development.*
- (iii) *Encourage innovative and imaginative designs with particular emphasis on the integration of buildings and landscaped areas that add to the character of the neighbourhood.*
- (iv) *Provide high levels of amenity and safety for future residents of any residential flat building development.*

- (v) *To ensure that residential flat building developments incorporate the principles of Ecologically Sustainable Development.*

3. OBJECTIVES AND DEVELOPMENT CONTROLS

Objectives and development controls for residential flat buildings are set out in the following sections.

In addition to the policies, guidelines and documents specified in section 1.4 of Part A - Introduction, this Residential Flat Building Section is to be read in conjunction with other relevant Sections including:

- Part C Section 1 – Parking
- Part C Section 2 – Signage
- Part C Section 3 – Landscaping
- Part C Section 4 – Heritage
- Part C Section 6 – Flood Controlled Land

A checklist identifying the development controls is provided as a summary in Appendix A – Development Control Calculations/Compliance Sheet within this section.

3.1. SITE REQUIREMENTS

OBJECTIVES

- (i) *To ensure development sites have sufficient areas to provide adequate access, parking, landscaping and building separation.*
- (ii) *To provide for the orderly development of residential land through the consolidation of lots.*
- (iii) *To ensure development on a particular site has due regard to adjoining developments in accordance with Council's ESD objective 7.*

DEVELOPMENT CONTROLS

- (a) The minimum road frontage requirement is 30 metres.
- (b) Development sites shall not be accessed via a right of way and/or access handle. Access driveways should be centrally located within any proposed residential flat building development site.
- (c) A residential flat building development shall not isolate adjoining lots so that they are incapable of multi dwelling housing development, meaning

there will be insufficient area to meet the minimum site area requirement in Clause 4.1A *Minimum lot sizes for dual occupancy, multi dwelling housing and residential flat buildings* of the LEP 2012.

SUBMISSION REQUIREMENTS

- Site plan
- Location and general description of any adjoining developments.

3.2. SITE ANALYSIS

OBJECTIVES

- To encourage a comprehensive approach to site planning, design and assessment of development.*
- To facilitate assessment of how future buildings relate to their immediate surroundings and each other.*
- To facilitate development of a design that minimises the negative impacts on the amenity of adjoining commercial or residential development in accordance with Council's ESD objective 7.*
- To ensure development is compatible with land capability.*

- To ensure during consideration of the site layout and design, that disturbance to the natural environment is minimised in accordance with Council's ESD objective 4.*

DEVELOPMENT CONTROLS

- Development is to be designed to respect site constraints such as topography, drainage, soil landscapes, flora, fauna and bushfire hazard.
- Development on land adjoining bushland reserves should incorporate measures (such as setbacks and buffers) to prevent any impact on the reserves.
- Development is to be sited so as to minimise the impact of the development on the amenity of adjoining residences while recognising the character of the area.
- Siting of development is to take into account solar passive design principles.

SUBMISSION REQUIREMENTS

- Site Analysis. An example of a site analysis diagram is shown in Figure 1. The site analysis provided at pre-lodgement stage must include an Isometric Drawing as shown in Figure 2.

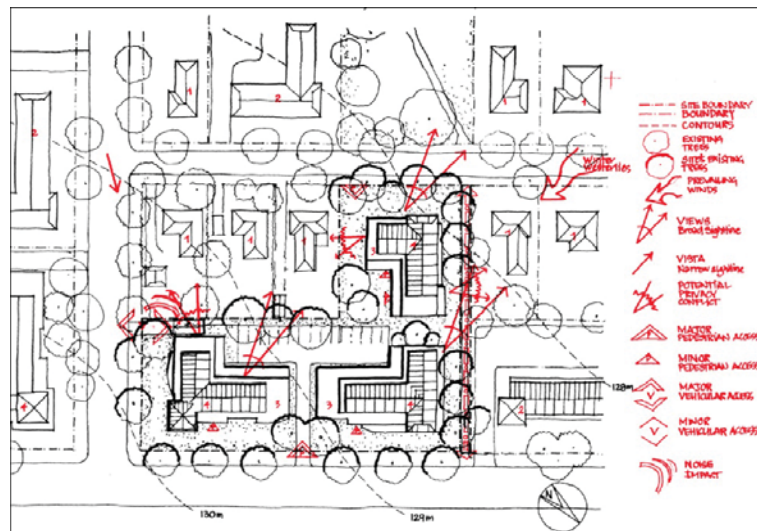


Figure 1 Site Analysis

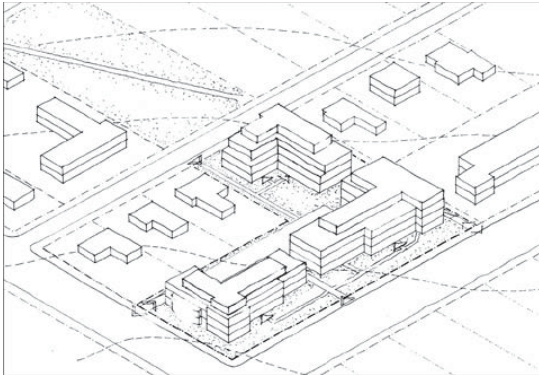


Figure 2 Isometric Drawing

Isometric Drawing

- An isometric drawing must be drawn to the same scale as the Site Plan and Site Analysis (1:500 or 1:1000), and include the following:
 - Contours clearly marked – natural and man-made differentiated;
 - Street patterns clearly identified;
 - Proposed common areas;
 - Proposed main entrances/exits; and
 - Proposed landscaped treatments/features.

3.3. SETBACKS – BUILDING ZONES

OBJECTIVES

- (i) *To provide setbacks that complement the setting and contributes to the streetscape and character of the street while allowing flexibility in siting of buildings.*
- (ii) *To ensure that the space in front of the building is sufficient to permit landscaping that will complement the building form and enhance the landscape character of the street.*
- (iii) *Side and rear setbacks are to be proportioned to the slope of the site having regard to the height and relationship of the buildings on adjoining properties.*
- (iv) *The setbacks of proposed buildings are to minimise any adverse impacts such as overshadowing and privacy on adjacent and adjoining properties.*
- (v) *To ensure placement of buildings takes into account the retention and protection of existing trees.*

Building Zone

The Building Zone identifies the area where buildings may be erected. No building or works (other than landscaping, driveway, drainage works, post boxes, pergolas and barbecues) will be permitted outside the building zone. This includes any work on basement parking areas.

The identification of a Building Zone as part of the Site Analysis process identifies the setbacks for any particular site. The process for identifying the setbacks is provided below.

1. Building Zone Requirement No 1 - Setbacks to Protect Trees

Setbacks are to be established so that any trees located within 10 metres of the front boundary, 8 metres of the rear boundary and 6 metres of any side boundary can be retained.

DEVELOPMENT CONTROLS

- (a) Where trees are identified in the site analysis and are located within the 10 metre front setback, 8 metre rear setback and 6 metre side setback, the Building Zone boundaries will be set so that all buildings are 5 metres from the trees or clear of the drip line of the trees (Figure 3) whichever is the greater distance. The distance must be measured from the outside of the tree trunk at ground level.

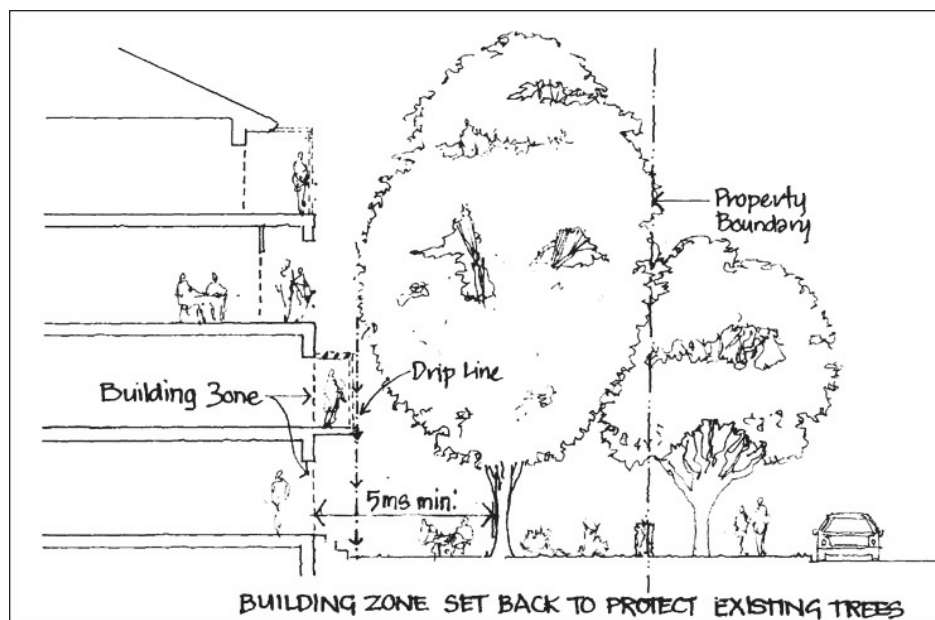


Figure 3 Building Zone Boundaries

2. Building Zone Requirement No 2 – Building Alignment

The setbacks outlined in Table 1 apply to residential flat building sites. Figures 4 and 5 provide a demonstration of how these may be applied.

DEVELOPMENT CONTROLS

- (a) Except where a greater setback is required to satisfy Building Zone Consideration No 1 - Setbacks to Protect Trees, the setbacks shall be in accordance with Table 1.

Table 1 Setbacks

Front (one street frontage)	10 metres
Front (two street frontages)	
Primary Frontage	10 metres
Secondary Frontage	6 metres
Side	6 metres
Rear	8 metres

- (b) Additional setback will be applied to sloping sites as calculated below:

$$S = \frac{H \times L}{4}$$

- S** = Side or Rear Setback
H = Height of building at the outmost wall from natural ground level to the ceiling of the uppermost floor.
L = Levels of building above natural ground level, with basement included as a level should it protrude more than 1m above natural ground level.

- (c) Building closer to the side boundary may be permissible, subject to ensuring there is no unreasonable adverse impact on the privacy or solar access of adjoining properties.
 (d) No balcony shall protrude into the setback area.

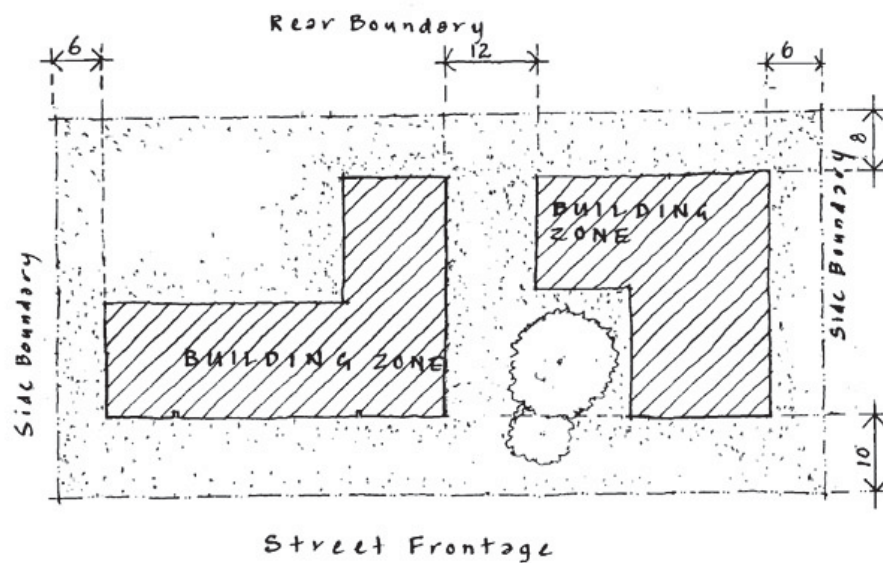


Figure 4 Ground Floor Building Zone Setbacks – One Street Frontage

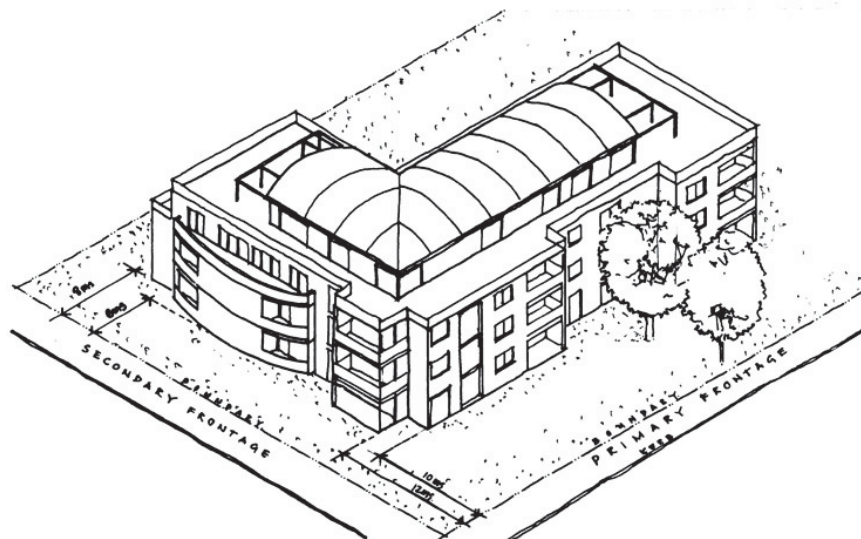


Figure 5 Building Zone Setbacks – Corner Site

3.4. BUILDING HEIGHTS

OBJECTIVES

- (i) *To ensure that buildings reflect the existing landform of the neighbourhood, including ridgelines and drainage depressions.*
- (ii) *To protect privacy and amenity of surrounding allotments and residential development in accordance with Council's ESD objective 7.*
- (iii) *To minimise overshadowing of adjoining properties.*

DEVELOPMENT CONTROLS

- (a) Developments on sloping sites are to be stepped so that the ground floor does not exceed one metre above natural ground level immediately below any point on the ground floor.
- (b) The floor level of any residential room must be no lower than one metre below natural ground level.
- (c) No building shall contain more than 4 storeys above natural ground level.

SUBMISSION REQUIREMENTS

- Shadow diagrams

3.5. BUILDING SEPARATION AND TREATMENT

OBJECTIVES

- (i) *To ensure privacy within buildings.*
- (ii) *To avoid overlooking of living spaces and private open space.*
- (iii) *To minimise the visual impact of residential flat building developments by minimising the bulk and scale of residential flat buildings and promoting suitable landscaping between buildings.*

DEVELOPMENT CONTROLS

- (a) The minimum separation between buildings is 12 metres.
- (b) The space between buildings must be capable of extensive landscaping utilising deep rooted planting. In cases where underground parking

limits the soil depth, landscape beds/tubs to provide additional soil depth, must be provided. Larger trees /shrubs must be integrated into the landscape design to ensure suitable planting is achievable between buildings.

3.6. LANDSCAPE AREA

OBJECTIVES

- (i) *To provide a satisfactory relationship between buildings, landscaping areas and adjoining developments.*
- (ii) *To minimise stormwater runoff and provide the opportunity for on-site groundwater recharge in accordance with Council's ESD objective 3.*
- (iii) *To ensure a high standard of environmental quality of residential flat building developments and the overall visual amenity and character of the neighbourhood.*
- (iv) *To ensure that landscaped areas can be efficiently maintained.*
- (v) *To ensure that existing trees are given every opportunity to be incorporated into the final design.*
- (vi) *To ensure a satisfactory relationship between buildings and open spaces.*
- (vii) *To ensure that vegetation removed as a part of the land development process is replaced by suitable indigenous species in accordance with Council's ESD objective 4.*
- (viii) *To avoid the creation of drainage and runoff problems though minimising the amount of impervious area.*
- (ix) *To minimise bulk and scale of the development.*

DEVELOPMENT CONTROLS

- (a) The landscape area shall be a minimum of 50% of the area of the site.
Such areas shall exclude building and driveway areas. Terraces and patios within one metre of natural ground level will be included in landscape area, including common open space above basement car park provided the area is grassed and suitably landscaped.
- (b) Landscaped areas must have minimum dimensions of 2 metres. Areas less than 2

metres in width will be excluded from the landscape area calculation.

- (c) Existing trees and vegetation should be preserved especially those in the front setback. The existing tree canopy should be retained and enhanced wherever possible.
- (d) All setbacks and any above ground car parking areas are to be landscaped and maintained to a high standard.
- (e) Landscaping is to be provided in accordance with the provisions set out in Part C Section 3 - Landscaping of this DCP.
- (f) Landscape treatments are to harmonise with building designs. They should reflect the scale of the building and should consist of trees, shrubs, groundcovers and grass.
- (g) Native species are to be used to maintain a strong natural theme for the neighbourhood and owing to their low maintenance characteristics, relative fast growth, aesthetic appeal and suitability to the natural habitat.
- (h) The landscape design should take into consideration the safety of residents and permit natural surveillance of common areas and pathways.

SUBMISSION REQUIREMENTS

- Landscape Plan

3.7. BUILDING LENGTH

OBJECTIVES

- (i) *To reduce the visual bulk and scale of residential flat building developments.*
- (ii) *To ensure that developments will enhance and contribute to the streetscape and desired character of the future and existing neighbourhood.*

DEVELOPMENT CONTROL

- (a) The maximum linear length of any residential flat building is to be 50 metres.

3.8. BUILDING DESIGN AND STREETScape

OBJECTIVES

- (i) *To ensure residential flat building development of a high standard based on appropriate building design and attention to detail, which integrates suitably into the existing or future urban environment.*
- (ii) *To achieve residential flat building developments that is of a high standard of design and construction in terms of both internal and external appearance.*
- (iii) *To ensure that developments are aesthetically pleasing, encourage creativity and diversity in design, incorporating architectural relief and modulation of facades to avoid a bulky or monotonous appearance.*
- (iv) *To ensure the appearance of residential flat building developments enhance the streetscape, complement adjoining and surrounding development in terms of scale and character.*

DEVELOPMENT CONTROLS

- (a) Applicants must refer to Council's "Multi-Unit Housing: Urban Design Guidelines, 2002" which have been adopted by Council as a guide for the design of residential flat building development.
- (b) Designs must be in harmony in terms of form, mass, colour and structure with the existing and likely future development in the street.
- (c) The siting and design should seek to ensure a clear definition of the street edge and reinforce street corners. Building lines together with landscaping treatments should distinguish the public and private realms.
- (d) Developments must not be repetitive in design and should incorporate harmonious variations into design features such as verandas, entrances, facades etc.

Walls and Rooflines

- (e) Walls should be articulated in plan and section to reduce building bulk.
- (f) Walls should comprise a variety of colours to reduce monotony and add variety to the streetscape.

- (g) Walls should incorporate windows to enhance façade appearance.
- (h) Walls and roofs are the major elements that determine the development form, scale and bulk. Carefully designed walls with well-balanced vertical and horizontal proportions play a significant role in establishing the character of the development and the streetscape as a whole.
- (i) Break up large horizontal facades, whether walls or roofs, into smaller sections of no longer than 10 metres, with careful consideration given to materials and colours.
- (j) Enhance the façade through the use of well-proportioned and balanced projections and recesses.
- (k) Provide architectural features in the façade that give human scale at ground floor level, such as entry porches, pergolas and so on.

Garages

- (l) Any visible garage walls should be comprised of more than one material and colour to enhance visual attractiveness and interest.
- (m) Any ground level car parking, garages and/or basement garage doorways should be concealed or screened by planting from the street and public view, as much as possible.

Entrances

- (n) Entrances to residential flat buildings should be clearly visible from the public and semi-public areas. Lighting should be provided for safety at night. These entries contribute to the streetscape and character; therefore, they need to be considered in the design.
- (o) Building entries should be readily apparent from the street and clearly visible from inside the dwelling to improve casual surveillance.
- (p) The space around the building entrance should be sufficiently large to stand out and have a distinctive architectural form.
- (q) Site entries should be distinctive, attractive and welcoming.
- (r) Provide sheltered transitional areas around building entries.
- (s) All ground floor dwellings should have their own entry at ground level.

- (t) Building entries should be visible from, or address, the site front boundary. Building entries in walls should be clearly delineated and observable from the driveway.

Views and Siting

- (u) Siting of the building is to take advantage of any views to nearby/adjoining landscaped open space or any public reserve.
- (v) The siting and design of dwellings should also take advantage of any views to open space, public reserves and bushland to promote natural surveillance and to enhance the visual amenity of residents. Blank courtyard walls along boundaries shared with open space or reserves should be avoided and opportunities to create and orient dwellings to permit direct views from living areas into the open space/reserve should be pursued in design.
- (w) Dwellings that have courtyards facing a street or public place should be avoided. Where other design constraints dictate the need for a fence facing a public street or space. The design must comply with the controls specified in section 3.27 - Fencing of this Section of the DCP and consideration must be given to streetscape and visual impact issues

SUBMISSION REQUIREMENTS

- Elevations Plans.
- Design verification as required by SEPP 65 (Refer to section 1.2).

3.9. URBAN DESIGN GUIDELINES

OBJECTIVES

- (i) *To encourage urban design principles which reinforce the character of the precinct.*
- (ii) *To ensure that future development responds to and is compatible with the landscape, topography and visual setting of the area.*
- (iii) *To promote a built form of high architectural quality which compliments existing streetscape character and improves the amenity of public space.*

DEVELOPMENT CONTROLS

- (a) Applications must demonstrate conformity with “Baulkham Hills Multi Unit Housing – Urban Design Guidelines, 2002” which has been adopted by Council as a guide for the design of residential flat buildings. This document also details desired future character statements for each precinct and sub-precinct.

SUBMISSION REQUIREMENTS

- Provide a detailed statement, which addresses the “Baulkham Hills Multi Unit Housing – Urban Design Guidelines 2002,” – Section 6 - Precinct Character Statements and Section 7 - Sub-Precinct Character Statements.

3.10. DENSITY**OBJECTIVES**

- (i) To ensure residential flat building development does not over-tax existing services and facilities.
- (ii) To provide opportunities for a suitable density housing form that is compatible with the existing surrounding development.

DEVELOPMENT CONTROLS

- (a) The maximum population density permitted is 175 persons per hectare with a desirable range between 150-175 persons per hectare. The density is based upon the occupancy rates in Table 2:

Table 2 Occupancy Rates

Dwelling Type	Occupancy Rate (Persons)
Existing dwelling	3.5
1 bedroom unit	1.3
2 bedroom unit	2.1
3 bedroom unit	2.7
4 bedroom unit	3.5

Note. The maximum density should not be considered as a desired yield for each site. The yield will be dependent on identifying designs that address the objectives of this Section of the DCP.

SUBMISSION REQUIREMENTS

- Provide details of the proposed density of the development.

3.11. UNIT LAYOUT AND DESIGN**OBJECTIVES**

- (i) To ensure that individual units are of a size suitable to meet the needs of residents.
- (ii) To ensure the layout of units is efficient and units achieve a high level of residential amenity.
- (iii) To provide a mix of residential flat types and sizes to accommodate a range of household types and to facilitate housing diversity.
- (iv) Address housing affordability by optimising the provision of economic housing choices and providing a mix of housing types to cater for different budgets and housing needs.
- (v) To ensure designs utilise passive solar efficient layouts and maximise natural ventilation.

DEVELOPMENT CONTROLS**Apartment Mix**

- (a) No more than 25% of the dwelling yield is to comprise either studio or one bedroom apartments.
- (b) No less than 10% of the dwelling yield is to comprise apartments with three or more bedrooms.

Residential Flat Development (less than 30 units)

- (c) The minimum internal floor area for each unit, excluding common passageways, car parking spaces and balconies shall not be less than the following:

1 bedroom unit	75m ²
2 bedroom unit	110m ²
3 bedroom unit	135m ²

Residential Flat Development (30 or more units)

(d) The minimum internal floor area for each unit, excluding common passageways, car parking spaces and balconies shall not be less than the following:

Apartment Size Category	Apartment Size
Type 1	
1 bedroom	50m ²
2 bedroom	70m ²
3 or more bedrooms	95m ²
Type 2	
1 bedroom	65m ²
2 bedroom	90m ²
3 or more bedrooms	120m ²
Type 3	
1 bedroom	75m ²
2 bedroom	110m ²
3 or more bedrooms	135m ²

(e) Type 1 apartments shall not exceed 30% of the total number of 1, 2 and 3 bedroom apartments.

(f) Type 2 apartments shall not exceed 30% of the total number of 1, 2 and 3 bedroom apartments.

(g) All remaining apartments are to comply with the Type 3 apartment sizes.

All Residential Flat Buildings

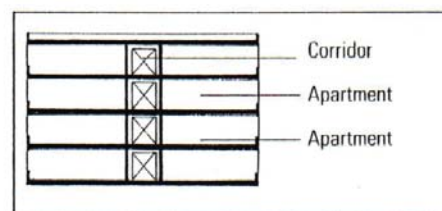
(h) Unit layouts that achieve the following are required:-

- Minimise corridors/circulation space and avoid dormant areas with little or no natural surveillance;
- Permit sunlight access;
- Achieve cross ventilation; and
- Protect the visual and acoustic privacy of residents.

(i) In this regard double loaded floor plans and single aspect units (Refer to Figure 6) must not be used unless:-

- Four (4) hours of direct sunlight is available for windows of primary living areas between 9am and 3pm on 21 June; and
- Adequate ventilation can be achieved.

Figure 6 Double Loaded Floor Plan With Corridor On Every Floor



Double-loaded floor plan with corridor every floor

Source: Better Urban Living Guidelines for Urban Housing in NSW.

- (j) Floor to ceiling height must be in accordance with Building Code of Australia requirements. Where deeper floor plans are used higher floor to ceiling heights are encouraged to increase penetration of sunlight and air.

SUBMISSION REQUIREMENTS

- Site plan.
- Dimensioned development application plans including a schedule of floor areas for each dwelling. For developments containing 30 or more apartments the schedule is to specify the apartment size category for each apartment.

3.12. BUILDING MATERIALS**OBJECTIVES**

- (i) To promote integrated, visually harmonious and attractive buildings in residential areas.
- (j) To encourage the use of renewable, energy efficient materials that are durable and cost effective in accordance with Council's ESD objective 5.
- (iii) To reduce waste generation and wastage of resources in accordance with Council's ESD objective 6.
- (iv) To encourage consideration of the long-term impact of the production and use of materials used in construction of the development.

DEVELOPMENT CONTROLS

- (a) All building construction must comply with the Local Government Act-1993 Local Government Regulations and the Building Code of Australia.

- (b) Building materials and appearance play a significant role in establishing the character of new development. Consideration should be given to the existing character and streetscape in the design of new development. A mix of materials (at least two types not including glass windows) should be used in any elevation visible from the street or any adjoining property. Elevations dominated by rendered masonry finishes will not be acceptable.
- (c) Choice of materials should be based on consideration of both their environmental and economic costs.
- (d) Buildings materials should be selected carefully so as to reflect and complement the existing character of the street.
- (e) Graffiti resistant materials should be used in areas that are accessible by the general public and communal areas within the development.
- (f) Ensure that colours used are visually pleasing to the viewer and reflect the predominant colours in the area.
- (g) Avoid the use of materials and colours that would cause excessive glare.
- (h) The following factors must be considered when selecting materials:
 - Suitability for the purpose;
 - Durability;
 - Long term appearance;
 - Local environmental impacts;
 - Broader and longer term environmental impacts; and
 - The quantity of material required.
- (i) Avoid materials that are likely to contribute to poor internal air quality such as those generating formaldehyde or those that may create a breathing hazard in the case of fire (e.g. polyurethane).
- (j) Select materials that will minimise the long-term environmental impact over the whole life of the development.
- (k) Preference is to be given to materials derived from renewable sources or those that are sustainable and generate a lower environmental cost, recycled material or materials with low embodied energy, better lifecycle costs and durability. For example, use of sustainable timbers rather than old growth or rainforest timbers.

SUBMISSION REQUIREMENTS

- Schedule of materials.
- Streetscape Perspective of proposed development including landscaping.

3.13. OPEN SPACE

OBJECTIVES

- (i) *To provide open space for recreation and for use by residents within residential flat buildings.*
- (ii) *To enhance the quality of the built environment by providing opportunities for landscaping.*

Private Open Space

OBJECTIVES

- (i) *To provide private outdoor living space that is an extension of the dwelling for the enjoyment of residents.*
- (ii) *To provide private outdoor living space that receives a reasonable quantity of sunshine during all months of the year.*

DEVELOPMENT CONTROLS

- (a) Private open space must be readily accessible from living areas of dwelling units.

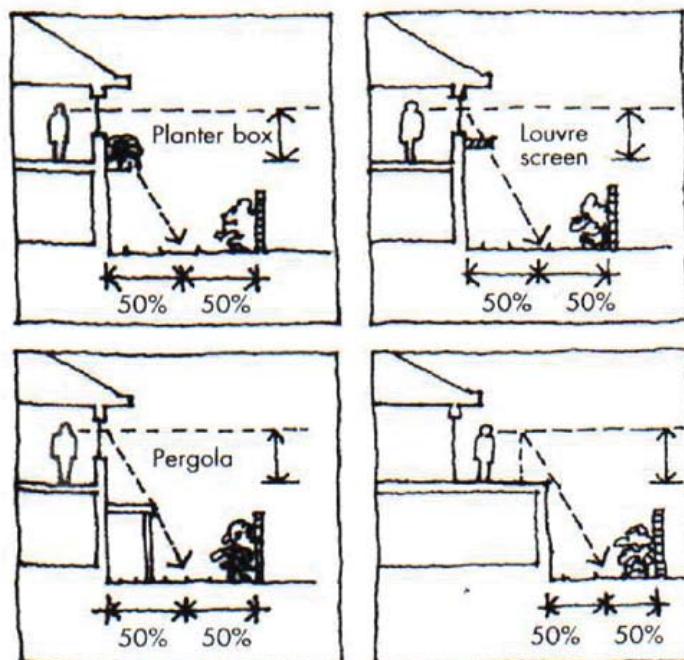
At Ground Level:

- (b) For dwellings with ground level access private open space shall be provided with a minimum width of 4 metres and depth of 3 metres.
- (c) This private open space shall be provided within one metre of natural ground and may be included as part of the minimum landscape area requirements.
- (d) Private (ground level) open space areas shall be enclosed with a wall/fence or landscape screen with an effective height of 1.8 metres from the finished ground level.
- (e) The design of the building and landscaping treatment should ensure the privacy of these ground level spaces. Enclosing screen walls or fences shall be designed to ensure privacy, both from communal open space or access ways and from dwellings and their courtyards.
- (f) Design techniques that protect the privacy of the courtyards by restricting overlooking from above

are also encouraged. Potential techniques are shown in Figure 9 below.

Above Ground Level:

- (g) In order to provide useable open space to dwellings above ground level, any balcony or terrace shall have a minimum area of 10m² and a minimum depth of 2.5 metres.



Techniques for providing visual privacy to a lower dwelling's private open space.

Figure 7 Protecting Privacy Of Courtyards

Source: Australia's Guide to Good Design – Residential.

Common Open Space

OBJECTIVES

- (i) To provide a functional open space area within the development for the informal recreation of all residential flat building residents and children's play.
- (ii) To provide opportunities for additional landscaping and retention of any significant features that add to the amenity of the site in accordance with Council's ESD objective 4.^(iv)

DEVELOPMENT CONTROLS

- (a) In order to provide for the recreational needs of the residents a common open space area is to be provided in a singular large parcel. Such open space area is to include opportunities for both active and passive recreation facilities (i.e. equipment such as seating, shade structures, BBQ and children's play equipment for passive recreational use).
- (b) Large developments (greater than 20 dwellings) shall consider provision of a swimming pool, common room and hard stand outdoor play area.
- (c) The common open space is to be centrally located and such area shall be capable of surveillance from at least two dwellings for safety reasons.
- (d) The orientation and location of the open space should also take into consideration opportunities to maximise solar access to the open space during winter. It must receive at least four hours of sunlight between 9am and 3pm on 21 June.
- (e) The area provided shall be equivalent to the rate of 20m² per dwelling.
- (f) Common open space must be sufficient in size to enable it to be used for recreational activities, or be capable of growing substantial vegetation.
- (g) Common open space must be designed in conjunction with pedestrian pathways.

SUBMISSION REQUIREMENTS

- Plans are to indicate those areas including dimensions of any part of the site to be used for private and common open space.

3.14. SOLAR ACCESS

OBJECTIVES

- (i) To orient the development in a way that best allows for appropriate solar access and shading.
- (ii) To maximise natural lighting to internal living and open space areas in winter and provide adequate shading to internal areas and private open space during summer to improve residential amenity.
- (iii) To ensure no adverse overshadowing of adjoining allotments/developments.

Solar Access Design Considerations

DEVELOPMENT CONTROLS

- (a) Orient and design buildings to maximise the number of dwellings with direct sunlight where possible. Ideally, face the long axis of the development up to 30 degrees east and 20 degrees west of true north. This is illustrated in Figure 10.

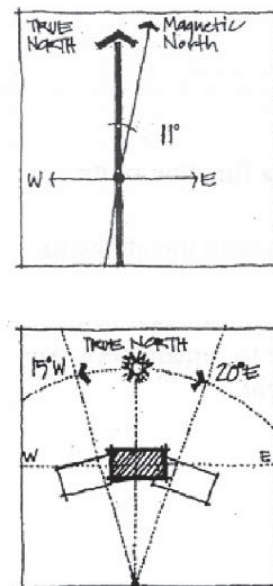
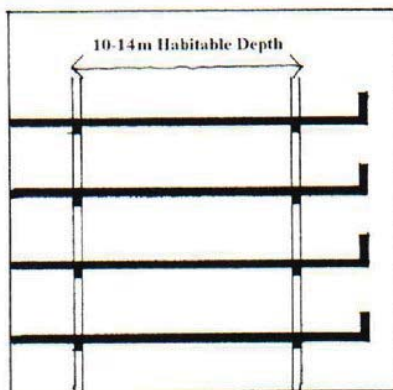


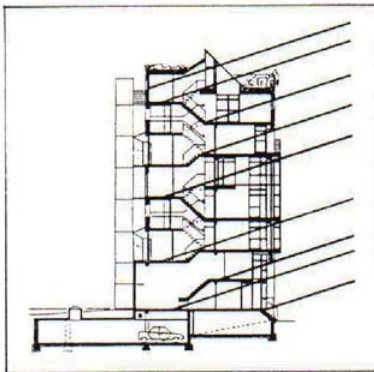
Figure 8 Building Orientation

- (b) Face living spaces to the north wherever possible.

- (c) Narrow footprint buildings and split level floor plans permit good solar access (Refer to Figure 9).
- (d) Main windows should have suitable shading or other solar control to avoid discomfort (shutters/blinds/screens/retractable awnings).
- (e) Use horizontal shading devices (for north facing windows) including eaves, verandas, pergolas, awnings and external horizontal blinds to allow low summer sun whilst providing shade from high summer sun.



Narrow footprint buildings allow good daylight access



Narrow buildings allow good daylight access. Split level plans can enhance environmental quality

Figure 9 Designing For Solar Access

Source: Better Urban Living Guidelines for Urban Housing in NSW.

- (f) East and west facing windows can cause excess heat in summer. Minimise the size of east and west facing windows, or consider external vertical shading devices such as vertical blinds, blade walls and thick vegetation.

- (g) Shading elements are to be integrated into the overall elevation design.

Overshadowing

DEVELOPMENT CONTROLS

- (h) The common open space area must receive at least four hours of sunlight between 9am and 3pm on 21 June.
- (i) Buildings must be designed to ensure that adjoining residential buildings and the major part of their landscape receive at least four hours of sunlight between 9am and 3pm on 21 June.

SUBMISSION REQUIREMENTS

- Shadow Diagrams

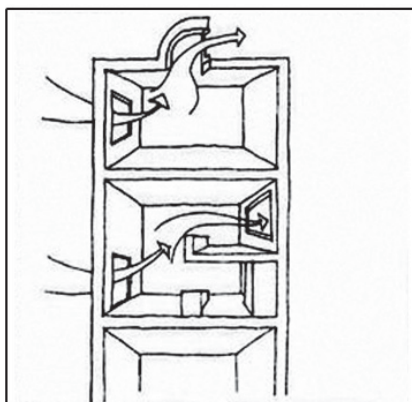
3.15. VENTILATION

OBJECTIVES

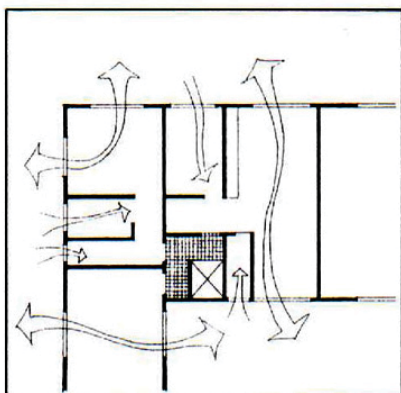
- (i) To maximise ventilation flows in each dwelling.
- (ii) To minimise the filtering of cold or warm air through gaps in the construction of each dwelling in accordance with Council's ESD objective 5.

DEVELOPMENT CONTROLS

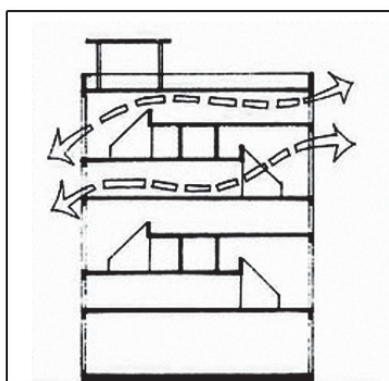
- (a) Consider ventilation in early design stages. Figure 10 identifies design options for achieving natural ventilation.
- (b) Consider prevailing breezes in relation to building orientation, window design and internal circulation.
- (c) Place windows to allow for cross ventilation i.e. on opposite sides of the building rather than adjacent walls where possible. These windows are to be lockable in a partly open position.
- (d) Promote air circulation and consider the installation of fans, roof vents, louvered windows and high-level windows to aid air circulation.
- (e) Provide security screen doors at unit entries.
- (f) Minimise air gaps by incorporating door and window seals.



Cross ventilation can be achieved through roof vents and air shafts. Apartments with mezzanines and two storey apartments assist in air movement.



Cross ventilation is best achieved through narrow floor plans



Good cross ventilation can be achieved with double orientation apartments, having split levels and corridors on alternative floors

Figure 10 Design Options - Ventilation

Source: Better Urban Living – Guidelines for Urban Housing in NSW.

3.16. LIGHTING

OBJECTIVE

- (i) To maximise the use of natural lighting and to minimise the energy consumption of residential flat building developments in accordance with Council's ESD objective 5.

DEVELOPMENT CONTROLS

- (a) Lighting is to be provided and installed in accordance with the Building Code of Australia.
- (b) Lighting must be adequate to ensure the security and safety of residents and visitors.
- (c) Maximise the use of natural lighting through window placement and skylights.
- (d) In common areas lights are to be time switched and energy efficient fitting should be used.
- (e) Motion detectors are to be used for unit entries, lobbies and outdoor security.
- (f) Incorporate dimmers motion detectors, and automatic turn-off switches where appropriate.
- (g) Provide separate switches for special purpose lights.

3.17. STORMWATER MANAGEMENT

OBJECTIVES

- (i) To control stormwater and to ensure that residential flat building developments do not increase downstream drainage flows or adversely impact adjoining and downstream properties.
- (ii) To ensure the integrity of watercourses is protected and enhanced in accordance with Council's ESD objective 4.
- (iii) To provide for the disposal of stormwater from the site in efficient, equitable and environmentally sensible ways in accordance with Council's ESD objective 3.
- (iv) To provide for on-site detention of site drainage.

DEVELOPMENT CONTROLS

- (a) Drainage easements will be required where the development property does not drain directly into the existing stormwater drainage system or a public road. Development Consent will not be

issued until the submission of documents demonstrating the creation of any necessary easements over downstream properties.

- (b) Discharge points are to be controlled and treated to prevent soil erosion, and may require energy dissipating devices on steeper topography, to Council's requirements.
- (c) Where necessary, downstream amplification of existing drainage facilities will be required including Council infrastructure if required.
- (d) Developments within the Upper Parramatta River Catchment must comply with any requirements of the Sydney Catchment Management Authority.
- (e) On-site detention, water recycling, or water quality management systems may be required to Council's and/or the Sydney Catchment Management Authority and/or the Hawkesbury Catchment requirements, to counteract an increase in stormwater runoff.
- (f) The design of drainage systems is to be in accordance with Council's Design Guidelines for Subdivisions/ Developments.
- (g) Water Sensitive Urban Design (WSUD) principles shall be employed in the management of the site's stormwater in terms of water retention, reuse and cleansing. In this regard the drainage design is to include measures to manage the water quality of stormwater runoff. At a minimum the design is to integrate bio-retention filters along roadways, driveways and within open space area.
- (h) On site detention tanks are only permitted in common areas within a proposed development (for example driveways, common open space) and not within private courtyards.

SUBMISSION REQUIREMENTS

- Preliminary Engineering Drainage Plans indicating the proposed drainage infrastructure.
- Details of easements to be created over downstream properties if they do not already exist, including the written concurrence of all the affected landowners.
 - If OSD is required, OSD plans must be submitted with the development application.

3.18. VEHICULAR ACCESS

OBJECTIVES

- (i) *To ensure that vehicles may enter and exit residential flat building developments in a safe and efficient manner in accordance with Council's ESD objective 7.*
- (ii) *To maintain the performance of roads that provides an arterial or sub-arterial function in accordance with Council's ESD objective 7.*

DEVELOPMENT CONTROLS

- (a) Access to the site is to be in accordance with the requirements within Part C Section 1 – Parking of this DCP.
- (b) Adequate vehicular entry and exit and circulation areas are to be provided. The design must:
 - Provide a safe environment for both pedestrians and vehicles using the site and surrounding road networks;
 - Ensure vehicular ingress and egress to the site is in a forward direction at all times;
 - Provide for service vehicles where possible; and
 - Be designed to minimise the visual impact of hard paved areas.
- (c) The driveway shall be centrally located within the development and be a minimum of 10 metres from any side boundary or street.
- (d) Driveways are to have a minimum width of 6 metres at the property boundary for a distance of 6 metres within the development to ensure easy entry/exit of vehicles.
- (e) Driveway gradients shall be in accordance with Australian Standard – AS 2890.1 – 1993 – Part 1 – Parking Facilities – Off Street Car Parking.

SUBMISSION REQUIREMENTS

- Applicants are required to submit plans and details with the development application of proposed vehicular access and circulation for Council's approval. Details must specifically relate to vehicular movement, layout and turning circles.

3.19. CAR PARKING**OBJECTIVES**

- (i) *To ensure that all car-parking demands generated by the development are accommodated on the development site.*
- (ii) *To protect the free flow of traffic into and out of residential flat building developments and the surrounding street network in accordance with Council's ESD objective 7.*

DEVELOPMENT CONTROL

- (a) All car parking required by Council shall be provided on-site in accordance with the requirements of Part C Section 1 – Parking of this DCP.
- (b) On site car parking is to be provided at the following rates:
 - 1 bedroom unit 1 space
 - 2 or 3 bedrooms unit 2 spaces
- (c) Any car parking provided at ground level shall:
 - Comprise lockable single garages with minimum clear dimensions of 5.5 metres x 3.0 metres (exclusive of any storage area) and lockable double garages of 5.5 metres x 5.4 metres exclusive of storage area (not applicable to visitor parking);
 - Be enclosed in a manner that screens the vehicles from the street; and
 - Be separated from any adjoining property boundaries by a 2 metre wide landscaped strip.
- (d) Visitor parking:
 - Must be provided at the rate of 2 per 5 dwellings. The number required will be rounded up to the nearest whole number;
 - Have minimum dimensions of 5.5 metres x 2.6 metres; and
 - Must be made accessible at all times. Where visitor parking is proposed behind security gates, the access to visitor parking must be maintained through the operation of an intercom system installed at or near the gate.
- (e) The intercom shall be located to allow a free movement of traffic around the stationary vehicle using the intercom to ensure queuing does not adversely affect traffic or pedestrian movement on the street. A maximum driveway gradient of 5% for 6 metres before the intercom is required

to minimise problems associated with using the intercom on steep driveway gradients.

- (f) A separate vehicle turning facility should be provided between the intercom location and the security door to ensure visitor vehicles are able to manoeuvre and leave the site in a forward direction using a 3 point turn manoeuvre should the resident be unavailable or deny access to the visitor.
- (g) If the side boundary of any car parking space is a wall or fence or if it is obstructed (i.e. column) so that door opening is restricted 300mm must be added to the width. If the space is obstructed on both sides 600mm must be added.
- (h) Manoeuvring areas to all car parking spaces shall comply with the standards in Part C Section 1 – Parking. The layout must be designed to ensure vehicles utilising any parking spaces can enter and leave the site in a forward direction.
- (i) Parking areas within the front setback are discouraged and in this regard, no more than 2 spaces shall be provided within the setback area.
- (j) Developments in excess of 10 units are to provide pedestrian access from the street separate from the vehicular access.
- (k) Vehicle reversing bays or an alternative arrangement is to be provided at the end of aisles to ensure all parking spaces can be accessed in a satisfactory manner.
- (l) Resident car parking shall be safely secured with any opportunity for unauthorised entry minimised.
- (m) A carwash bay must be provided in accordance with Part C Section 1 - Parking.
- (n) All internal stairs that connect the car parking areas to the residential units are to be accessible only to the residents and their authorised visitors. All fire exits from the car parking areas must be designed to be independent from stairs that provide access to residential units.

SUBMISSION REQUIREMENTS

- Site Plan showing the number of car parking spaces, calculations and the dimensions of all parking spaces and driveway widths.

3.20. STORAGE**OBJECTIVES**

- (i) *To ensure that each dwelling has reasonable private storage space (storage requirements include household items either within the dwelling or in secure garage areas).*

DEVELOPMENT CONTROLS

- (a) At least 10m³ must be provided for storage space per dwelling within a lockable garage. It must not encroach into the parking space, and must cover a minimum area of 5m² with a minimum dimension of 2 metres required. The storage space shall be adjacent to a car space and not overhead.
- (b) A suitable secure area for storing garden maintenance should be provided.

SUBMISSION REQUIREMENTS

- Plans must show the designated storage area for each dwelling.

3.21. ACCESS AND ADAPTABILITY

In order to provide for disabled people and the ageing population, dwellings must be capable of adaptation so as to accommodate residents who may have special needs, declining mobility or sight. This is in addition to being appropriately designed for everyday pedestrian use.

OBJECTIVES

- (i) *To ensure that developments provide appropriate and improved access and facilities for all persons (consistent with the provisions of Australia Standard AS1428.1-1998).*
- (ii) *To encourage designers/developers to consider the needs of people who are mobility impaired and to provide greater than minimum requirements for access and road safety.*
- (iii) *To ensure that building design does not prevent access by people with disabilities.*
- (iv) *Incorporate design measures that are appropriate to people with disabilities.*

DEVELOPMENT CONTROLS

- (a) All units in a building two storeys and above are to be served by a lift, which must be accessible to the front door of each unit.
- (b) Units with a lowest floor level within 1.5 metres of the natural ground must be accessible to the front door of each unit.
- (c) One visitor parking bay and one pick-up and drop-off bay for mobility impaired people must be provided complying with the provisions of AS 2890 for people with a disability additional to the requirements for any visitor parking elsewhere in this DCP.
- (d) At least one unit in development with less than 20 units, or 5 percent of the units in any development of 20 or more units, must be either;
- An accessible unit to AS 1428 Part 2, suitable for occupation by a wheelchair user; or
 - Meeting Class B adaptability under AS 4299.
- (e) Each unit so provided above shall have an accessible car-parking bay complying with AS 2890 for people with a disability, and be accessible to a pick-up and drop-off point. An accessible route between the car parking space and unit shall be provided.
- (f) Any building located in a designated 'Accessible Precinct or Accessible Zone' must have an accessible link to the footpath network. Refer to the definition below.
- (g) Any unit built under SEPP (Seniors Living) 2004 or as housing for people with a disability or as senior citizens housing must be accessible to the front door, and at least 50 % of units must be accessible to AS 1428 Part 1, unless otherwise permitted by Council.
- (h) All stairs intended for circulation between levels, whether external or internal, shall comply with AS 1428 Part 1 if they are located on common property.
- (i) Any toilet provided on the common property must be accessible.
- (j) Any common facilities on the common property must be accessible.

'Accessible' used above is defined as follows:

- An internal accessible path of travel shall comply with AS 1428 Part 1. All security devices, intercoms, light switches, and doors on the route shall be mounted at one metre above floor level. The front door of the unit shall be at least 820 leaf, and have a clear space of at least one metre behind it, or a complying path of travel to AS 1428 Part 1. The front door need not comply with AS 1428 Part 1 otherwise.
- An external accessible path of travel shall comply with AS 1428 Part 1, except that abutment tolerance shall be increased to 10mm at paving joints.
- The accessible path of travel shall connect pick-up and drop-off point, the required parking bay and the front door of the unit.

- (k) An accessible pick-up and drop-off point can be located on the public road (with Council or RMS permission) or on the site, but it must allow for vehicles up to a Coaster size bus to pick up and drop off.
- (l) Residential units should be designed to provide for future low-cost modifications to bathrooms and kitchen.
- (m) Units are to be designed to permit adaptation of units so that they can change to meet future needs. Design features that might be included are:
 - Lightweight non-load bearing walls that can be removed to reconfigure rooms;
 - Panels that can be removed to connect adjoining residential flat buildings and cater for larger extended families.

SUBMISSION REQUIREMENTS

- Documentation to demonstrate how the objectives and controls are satisfied.

3.22. PEDESTRIAN / BICYCLE LINKS

OBJECTIVES

- (i) To consider the needs of the residents with particular consideration to access requirements, safety and security.
- (ii) To ensure that appropriate pathways, with high levels of pedestrian amenity are provided for residents in the locality along identified desire

lines in accordance with Council's ESD objective 9.

- (iii) To ensure provision is made for bicycle access and storage in accordance with Council's ESD objective 9.

Within the Site

DEVELOPMENT CONTROLS

- (a) Access to dwellings should be direct and without unnecessary barriers. There should be no steps between the street frontage and the principle building entrances.
- (b) Clearly defined pedestrian pathways are to be provided between proposed developments and proposed footpaths along sub-arterial roads.
- (c) Multi-unit developments are to have adequate lighting in common and access areas.
- (d) All pathways and ramps should conform to the minimum dimensional requirements set out in AS1428 Part 1-1998 Design for Access and Mobility and AS1428 Part 2-1992 and Council's Policy "Making Access for All 2002".
- (e) All surfaces should be stable, even and constructed of slip resistant materials. Any stair nosings should have a distinctive colour and texture.
- (f) Building and unit numbering and all signage is to be clear and easy to understand. International Symbols of Access should be displayed where buildings, crossings, amenities, car parking, pathways and ramps are accessible, as detailed in The Hills Shire Council policy entitled "Making Access for All 2002".
- (g) Pathway locations must ensure natural surveillance of the pathway from primary living areas of adjoining units. Dwelling entries must not be hidden from view and must be easily accessible.
- (h) A bicycle lockup facility is to be provided close to the main entry to the building.

Local Pedestrian Links

DEVELOPMENT CONTROLS

- (a) Where it is possible, a pedestrian link through the site must be provided as part of the development to increase the connectivity of the area for local pedestrians. The following factors

should be considered when identifying the most appropriate location for the link of the pathway:-

- The link must be no less than 3m wide;
 - It should be a straight-line link through the site linking streets or other public spaces; and
 - The link cannot include stairs and any ramps. It must have a reasonable gradient. Refer to AS 1428.1 - 1988 Design for Access and Mobility and supplementary AS 1428.2 - 1992.
- (b) The design and layout of any building adjoining and landscaped spaces adjoining the pathway should ensure there is natural surveillance of the pathway to protect the amenity of users. A solid fence along the boundary of the pathway restricting views of the pathway from adjoining properties will not be acceptable.
- (c) The pedestrian link must be dedicated to Council as a public footway and the footpath, and lighting must be provided at no cost to Council.

SUBMISSION REQUIREMENTS

- Statement addressing AS 3671 – Road Traffic Noise Intrusion Guidelines.

3.23. PRIVACY - VISUAL AND ACOUSTIC

OBJECTIVES

- (i) *To site and design buildings to ensure visual privacy between dwellings in accordance with Council's ESD objective 7.*
- (ii) *To avoid overlooking of living spaces in dwellings and private open spaces.*
- (iii) *To contain noise within dwellings and communal areas without unreasonable transmission to adjoining dwellings.*

DEVELOPMENT CONTROLS

- (a) Minimise direct overlooking of main internal living areas and private open space of dwellings both within and adjoining the development through building design, window locations and sizes, landscaping and screening devices (Refer to section 3.13 Open Space).
- (b) Consider the location of potential noise sources within the development such as common open space, service areas, driveways, and road

frontage, and provide appropriate measures to protect acoustic privacy such as careful location of noise-sensitive rooms (bedrooms, main living areas) and double glazed windows.

- (c) Dwellings that adjoin arterial roads are to be designed to acceptable internal noise levels, based on AS 3671 – Road Traffic Noise Intrusion Guidelines.

SUBMISSION REQUIREMENTS

- Statement addressing AS 3671 – Road Traffic Noise Intrusion Guidelines.

3.24. SERVICES

OBJECTIVES

- (i) *To ensure that the physical services necessary to support residential flat building development are available in accordance with Council's ESD objective 6.*
- (ii) *To ensure that service facilities are integrated with the design of the development and are suitably sized for the convenience of the occupants.*

DEVELOPMENT CONTROLS

- (a) Development consent will not be granted until arrangements satisfactory to the relevant authorities are made for the provision of services.
- (b) Pump out sewage management systems are not considered acceptable for residential flat building developments.
- (c) Site services and facilities (such as letterboxes, clothes drying facilities and garbage facility compounds) shall be designed so as:
 - To provide safe and convenient access by residents and the service authority; and
 - Be visually integrated with the development and to have regard to the amenity of adjoining development and streetscape.
- (d) All electricity and telephone services on site must be underground.
- (e) Laundries shall be provided to each dwelling.

SUBMISSION REQUIREMENTS

- Preliminary discussions should be held with the service authorities listed below prior to submission of any application. Any advice

- provided by these authorities should be submitted with the application.
- Sydney Water for potable and recycled water, sewage and drainage;
 - Telecommunications carrier for telephones and associated equipment;
 - Energy authority for underground electricity;
 - AGL for gas supplies; and
 - NSW Fire Brigades.
- Documentation to demonstrate how the objectives and development controls are satisfied.

3.25. WASTE MANAGEMENT – STORAGE AND FACILITIES

OBJECTIVES

- (i) *To minimise the overall environmental impacts of waste.*
- (ii) *To maximise, through appropriate design, the opportunities to deal with domestic waste according to the Waste Hierarchy as given in Council's ESD objective 6.*
- (iii) *To provide domestic waste management systems that allow for ease of use by occupants and ease of service by collection contractors.*
- (iv) *To provide waste storage areas that is integrated with the design of the development.*
- (v) *To ensure minimum visual impact of the waste storage facilities.*
- (vi) *To assist in achieving Federal and State Government waste minimisation targets.*

DEVELOPMENT CONTROLS

- (a) Waste collection and separation facilities must be provided for each dwelling. Each dwelling should have a waste storage cupboard in the kitchen capable of holding at least a single days waste, and sufficient to enable separation of recyclable material.
- (b) Adequate storage for waste materials must be provided on site and any such waste must be removed at regular intervals and not less frequently than once per week for garbage and fortnightly for recycling.
- (c) In locating and designing waste storage areas consideration must be given to screening views of the facility from any adjoining property or

public place while still ensuring there is some natural surveillance from within the development to minimise vandalism and other anti-social activity.

- (d) Waste storage areas must be kept clean, tidy and free from offensive odours at all times.
- (e) Bin storage bay(s) is to be:
 - Incorporated into the landscape design of the development, or, where level access is available (grade of <5%), it can be provided in an undercover/basement car park;
 - Of adequate size to store the appropriate number of bins according to the estimated waste generation rate from the total number of units (as given in Appendix A – Waste Management Plan);
 - Accessible by wheelchair; and
 - Designed in accordance with Council's Bin Storage Facility Design Specification. A copy of the specifications is available from Council's Waste Management Co-ordinator or on Council's Website.
- (f) Location of the bin storage bay(s):
 - Must be convenient and accessible to the occupant(s) of the all units; and
 - Must allow 120/240 litre bins to be wheeled to the street kerb over flat or ramped surfaces with a maximum grade of 7% and not over steps, landscape edging or gutters;
 - Must allow the bulk garbage bin(s) to be wheeled out and be serviced by the front loading garbage truck on a flat surface with a maximum grade of 5%, and not over steps, landscape edging or gutters; and
 - Must be in accordance with the Council's Bin Storage Facility Design Specification.
- (g) The design of the bin storage facilities and on-going use by the occupants is to be addressed in the Design of Facilities and On-Going Management sections of the Waste Management Plan as required in the Submission Requirements of section 3.26 – Waste Management Planning.

3.26. WASTE MANAGEMENT PLANNING

OBJECTIVES

- (i) *To promote improved project management and to reduce the demand for waste disposal during demolition and construction.*

- (ii) To maximise, reuse and recycle building/construction materials.
- (iii) To encourage building designs and construction techniques that will minimise waste generation.
- (iv) Minimise waste generation to landfill via the waste hierarchy in accordance with Council's ESD objective 6.
- (v) To assist in achieving Federal and State Government waste minimisation targets.

Demolition

DEVELOPMENT CONTROLS

- (a) Site operations should provide for planned work staging, at source separation, re-use and recycling of materials and ensure appropriate storage and collection of waste.
- (b) Straight demolition should be replaced by a process of selective deconstruction and reuse of materials. Careful planning is also required for the correct removal and disposal of hazardous materials such as asbestos.
- (c) Project management must seek firstly to re-use and then secondly to recycle solid waste materials either on or off site. Waste disposal to landfill must be minimised to those materials that are not re-useable or recyclable.
- (d) When separated, materials are to be kept uncontaminated to guarantee the highest possible reuse value.
- (e) Details of waste sorting areas and vehicular access are to be provided on plan drawings.

Construction

DEVELOPMENT CONTROLS

- (a) Avoid oversupply and waste of materials by careful assessment of quantities needed.
- (b) The use of prefabricated components may reduce waste.
- (c) Re-use of materials and use of recycled material is desirable where possible.
- (d) Site operations should provide for planned work staging, at source separation, re-use and recycling of materials and ensure appropriate storage and collection of waste.
- (e) All asbestos, hazardous and/or intractable wastes are to be disposed of in accordance with WorkCover Authority and Office of Environment and Heritage and Water requirements.

SUBMISSION REQUIREMENTS

- Waste Management Plan

3.27. FENCING

OBJECTIVE

- (i) To ensure that fencing does not detract from the overall visual amenity and character of the area.

DEVELOPMENT CONTROLS

- (a) The fencing materials chosen must protect the acoustic amenity and privacy of courtyards. Courtyard fences shall be constructed of masonry.
- (b) All boundary fencing/ walls fronting a street shall be setback a minimum of 2 metres, to permit landscaping, and shall include recesses and other architectural features.
- (c) All fencing or walls shall be combined and integrated with site landscaping.
- (d) The following fencing or finishes are not acceptable because of its poor visual appearance:
 - Pre-painted solid, metal fencing; or
 - Rendered finishes where the entire fence is fully rendered.

SUBMISSION REQUIREMENT

- Fencing details for the site, clearly showing the location, height and type of proposed fencing is to be submitted as part of the development application.

3.28. DEVELOPER CONTRIBUTIONS

Applicants should consult with Council's Section 94 Contributions Plan and Council Officers to determine the required amount of Section 94 Contributions payable.

4. INFORMATION REQUIRED FOR A DEVELOPMENT APPLICATION

In preparing plans applicants must also address the submission requirements listed in section 3 of this Section of the DCP relevant to the application. The following plans and details will be required with all residential flat building applications along with the relevant application form(s).

STATEMENT OF ENVIRONMENTAL EFFECTS (8 Copies)

SITE PLANS (8 Copies)

SITE ANALYSIS (8 copies)

- Refer to section 3.2.

ARCHITECTURAL PLANS (8 Copies)

- Internal layout of unit/building (existing and proposed)
- Elevations

PRELIMINARY ENGINEERING DRAINAGE PLANS (8 copies)

- Including any On Site Detention Plans

LANDSCAPE PLAN (8 copies)

- These plans are to be in accordance with Part C Section 3 - Landscaping.

EARTHWORKS PLAN (8 Copies)

SIGNAGE PLANS (4 Copies)

- See Part C Section 2- Signage

STREETSCAPE PERSPECTIVE (1 Copy)

MODEL

- For all developments comprising 10 or more units a scale model must be provided including

adjoining properties at the time of the submission of the development application and be on display for the duration of the public exhibition period.

- Should a model not be submitted with the application, an immediate "stop the clock" order be placed on the development application until the model is presented.

WASTE MANAGEMENT PLAN (8 Copies)

DESIGN VERIFICATION

- As per SEPP 65 requirements.

BASIX CERTIFICATE

5. REFERENCES

Australian Council of Business Design Professionals, (2000) BDP Environment Design Guide.

Baulkham Hills Shire Council, 1997 Residential Development Strategy.

Baulkham Hills Shire Council, 1999 Urban Capability Assessment of Residential 2(a) Zones in Baulkham Hills Shire.

Baulkham Hills Shire Council, 2002 Making Access For All.

Department of Urban Affairs and Planning and the NSW Government Architect, 1998 Better Urban Living – Guidelines for Urban Housing in NSW.

Department of Urban Affairs and Planning State Environmental Planning Policy No. 53 - Metropolitan Residential Development.

Department of Urban Affairs and Planning State Environmental Planning Policy No. 65 – Design Quality of Residential Flat Development.

Donovan I, Cameron C, and Coombes P (1999). Water Sensitive Urban Development: Model Planning Provisions. Lake Macquarie City Council, Speers Point, on behalf of the Lower Hunter and Central Coast Environmental Management Strategy.

ERM Mitchell McCotter 1991, Baulkham Hills Shire Residential Development and Traffic Study, Prepared on behalf of Baulkham Hills Shire Council.

Faculty of the Constructed Environment, RMIT University et al, Australia's Guide to Good Design – Residential, Prepared on behalf of the National Office for Local Government.

NSW Planning Department, 2002, Residential Flat Design Code, Tools for improving the design of residential flat buildings.

APPENDIX A - DEVELOPMENT CONTROL CALCULATIONS/COMPLIANCE SHEET

Give appropriate detail and/or explanation where applicable to demonstrate compliance (or non-compliance) with the development controls in this Section of the DCP.

Development Controls		Proposed Development	Compliance
1	3.1 Site Requirements ➤ Min. frontage – 30m		
2	3.3 Setbacks – Building Zone ➤ 5 metres clear of existing trees (or the drip line) ➤ Complies with Table 1		
3	3.4 Building Heights		
4	3.5 Building Separation and Treatment 12 metre building separation		
5	3.6 Landscaped Area – 50%		
6	3.7 Building Length – max 50 metres		
7	3.8 Building Design & Streetscape		
8	3.9 Urban Design Guidelines Demonstrate conformity with "Baulkham Hills Multi Unit Housing – Urban Design Guidelines 2002".		
9	3.10 Density ➤ 150-175 persons per Ha		
10	3.11 Unit Layout and Design ➤ 1 bedroom – 75m ² ➤ 2 bedroom – 110m ² ➤ 3 bedroom – 135m ²		
11	3.13 Open Space Private: ➤ Ground level – min 4 metres x 3 metres ➤ Above ground – min 10m ² , min. depth 2.5 metres Common: ➤ 20m ² per dwelling		

	Development Controls	Proposed Development	Compliance
12	3.14 Solar Access <ul style="list-style-type: none"> ➤ Adjoining buildings & / open space areas – four hours between 9am & 3pm on 21 June ➤ Common open space – four hours between 9am & 3pm on 21 June 		
13	3.17 Stormwater Management		
14	3.19 Car parking Rate per unit & visitor parking: <ul style="list-style-type: none"> ➤ 1 bedroom – 1 space ➤ 2 or 3 bedroom – 2 spaces ➤ Visitor – 2 spaces per 5 dwellings ➤ Lockable single garages min. dimension – 5.5 metres x 3 metres (exclusive of storage) ➤ Lockable double garages min. dimension – 5.5 metres x 5 metres (exclusive of storage) ➤ Visitor parking dimensions – 5.5 metres x 2.6 metres Manoeuvring and ramps: <ul style="list-style-type: none"> ➤ The first 6 metres of the driveway inside the property boundary to be a maximum of 5% ➤ Ramp grades comply with Australian Standard 2890.1 ➤ Manoeuvring in accordance with Australian Standard 2890.1 		
15	3.20 Storage 10m ³ with an area 5m ² and dimension 2 metres.		
16	3.21 Adaptability, Pedestrian Access & Safety <ul style="list-style-type: none"> ➤ Lift provided if greater than 2 storeys Accessible housing: <ul style="list-style-type: none"> ➤ 1 unit in a development < 20 units, or ➤ 5% in a development >20 units 		

MINUTES of the duly convened Ordinary Meeting of The Hills Shire Council held in the Council Chambers on 8 July 2014

rise to "offensive noise" as defined under the *Protection of the Environment Operation Act 1997*.

58. Domestic Waste Management

Engagement of a caretaker or manager responsible for the movement of all recycling bins to the kerb of Caddies Boulevard on the allocated day of collection and returning the empty bins to their storage place inside the building as soon as possible the same day as collection. Caretaker or manager responsibilities shall also include the following:

- Washing of bins and the bin storage area;
 - Arranging for the prompt removal of dumped rubbish; and
- Ensuring all residents are informed of the waste arrangements.

Being a planning matter, the Mayor called for a division to record the votes on this matter

VOTING FOR THE MOTION

Clr Dr Byrne (Mayor), Clr Harty OAM, Clr Dr Lowe, Clr Preston, Clr Taylor, Clr Jefferies (Deputy Mayor), Clr Haselden

VOTING AGAINST THE MOTION

Clr Tracey, Clr Thomas

ITEM-2

DEVELOPMENT CONTROLS FOR RESIDENTIAL FLAT BUILDINGS (FP92)

A MOTION WAS MOVED BY COUNCILLOR JEFFERIES AND SECONDED BY COUNCILLOR PRESTON THAT the Recommendation contained in the report be adopted.

THE MOTION WAS PUT AND CARRIED.

382 RESOLUTION

The Draft The Hills Development Control Plan 2012 (Part B Section 5 – Residential Flat Buildings, Part D Section 6 – Rouse Hill Regional Centre, Part D Section 8 – Norwest Residential Precinct, Part D Section 12 – Carlingford Precinct, Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills) be publicly exhibited.

Being a planning matter, the Mayor called for a division to record the votes on this matter

VOTING FOR THE MOTION

Clr Dr Byrne (Mayor), Clr Harty OAM, Clr Tracey, Clr Thomas, Clr Dr Lowe, Clr Preston, Clr Taylor, Clr Jefferies (Deputy Mayor), Clr Haselden

VOTING AGAINST THE MOTION

None

ITEM-2	DEVELOPMENT CONTROLS FOR RESIDENTIAL FLAT BUILDINGS (FP92)
THEME:	Balanced Urban Growth
OUTCOME:	7 Responsible planning facilitates a desirable living environment and meets growth targets.
STRATEGY:	7.2 Manage new and existing development with a robust framework of policies, plans and processes that is in accordance with community needs and expectations.
GROUP:	STRATEGIC PLANNING
AUTHOR:	FORWARD PLANNING COORDINATOR BRENT WOODHAMS
RESPONSIBLE OFFICER:	MANAGER FORWARD PLANNING STEWART SEALE

EXECUTIVE SUMMARY

This report recommends that amendments to the following sections of The Hills Development Control Plan 2012 be publicly exhibited.

- Part B Section 5 – Residential Flat Buildings;
- Part D Section 6 – Rouse Hill Regional Centre;
- Part D Section 8 – Norwest Residential Precinct;
- Part D Section 12 – Carlingford Precinct; and
- Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills.

As Sydney continues to grow there will be a reliance upon a greater proportion of higher density development and Council will need to ensure that the type of dwellings being delivered are appropriate to meet the needs and expectations of future residents. In order to ensure that housing within the LGA is affordable it is imperative that there is an appropriate diversity of housing options in the marketplace. Recent planning policy by the State has sought to increase housing diversity by mandating smaller apartments and houses as a measure to reduce the cost of housing and counter the disproportionately large number of detached houses within the market. However it is considered that this position has led to the perception that the solution to the housing affordability issue is simply to construct smaller dwellings.

The above position is not supported as it is considered that a diversity of housing in new and established areas can help to meet the various needs of residents. Whilst smaller apartments should be provided to meet the needs of a certain demographic within the market, moderate and larger apartments should also be provided to alleviate demand on the smaller and more affordable housing options. If moderate and larger apartments are not provided those who desire and have the financial capacity to purchase a larger apartment will be forced into purchasing a smaller apartment. This will have the effect of increasing the demand and value of the smaller apartments which will impact on the capacity of lower income earners to enter into the housing market.

Whilst there are a number of factors which impact on housing affordability and the price of housing, Council must ensure that the type of housing being provided is appropriate to meet the needs of all future household compositions and incomes. In order to achieve this, draft apartment mix and size controls have been prepared.

The recommended controls were prepared having specific regard to Principle 9 of *State Environmental Planning Policy 65 -Design Quality of Residential Flat Development* and will facilitate diverse housing options to improve housing affordability. The controls require the provision of a mix of 1, 2 and 3 bedroom apartments and the provision of a range of apartments sizes, including 30% at the SEPP 65 'affordable housing' rates identified within SEPP 65. The adoption of apartment mix and size controls will support a request to the Minister for Planning for an exemption to Clause 30A of *State Environmental Planning No.65*.

BACKGROUND

Sydney's population is expected to grow by over 1 million people over the next 20 years. In order to accommodate this population growth, apartment living will over time represent a larger proportion of the overall housing mix. It is therefore important that this housing typology is not based on diluting development standards. Rather planning policy should ensure that apartment living is a highly desirable lifestyle choice for future residents. This means there must be diversity of choice in both apartment sizes and also apartment mix.

As part of the assessment of high density residential development consideration must be afforded to *State Environmental Planning Policy 65 – Design Quality of Residential Flat Development* (SEPP 65). SEPP 65 was first introduced in 2002 with the principal aim of improving the overall quality of residential flat development in New South Wales by establishing consistent objectives and processes within the planning system. This was followed in September 2002 by the Residential Flat Design Code (RFDC), a design guideline which provided discussion, analysis, examples and principles, primarily structured as a tool for developers and development assessment officers.

In order to achieve its principal aims the SEPP established ten (10) key principles for good design which provide guidance for evaluating the merit of design solutions. The ten (10) principles are listed below:

- Principle 1 – Context;
- Principle 2 – Scale;
- Principle 3 – Built Form;
- Principle 4 – Density;
- Principle 5 – Resource, Energy and Water Efficiency;
- Principle 6 – Landscape;
- Principle 7 – Amenity;
- Principle 8 – Safety and Security;
- Principle 9 – Social Dimensions and Housing Affordability; and
- Principle 10 – Aesthetics.

When determining applications for residential flat development consent authorities must consider:

- The advice of the relevant design review panel (if any);
- The design quality evaluated against the ten design quality principles; and
- The Residential Flat Design Code (prepared to support the SEPP 65).

Clause 30A of SEPP 65 specifies that a consent authority cannot refuse consent to a development application for a residential flat development on the grounds of ceiling height or apartment area if the proposal complies with the minimum controls identified within Part 3 of the Residential Flat Design Code. The Code includes a 'rule of thumb' relating to the provision of affordable housing which states that *"if council chooses to standardise apartment sizes, a range of sizes that do not exclude affordable housing should be used. As a guide, the Affordable Housing Service suggests the following minimum apartment sizes, which can contribute to housing affordability (apartment size is only one factor influencing affordability):*

- 1 bedroom apartment 50m²;
- 2 bedroom apartment 70m²;
- 3 bedroom apartment 95m²."

A comparison of the affordable housing sizes as identified within SEPP 65 and the apartment size controls contained within Development Control Plan 2012 are included within the following table.

	SEPP 65	The Hills DCP 2012			
	Affordable Housing Sizes	Residential	Carlingford Precinct (Northern)	Carlingford Precinct (Southern - Max. 10% of units)	Norwest Residential
1 bedroom	50m ²	75m ²	75m ²	65m ²	75m ²
2 bedrooms	70m ²	110m ²	110m ²	90m ²	110m ²
3 bedrooms	95m ²	135m ²	135m ²	110m ²	135m ²
4 bedrooms	-	-	-	-	145m ²

Table 1
Apartment Size Comparison

Note: In the Southern Precinct of Carlingford the remaining unit sizes are required to be the same as the Northern Precinct.

Recent experience has found that developers rely upon the "rule of thumb" apartment sizes and ignore the site specific apartment size controls established within Council's Development Control Plan. This approach is considered to be in direct conflict with Principle 9 of SEPP 65 which requires that new developments should:

- *Optimise the provision of housing to suit the social mix and needs in the neighbourhood or, in the case of precincts undergoing transition, provide for the desired future community.*
- *Address housing affordability by optimising the provision of economic housing choices and providing a mix of housing types to cater for different budgets and housing needs.*

In order to identify the effectiveness of the existing controls an analysis has been undertaken of residential flat developments approved within The Hills Shire between July 2012 and March 2014. Based on this analysis it was identified that ten (10) residential flat developments have been approved, which comprised a total yield of 957 units. Of these, 661 units did not comply with Council's apartment size requirements which equates to 69% of the total approved apartments. Of particular note, six (6) of the

developments were approved with more than 85% of the apartments not complying with Council's apartment size requirements.

In July 2013 a Section 96 Modification was approved by the Sydney West Joint Regional Planning Panel (JRPP) for an 18 storey apartment development in Carlingford. Not a single apartment size within the development complied with Council's development control plan and the apartment mix changed from a predominance of two (2) and three (3) bedroom units to a majority of small one (1) bedroom units.

Whilst Clause 30A(2) of SEPP 65 seeks to emphasise the need for adequate regard to be given to the design quality principles, in practice this simply does not occur. The "Rule of Thumb" controls have become the norm for development applications, to the detriment of providing housing diversity and choice for future residents. This practice is resulting in development that is inconsistent with the principles of providing a diversity of housing choice and fails to provide adequate opportunities for families to choose to live in these locations.

REPORT

This report reviews the type of housing that future population will demand having regard to the existing property market and recommends appropriate apartment mix controls for all residential flat developments and apartment size controls for large scale residential flat buildings which contain 30 or more residential apartments. The draft apartment mix and size controls have been prepared in a manner consistent with Principle 9 of SEPP 65 and better reflect the needs and expectations of future households. Without the imposition of some form of control on the size and mix of apartments it is likely that the market will opt for dwelling sizes that will generate the highest return for developers at the expense of housing affordability and diversity.

Based on an analysis of past development approvals there does not appear to be an issue with medium density townhouse style developments within the Shire. Rather the issues primarily relate to high density residential flat buildings where the type and mix of apartments being provided is inadequate and fails to meet the diverse needs of future residents.

1. Housing Demand

The demand for housing is generally recognised as the combination of preferences (what people ideally want) and constraints (how much they can afford, and what things cost). A Gratten Institute report titled 'The Housing We'd Choose' dated June 2011 explored the relationship between housing people say they want and the housing which is available within the existing property markets of Sydney and Melbourne. The report explores the hypothesis that the housing supply which is available within the markets do not match the choices and trade-offs that people would make if they could.

As part of this analysis, a survey of 706 people was carried out. Each respondent was asked to prioritise housing features from a list of 57 variables relating to both dwelling and locational attributes. In terms of the characteristics that people most demand the results indicated that when choosing dwellings people generally give priority to the number of bedrooms, having a house with a garage, and ample living space. With respect to location respondents said they preferred to live in a safe neighbourhood, close to family, friends, shopping, and public transport. The order of preference of various housing characteristics is included within the following figure.

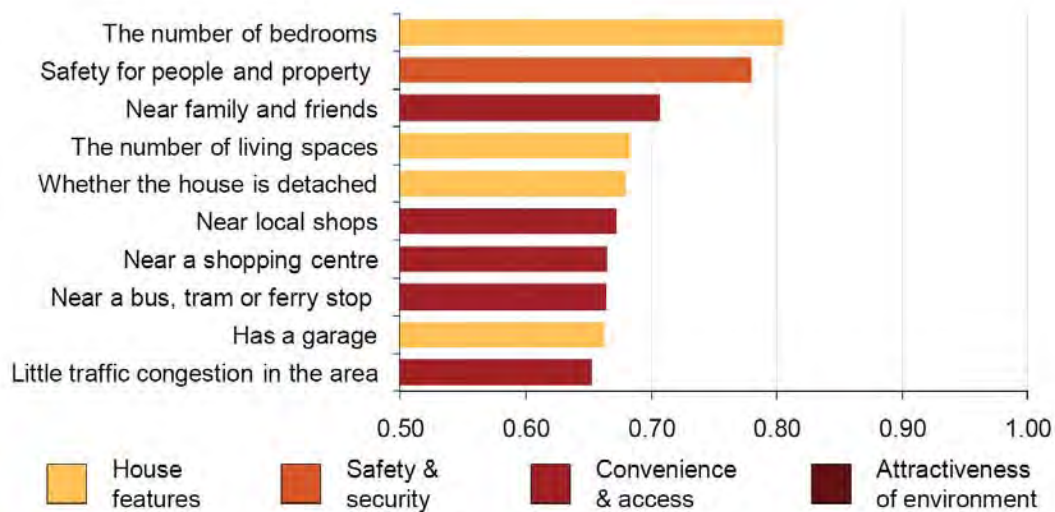


Figure 1
'What Matters Most' Results (Grattan Institute 2011)

The analysis also sought to identify how households trade off the preferred attributes when faced with real world costs and budgetary constraints. Within The Hills Shire, the trade-of analysis (which took into account the respondents' financial means) indicated that there is a significant shortage of semi-detached houses and apartment within buildings of 4 or more storeys.

In order to obtain qualitative results the Grattan Institute carried out a number of focus groups which were divided by household type and age. The key feedback received as part of these focus groups was the importance of inside space. The number of bedrooms and the size of the living areas were emphasised. The respondents suggested that 'space offered freedom, flexibility and privacy'.

Lack of space was nominated as one of the primary reasons to reject a house. With respect to apartments respondents raised a number of concerns including that apartments are too small with insufficient outdoor space. There was also significant concern raised regarding the quality of apartment stock in terms of noise and acoustic privacy. In pursuing integrated transport and planning policy, whereby greater density is encouraged around transport nodes, planning controls need to be established to address and where possible alleviate the perceived concerns with this form of housing.

2. Housing Affordability

An analysis of the trends in the broader housing market and the affordability of housing within the Hills Shire are included as an attachment to this report. The key outcomes of this analysis are detailed below.

Over the past 18 months the value of property within the Sydney market has risen substantially. According to statistics released by the Australian Bureau of Statistics (ABS), Sydney continues to drive residential property price increases. The Residential Property Price Index (RPPI) for Sydney rose 2.3% in the March quarter 2014 with established house prices for Sydney rising by 2.4% and attached dwellings rising by 2%. In the 12 months to March 2014 house prices rose by 15.2% which was the largest increase of all of the capital cities.

There are a number of factors which influence property values. One of these factors is housing supply which is considered to be a contributing factor in the recent increase in the real property values for Sydney. It is widely acknowledged that the population within the Sydney Region has continued to grow at a faster rate than previously envisaged, yet the delivery of new homes has not occurred in line with the growth in population. This shortfall in the supply of housing ultimately places upward pressure on real property values. If the supply of housing is not addressed, and does not increase in-line with population growth, there will continue to be significant upward pressure on property values.

In addition to housing supply, another contributing cause of the rise in real property values is the record low interest rate which is impacting on the housing markets within all of Australia's capital cities. The official interest rate was reduced to 2.5% in August 2013 and has remained at this low rate as a measure to stimulate a declining economy resulting from the winding down of the mining boom.

When analysing the trends in apartment and townhouse style development it is important to observe the Attached Dwelling Price Index (ADPI). This index measures the price change of attached dwellings which includes flats, apartments, semi-detached, row and terrace houses. Over the past ten (10) years the ADPI for Sydney has increased by approximately 30.34%, with a 13.7% increase occurring within the 12 months to March 2014. The most recent increase of this size occurred in 2009-2010 where the quarterly index increase reached between 13-14%.

With a specific focus on The Hills Shire LGA, the following graph shows both the mean (average) and median (mid-point) cost of residential dwellings within The Hills Shire between March 2009 and March 2014. Since 2009 the median price of all residential dwellings has increased by approximately 54% with a 21% increase occurring over the 12 months to March 2014. An interesting point to note is that the median price of residential dwellings within The Hills Shire is approximately 20% higher than the median price for established houses within the remainder of the Sydney Region.

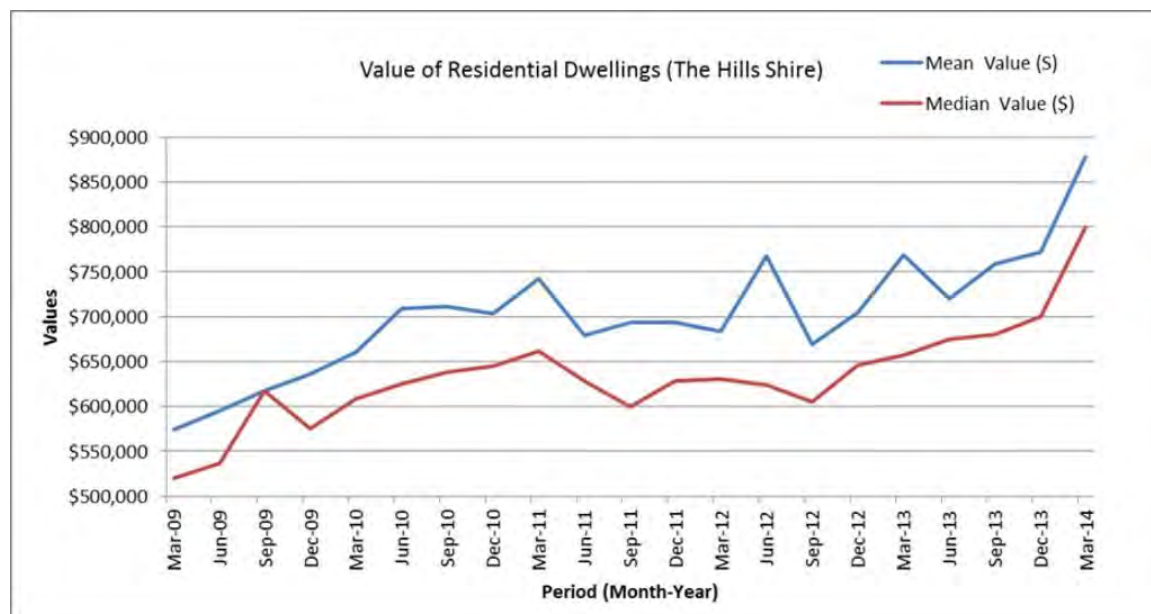


Figure 2
Value of Residential Dwellings

The rate that residential property values are increasing is progressively pushing first home buyers out of the market as they have less financial capacity to purchase. First home buyers experience greater difficulty as they are restricted by the cost of saving for a deposit, the upfront fees, and generally have limited equity when compared to owner occupiers already in the market.

Within NSW first home buyers have generally averaged around 20% of all house purchases. However since the early 2000s the first home buyer market has experienced significant instability reaching a monthly peak of 34% in February 2009. As stated by Steven Rowley and Rachel Ong in their 2012 report titled *Housing Affordability, Housing Stress and Household Wellbeing in Australia*, 'this is largely due to rising house prices and government policies to stimulate demand, notably the first home owners grant boost'. However, since September 2012 there has been a considerable reduction in the proportion of first home buyers entering the market, with an average of less than 8%. This is the lowest rate experienced since pre 1991.

Analysis has been undertaken of the number of First Home Owner Grants issued within The Hills Shire as a proportion of the total residential sales between March 2010 and March 2014. The results are included within the following graph. The trend in the proportion of first home owners over the period is shown by the red line and the trend in the median sale price over the period is shown by the blue line.

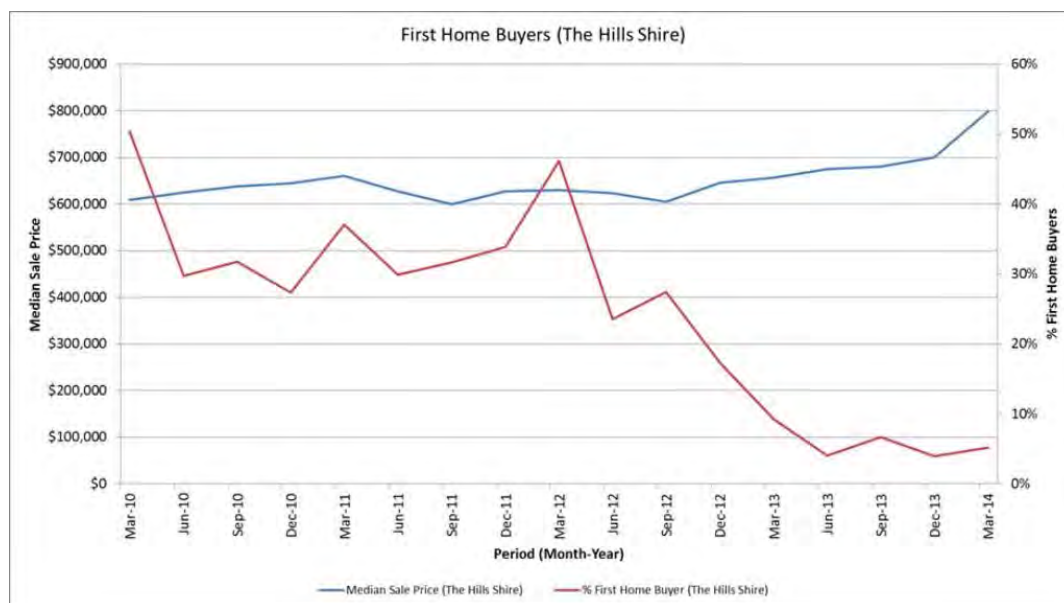


Figure 3
First Home Buyers (The Hills Shire LGA)

Between March 2010 and March 2014 there has been considerable instability in the first home buyer market of The Hills Shire, which has largely been influenced by progressive changes to the First Home Buyers Scheme. Over the period the proportion of first home buyers within The Hills Shire property market has reduced to 5.21%, reaching a low of 3.94% in December 2013. Similar to the broader trend within NSW, the proportion of first home buyers entering the residential market within The Hills Shire has fallen considerably.

Based on the above trends it is apparent that first time home buyers are turning away from the owner occupied market. This could in part be due to the sharp increase in property values which has impacted on financial capacity of first home buyers to enter

the market. It could also be the result of property investors taking advantage of the record low interest rates. If the low interest rates remain property investors could continue to dominate the real estate market as they can use equity from their existing home and have greater financial capacity to purchase homes before first home buyers.

Housing Costs

Households purchasing their dwelling within The Hills Shire have a median mortgage repayment of approximately \$2,570 which is \$403 more (+18.5%) per month than the Greater Sydney Region. In addition to this, approximately 43.1% of all households within The Hills Shire fall within the highest housing loan repayment quartile (more than \$2,854 per month) compared with 31.8% for the Greater Sydney Region. A comparison of the monthly home loan repayments between The Hills Shire and the Greater Sydney Region is included in the following graph.

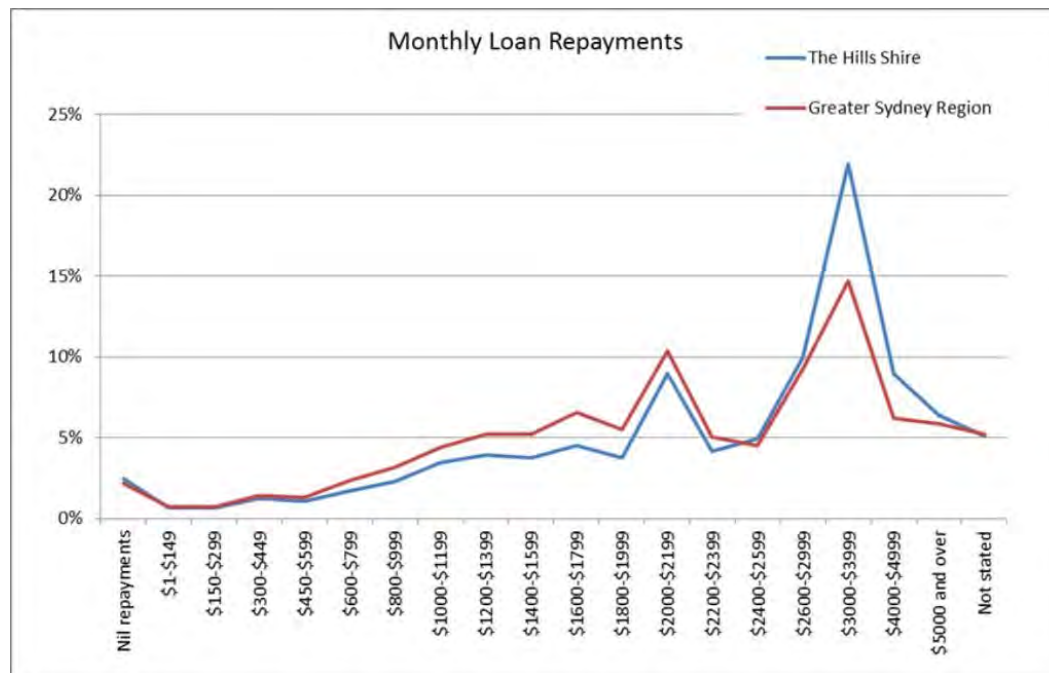


Figure 4
First Home Buyers (The Hills Shire LGA)

Income is an important consideration when deciding on a household's capacity to make loan repayments in full and on time. When the housing prices increases the proportion of household income that must be allocated to mortgage repayments also increases. This reduces housing affordability as higher cost of housing leaves less disposable income which ultimately impacts upon the standard of living of households.

3. Key Demographic Trends

A demographic analysis has been conducted to identify the existing and likely housing issues facing the Shire. The analysis has identified key demographic trends which will need to be taken into account as part of future land use planning policy for The Hills Shire.

Smaller Household Size

The average household size within The Hills Shire has been declining continually for the past 30 years and has reduced from 3.16 to 3.08 between 2006 and 2011. Between 1991 and 2011 the percentage of 1 and 2 person households increased by 3.5% and 5.8% respectively. On the other hand the percentage of households with three (3) or more people has reduced from 68.9% to 59.5%. It is projected that in the medium to long term the average occupancy rate will reduce to below 3 persons per household. As this trend continues there will be gradual increase in demand for a greater diversity of housing options.

Household Diversity

The change in the composition of households within The Hills Shire between 1991 and 2006 are shown in the following graph.

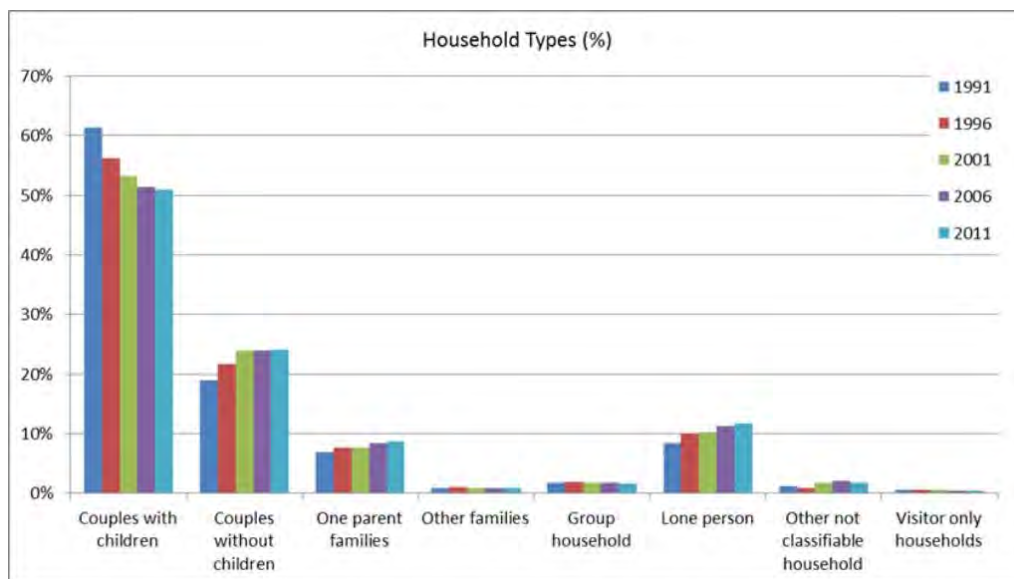


Figure 5
Household Types – The Hills Shire

As can be seen there has been a gradual decline in the proportion of couples with children and a corresponding increase in the proportion of households containing a lone person or couples without children. Over time this trend will increase demand for a wider variety of dwelling types and sizes.

Country of Birth

In 2011 the proportion of The Hills Shire residents that were born overseas was 32.6% with 24.4% originating from non-English speaking backgrounds. The largest changes in countries of origin between 2001 and 2011 were as follows:

- China (+3,810 persons);
- India (+2,497 persons);
- South Korea (+1,360 persons); and
- Sri Lanka (+1,158 persons).

The following graph shows the key changes in birthplace of residents within The Hills Shire between 2001 and 2011.

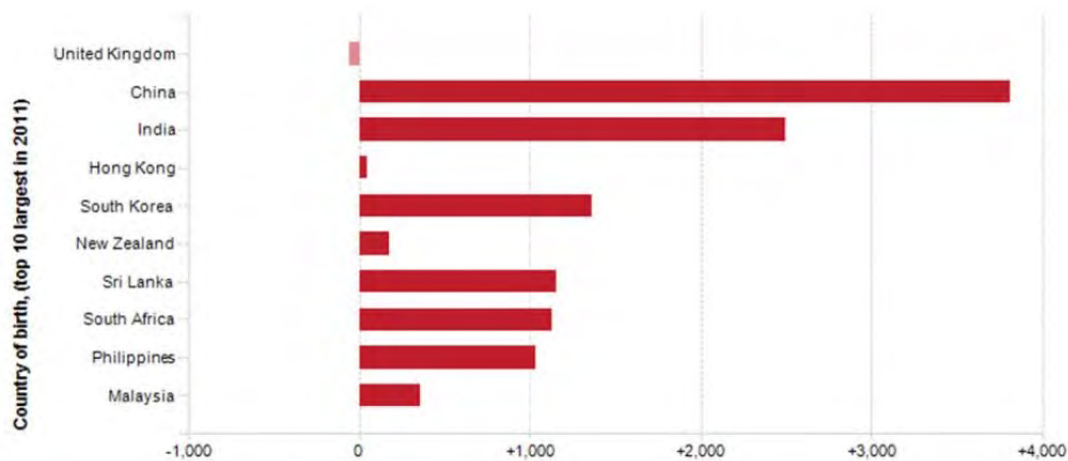


Figure 6
Change in Birthplace – The Hills Shire (2001-2011)

Aging Population

Between 1996 and 2011 the median age of residents within The Hills Shire increased from 34 to 38. The following figure shows the trend in the age structure from 1996 to 2011. Of particular note is the significant decline in the proportion of residents aged between 25 and 34 which reduced from 19.59% in 2001 to 16.94% in 2011.

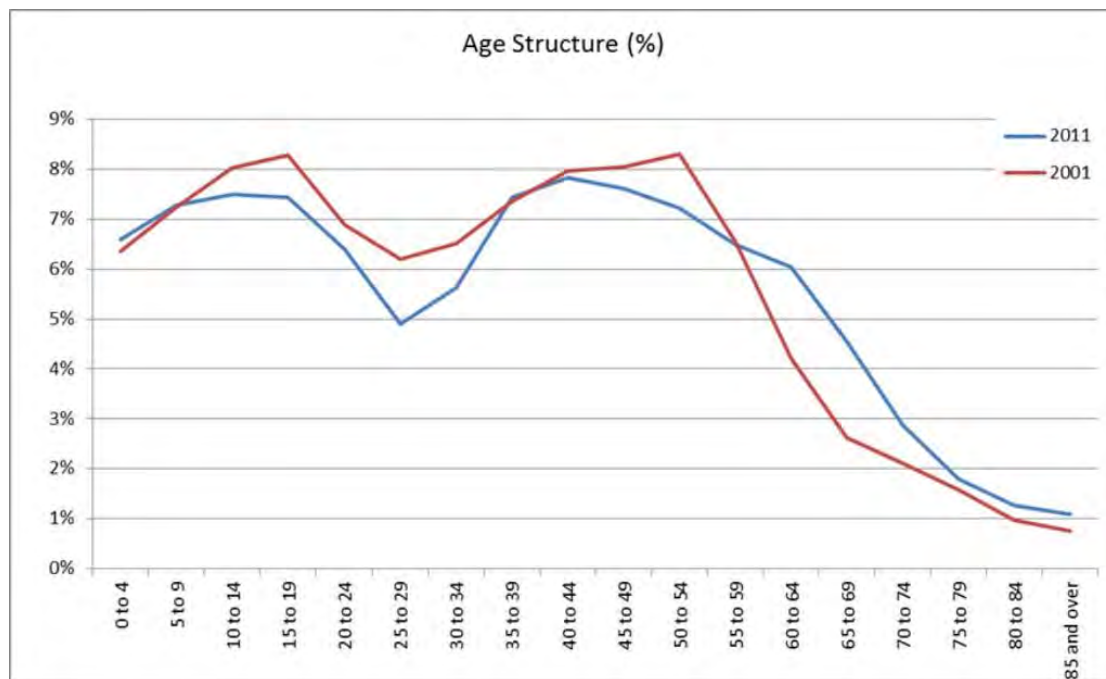


Figure 7
Age Structure – The Hills Shire

Similar to broader national trend, the life expectancy of residents within The Hills Shire is increasing. The proportion of residents aged over 60 has increased by 5.42% from 12.25% in 2001 to 17.66% in 2011. In order to address the issue of an aging population it is essential that a variety of home options are provided that suit the needs of elderly people and those that wish to down-size and age in place.

Loss of Young Adults

As could be seen in the age comparison graph, The Hills Shire has continued to experience a decline in the proportion of young adults. The continual decline in the proportion of residents within this age group could partially be attributed to the high cost of housing, where these residents are forced into other more affordable locations to seek housing options. In addition to housing affordability, there are a number of other possible reasons for the decline in this bracket, including the location of tertiary education facilities and a desire for people within this age group to live within other areas which contain a higher proportion of young adults.

4. Housing Diversity

Within The Hills Shire the proportion of medium or high density dwellings increased from 15% to 16% between 2006 and 2011. Whilst there has been a minor increase in the proportion of medium and high density housing within The Hills Shire, the overall proportion is still considerably low when compared with the dwelling structure of the Greater Sydney Region where approximately 40% of dwellings are either medium or high density. In addition to this approximately 61% of all dwellings within the Shire contained four (4) or more bedrooms. This is considerably high when compared to the Greater Sydney Region where the proportion of dwellings with four (4) or more bedrooms was 28%. The following graphs provide a snapshot of the dwelling structure and number of bedrooms per dwelling within The Hills Shire compared to the Greater Sydney Region.

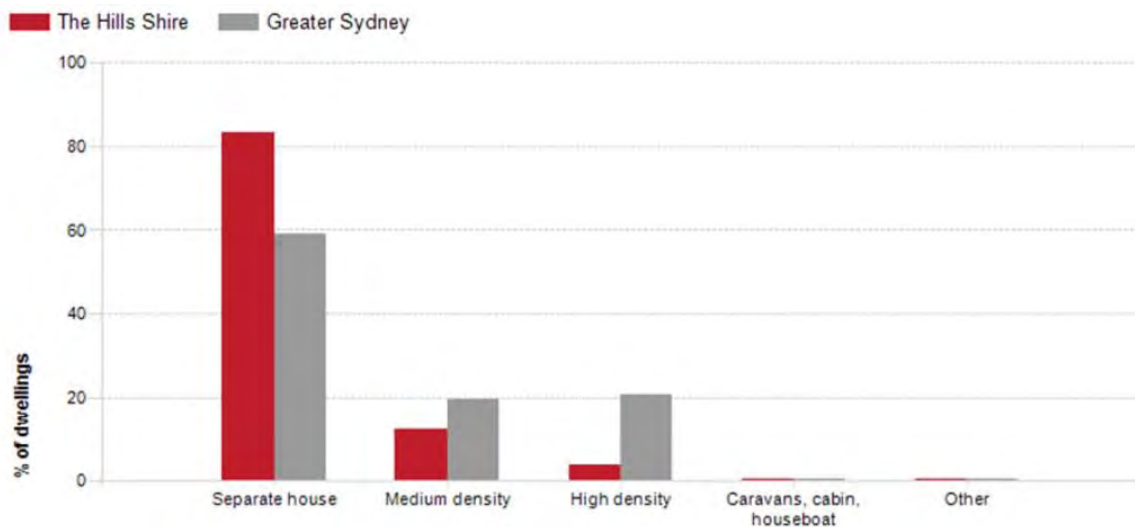


Figure 8
Dwelling Structure 2011 (profile.id)

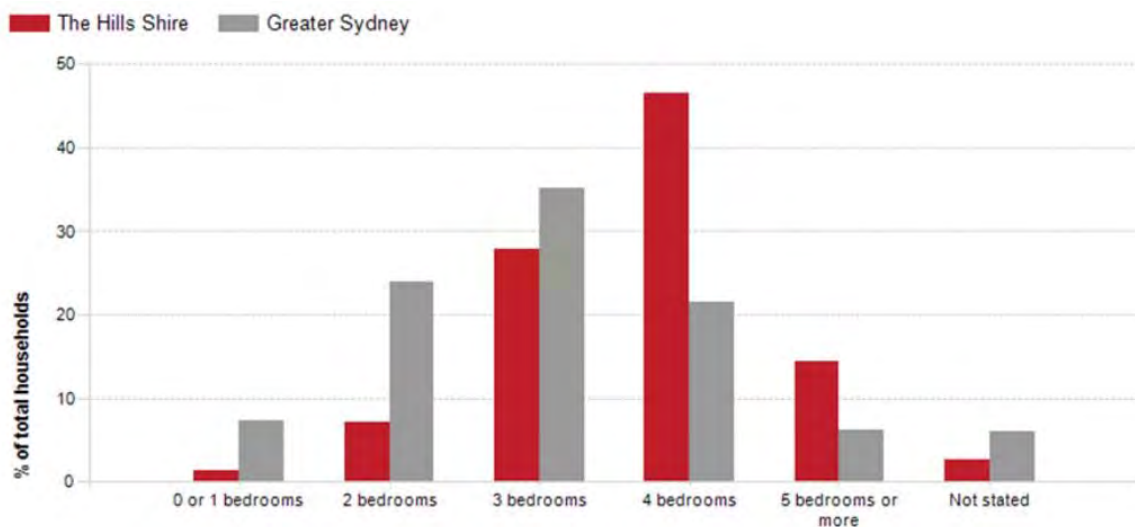


Figure 9
Number of Bedrooms 2011 (profile.id)

There is a significant variation between the average number of bedrooms within The Hills Shire and the Greater Sydney Region. This is likely the result of the larger proportion of detached dwelling within the LGA which comprise 83.5% of the dwelling stock compared with the Greater Sydney Region where the detached dwellings make up 59% of all dwellings.

The average household size (persons per household) within The Hills Shire is much larger than the Greater Sydney Region with approximately 60% of all households containing three (3) or more occupants. By contrast only 46.7% of dwellings within the Greater Sydney Region contain three (3) or more occupants. In addition to this there is a larger proportion of high income households (those earning \$2,500 per week or more) and a lower proportion of low income households (those earning less than \$600 per week). Accordingly, it is also understandable that The Hills Shire has a higher proportion of detached houses with four (4) or more bedrooms as the residents generally have the financial capacity to afford this form of housing.

Whilst the housing stock is generally appropriate to meet the needs and expectations of its existing residents, there will be a growing need to provide a greater diversity of housing options as the population within the Shire continues to grow and live longer. Through its land use planning policy Council has maintained a planned and deliberate approach to managing urban growth. This includes the identification of high density areas within precincts that show capacity to accommodate further growth with the result being increased population around town centres and major transport nodes.

As there will be a greater proportion of higher density development Council will need to ensure that the type of dwellings being delivered are appropriate to meet the needs and expectations of future residents. In order to ensure that housing within the LGA is affordable it is imperative that there is an appropriate diversity of housing options in the marketplace. Recent planning policy by the State has sought to increase housing diversity by mandating smaller apartments and houses as a measure to reduce the cost of housing and counter the disproportionately large number of detached houses within the market. However it is considered that this position has led to the perception that the solution to the housing affordability issue is simply to construct smaller dwellings.

The above position is not supported as it is considered that a diversity of housing in new and established areas can help to meet the various needs of residents. Whilst smaller apartments should be provided to meet the needs of a certain demographic within the market, moderate and larger apartments should also be provided to alleviate demand on the smaller and more affordable housing options. If moderate and larger apartments are not provided those who desire and have the financial capacity to purchase a larger apartment will be forced into purchasing a smaller apartment. This will have the effect of increasing the demand and value of the smaller apartments which will impact on the capacity of lower income earners to enter into the housing market.

In the long term as Sydney and The Hills Shire grow, high density housing is going to play an increasingly important role in supporting population growth. In order to accommodate this population, planning policy should be framed in a manner which ensures that these places become a highly desirable lifestyle choice for future residents. In order for this to occur there must be diversity of choice in both apartment sizes and also apartment mix.

5. Proposed Controls

Whilst there are a number of factors which impact on housing affordability and the price of housing, it is important that the type of housing being provided is appropriate to meet the needs of all future household types and incomes. In order to achieve this, draft apartment mix and size controls have been prepared. The draft amendments to The Hills Development Control Plan 2012 are included as attachments to this report. The draft controls and the methodology supporting the controls are provided below.

Apartment Mix

With respect to apartment mix an assessment of apartment types (number of bedrooms) based on ABS 2011 data has been undertaken for households within 800 metres of other transit centres within the Greater Sydney Region. The centres were measured from each railway station and included land zoned for either mixed use or high density residential development. The analysis found the following:

- The percentage of one (1) bedroom dwellings ranged between 10-25% compared with the 7.3% average for the Greater Sydney Region.
- The percentage of two (2) bedroom dwellings ranged between 43-77% compared with the 23.9% average for the Greater Sydney Region.
- The percentage of dwellings with three (3) or more bedrooms ranged between 13-40% compared with the 62.9% average for the Greater Sydney Region.

It is considered appropriate that high density development within locations which have access to high frequency public transport services should comprise a mix of apartments, consistent with the mix provided at other transit centres. In this regard it was recommended that the following controls be implemented:

- No more than 25% of the dwelling yield is to comprise either studio or one (1) bedroom apartments; and
- No less than 10% of the dwelling yield is to comprise apartments with three (3) or more bedrooms.

Apartment Size

In determining the most appropriate distribution of apartment sizes an analysis of the weekly income of households within The Hills Shire based on ABS 2011 data has been undertaken. The average weekly household incomes of residents within the Hills Shire are included within the following table.

Weekly Household Income - The Hills Shire (2011)		
Weekly income	Income Bracket	Income Bracket (%)
Negative Income/Nil - \$599	Very Low	11.6
\$600-\$1,249	Low	17.9
\$1,250-\$2,499	Moderate	30.3
\$2,500 - \$3,499	High	24.8
\$3,500 or more	Very High	15.4

Table 2
Weekly Household Income (The Hills Shire)

Based on the above household income brackets the following key points are noted.

- 29.5% of households were in the very low and low income brackets (Nil to \$1,249 per week);
- 30.3% of households were in the moderate income bracket (\$1,250 to \$2,499 per week); and
- 40.2% of households were in the high and very high income bracket (\$2,500 or more per week).

The above brackets have been identified by the Centre for Affordable Housing as a factor in assessing affordability. As can be seen there is a distinct range of household incomes within the Shire and accordingly the diversity of apartment sizes should be provided to reflect range of household incomes.

For residential flat developments (containing 30 or more apartments) three (3) distinct apartment size categories have been identified. The Type 1 category consist of the 'affordable housing' sizes as recommended within SEPP 65, the Type 3 category consists of Council's existing apartment size controls, and the Type 2 category is generally a mid-point between Types 1 and 3 size categories.

Apartment Size Category	Apartment Size	Source
Type 1		
1 bedroom	50m ²	Affordable Housing (SEPP 65)
2 bedroom	70m ²	
3 or more bedrooms	95m ²	
Type 2		
1 bedroom	65m ²	Mid-Point
2 bedroom	90m ²	
3 or more bedrooms	120m ²	
Type 3		
1 bedroom	75m ²	The Hills DCP 2012
2 bedroom	110m ²	
3 or more bedrooms	135m ²	

Table 3
Apartment Size Categories

It is recommended that the breakdown of apartment sizes reflect the distribution of household incomes as detailed below.

- Type 1 apartments shall not exceed 30% of the total number of 1, 2 and 3 bedroom apartments.

- Type 2 apartments shall not exceed 30% of the total number of 1, 2 and 3 bedroom apartments.
- All remaining apartments are to comply with the Type 3 apartment sizes.

The above controls are considered to be consistent with Principle 9 of SEPP 65 as it will provide a diverse range of apartment types and will contribute toward housing affordability. The Residential Flat Design Guide recommends that if council chooses to standardise apartment sizes, a range of sizes that do not exclude affordable housing should be used. The recommended apartment size controls are consistent with this recommendation as it permits up to 30% of the apartments at the rate recommended by the Affordable Housing Service, within the Residential Flat Design Code.

Any application for development which comprises an apartment mix which considerably varies from this mix would be inconsistent with Principle 9 and on this basis it is unlikely that approval would be granted. Providing for a mix of apartment types and sizes is about making sure we have supply, diversity and housing stock to meet the desires of our current and future residents.

For residential flat developments containing less than 30 apartments it is recommended that the existing apartment size within The Hills Development Control Plan 2012 apply as follows.

- 1 bedroom apartment – 75m²;
- 2 bedroom apartment – 110m²; and
- 3 or more bedroom apartment – 135m².

The rationale for this is that larger development sites, containing 30 or more apartments, generally have capacity to provide high quality communal facilities on-site to off-set any potential amenity impact resulting from smaller apartment sizes. Sites containing less than 30 apartments generally do not have the capacity to provide such facilities and for this reason the apartment size requirements should remain to ensure that the amenity of future residents is not negatively impacted.

CONCLUSION

The draft controls will ensure that the type of high density housing which is provided within The Hills Shire is appropriate to meet the needs of all future residents. The draft controls have been prepared having specific regard to Principle 9 of SEPP 65 and will facilitate diverse housing options to improve housing affordability. Following the public exhibition period, a further report that addresses the outcomes of the exhibition will be presented to Council. The outcome of this review will support a request to the Minister for Planning for an exemption to Clause 30A of State Environmental Planning 65.

IMPACTS

Financial

This matter has no direct financial impact upon Council's adopted budget or forward estimates.

The Hills Future - Community Strategic Plan

Council's Community Strategic Direction identifies the community's vision for the Shire and outlines how Council will align its delivery of services and facilities to support this vision. Council's vision is for *'proactive leadership creating vibrant communities, balancing urban growth, protecting our environment and building a modern local economy'*. The proposal is consistent with the following outcomes:

- Balanced Urban Growth – Safe, convenient and accessible transport options that enable movement through and within our Shire; and
- Balanced Urban Growth – Responsible planning facilitates a desirable living environment and meets growth targets.

RECOMMENDATION

The Draft The Hills Development Control Plan 2012 (Part B Section 5 – Residential Flat Buildings, Part D Section 6 – Rouse Hill Regional Centre, Part D Section 8 – Norwest Residential Precinct, Part D Section 12 – Carlingford Precinct, Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills) be publicly exhibited.

ATTACHMENTS

1. Analysis of Property Market Trends and Housing Affordability (7 pages)
2. Draft The Hills Development Control Plan 2012 (Part B Section 5 – Residential Flat Buildings) (30 pages)
3. Draft The Hills Development Control Plan 2012 (Part D Section 6 – Rouse Hill Regional Centre) (77 Pages)
4. Draft The Hills Development Control Plan 2012 (Part D Section 8 – Norwest Residential Precinct) (38 Pages)
5. Draft The Hills Development Control Plan 2012 (Part D Section 12 – Carlingford Precinct) (59 pages)
6. Draft The Hills Development Control Plan 2012 (Part D Section 14 – Target Site Corner Windsor Road and Seven Hills Road, Baulkham Hills) (37 Pages)

Attachment 1

Analysis – Property Market Trends and Housing Affordability**Market Trends**

Over the past 18 months the value of property within the Sydney market has risen substantially. According to statistics released by the Australian Bureau of Statistics (ABS), Sydney continues to drive residential property price increases. The Residential Property Price Index (RPPI) for Sydney rose 2.3% in the March quarter 2014 with established house prices for Sydney rising by 2.4% and attached dwellings rising by 2%. In the 12 months to March 2014 house prices rose by 15.2% which was the largest increase of all of the capital cities. A comparison of the yearly house price growth for all of the Australian capital cities is included within the following figure.

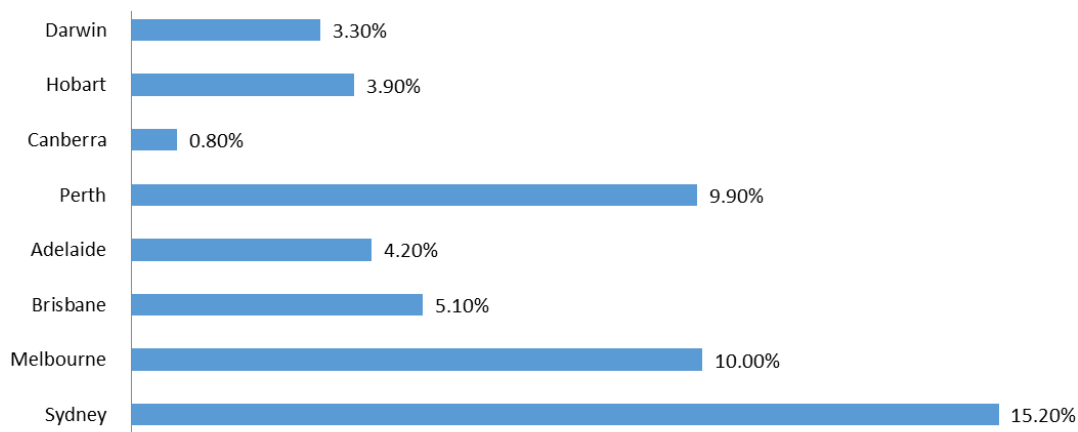


Figure 1
Yearly House Price Growth (ABS 2014)

The major cause of the rise in real property values is the record low interest rates which are impacting on the housing markets within all of Australia's capital cities. The official interest rate has remained at 2.5% since August 2013 as a measure to stimulate a declining economy resulting from the winding down of the mining boom. The effect of this has been an increase in overall demand for housing and residential property investment. The trend in the official cash rate between 2003 and 2014 is included within the following graph.

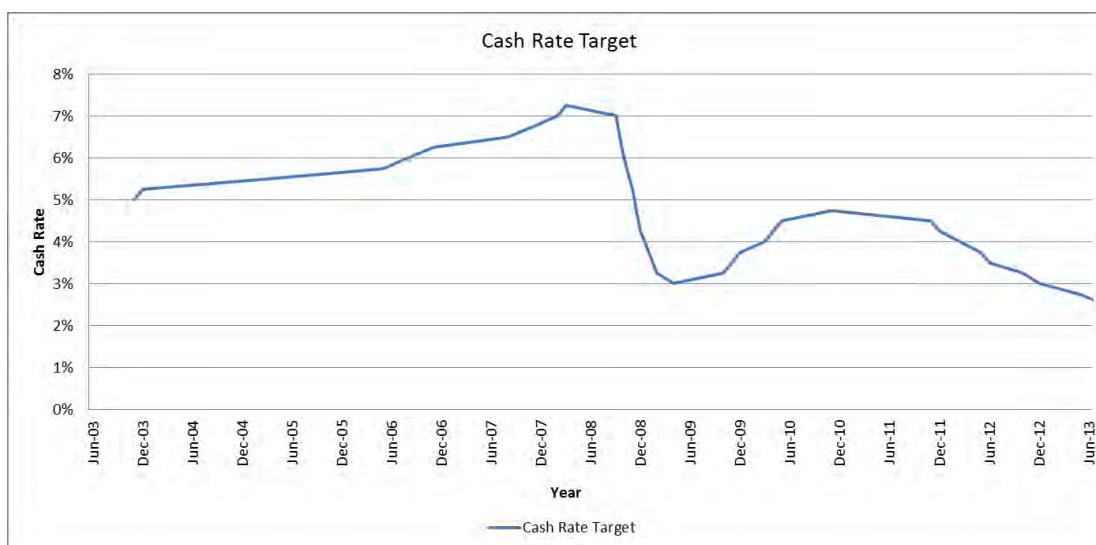


Figure 2
Official Cash Rate (Reserve Bank of Australia)

When analysing the trends in the apartment and townhouse style development it is important to observe the Attached Dwelling Price Index (ADPI). This index measures the price change of attached dwellings which includes flats, apartments, semi-detached, row and terrace houses. The trend in the ADPI, as provided by the ABS, is included within the following graph.

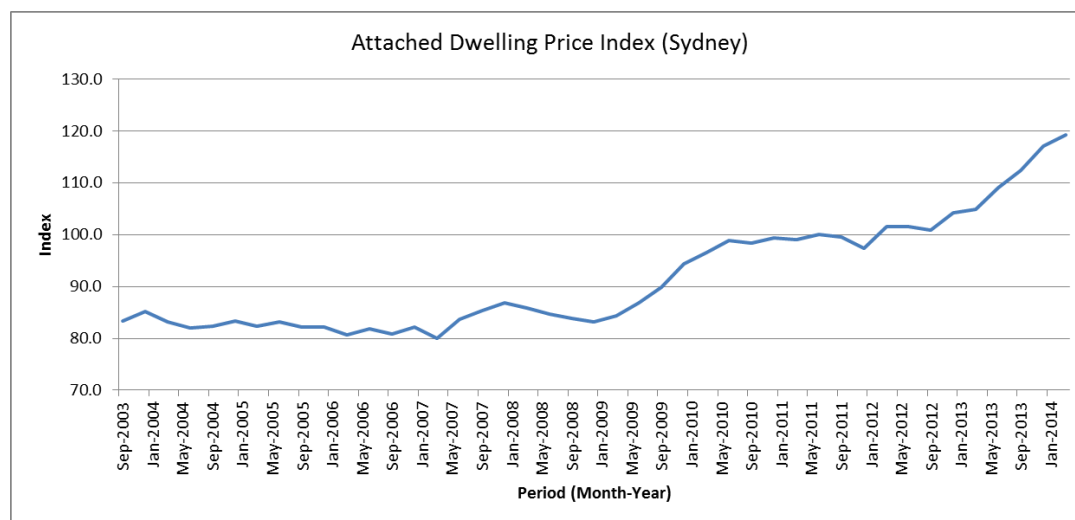


Figure 3
Attached Dwelling Price Index

Over the past 10 years the ADPI for Sydney has increased by approximately 30.34%, with a 13.7% increase occurring within the 12 months to March 2014. The most recent increase of this size occurred in 2009-2010 where the quarterly index increase reached between 13-14%. To place the above index into monetary terms, the following graph shows the trend in the median price of established dwellings (blue) and attached dwellings (red) within the Greater Sydney Region between September 2003 and September 2013. Over this period the median price of established dwellings increased from \$580,000 to \$670,000 per dwelling. For attached dwellings the median price increased from \$371,000 to \$540,000 per dwelling.



Figure 4
Median Price of Residential Dwellings (ABS)

The following graph shows both the mean (average) and median (mid-point) cost of residential dwellings with The Hills Shire between March 2009 and March 2014. Since 2009 the median price of all residential dwellings has increased by approximately 54% with a 21% increase occurring over the 12 months to March 2014. An interesting point to note is that the median price of residential dwellings within The Hills Shire is approximately 20% higher than the median price for established houses within the remainder of the Sydney Region.

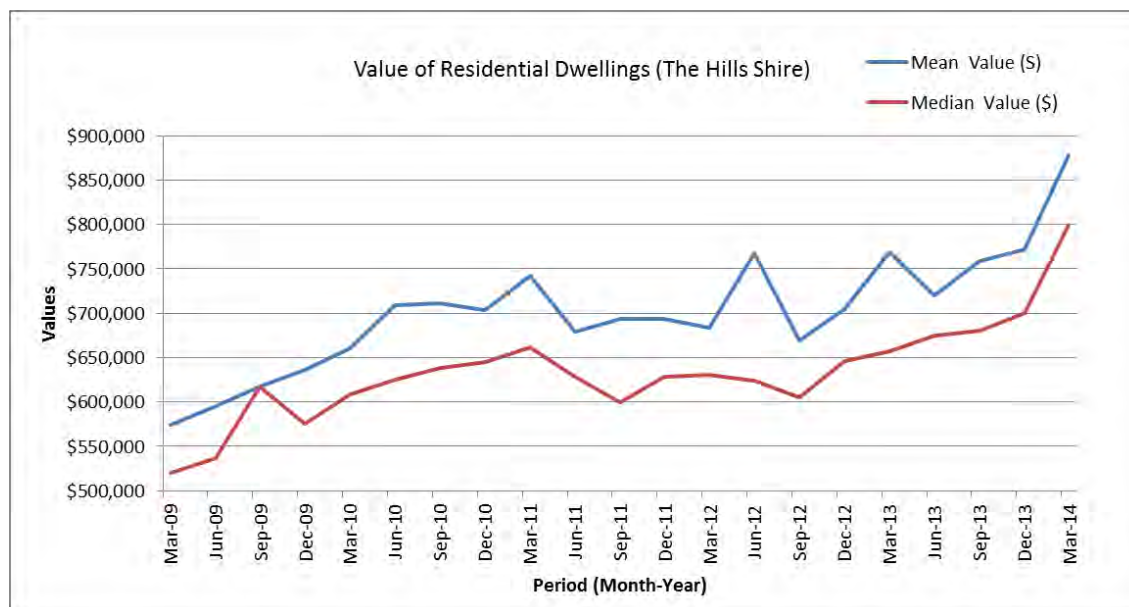


Figure 5
Value of Residential Dwellings

First Home Buyers

The rate that residential property values are increasing is progressively pushing first home buyers out of the market as they have less financial capacity to purchase. First home buyers experience greater difficulty as they are restricted by the cost of saving for a deposit, the upfront fees, and generally have limited equity when compared to owner occupiers already in the market. The following graph shows the trend in the number of first home buyer commitments as a percentage of total owner occupied housing finance within New South Wales.

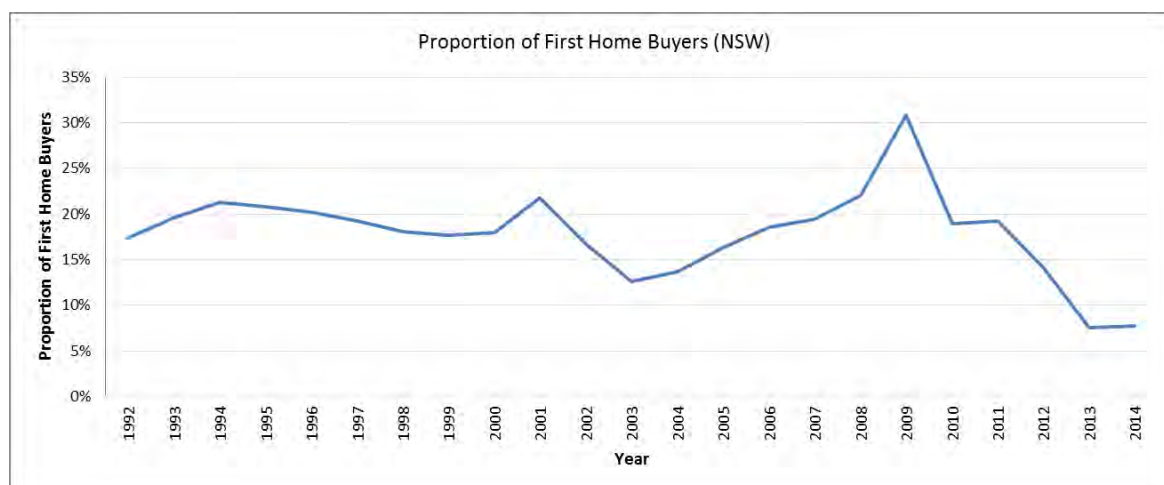


Figure 6
Proportion of First Home Buyers (NSW)

Within NSW first home buyers have generally averaged around 20% of all house purchases. However since the early 2000s the first home buyer market has experienced significant instability reaching a monthly peak of 34% in February 2009 and falling to a low of 7.5% in the most recent reporting period. As stated by Steven Rowley and Rachel Ong in their 2012 report titled *Housing Affordability, Housing Stress and Household Wellbeing in Australia*, *'this is largely due to rising house prices and government policies to stimulate demand, notably the first home owners grant boost'*. However, since September 2012 there has been a considerable reduction in the proportion of first home buyers entering the market, with an average of less than 8%. This is the lowest rate experienced pre 1991.

Based on the above trends it is apparent that first time home buyers are turning away from the owner occupied market. This could in part be due to the sharp increase in property values which has impacted on financial capacity of first home buyers to enter the market. It could also be the result of property investors taking advantage of the record low interest rates. If the low interest rates remain property investors could continue to dominate the real estate market as they can use equity from their existing home and have greater financial capacity to purchase homes before first home buyers.

With a specific focus on the proportion of first home buyers entering the market within the Hills Shire LGA an analysis has been undertaken of the number of First Home Owner Grants issued as a proportion of the total residential sales between March 2010 and March 2014. The results are included within the following graph. The trend in the proportion of first home owners over the period is shown by the red line and the trend in the median sale price over the period is shown by the blue line.

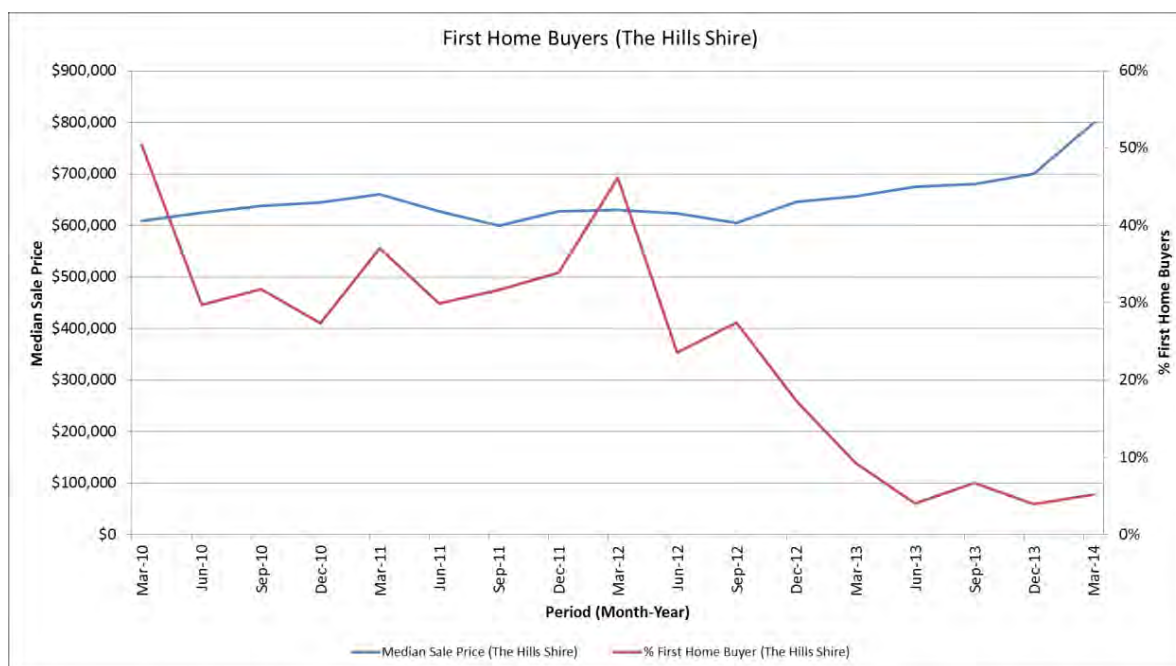


Figure 7
First Home Buyers (The Hills Shire LGA)

Between March 2010 and March 2014 there has been considerable instability in the first home buyer market of The Hills Shire, which has largely been influenced by progressive changes to the First Home Buyers Scheme. Over the period the proportion of first home buyers within The Hills Shire property market has reduced from over 50% to 5.21%, reaching a low of 3.94% in December 2013. Similar to the broader trend within NSW, the proportion of first home buyers entering the residential market within The Hills Shire has fallen considerably.

Household Debt and Income

Household Income

Households within The Hills Shire have a median income of \$2,044 which equates to \$597 more than the median for the Greater Sydney Region. Analysis of household income levels in The Hills Shire in 2011 compared to Greater Sydney shows that there was a larger proportion of high income households (those earning \$2,500 per week or more) and a lower proportion of low income households (those earning less than \$600 per week). Approximately 35.9% of the households earned a high income and 10.4% were low income households, compared with 23.6% and 18.3% respectively for Greater Sydney. The following graph shows the household income brackets within The Hills Shire.

Weekly household income, 2011

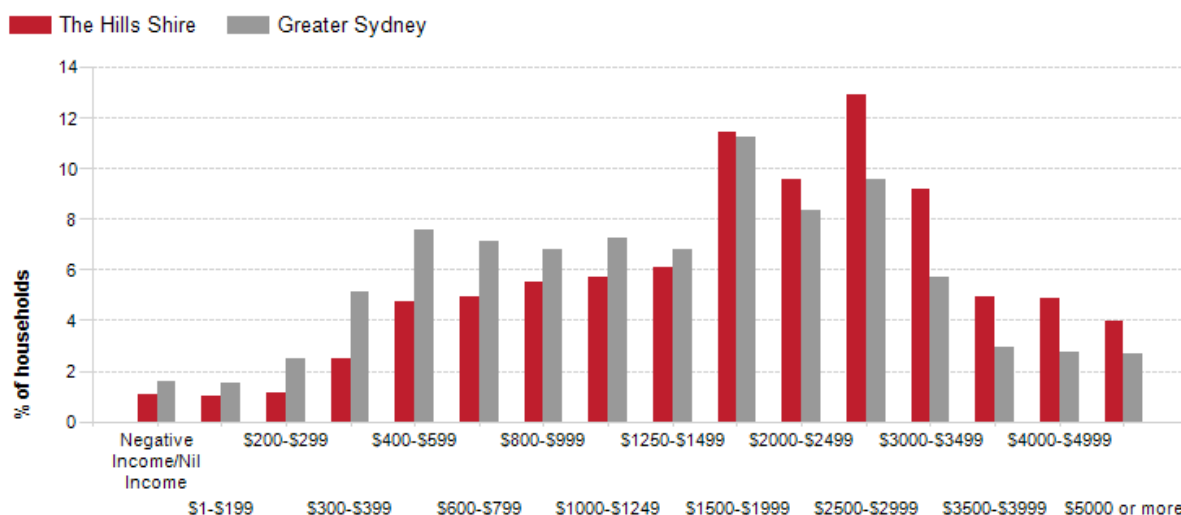


Figure 8
Weekly Household Income (profile.id)

Housing Costs

Household purchasing their dwelling in The Hills Shire have a median mortgage repayment of approximately \$2,570 which equates to \$403 more per month than the Greater Sydney Region.

Analysis of the monthly mortgage repayments of households in The Hills Shire compared to Greater Sydney shows that there was a larger proportion of households paying high mortgage repayments (\$2,600 per month or more), and a smaller proportion of households with low mortgage repayments (less than \$1000 per month). Overall, 47.3% of households within The Hills Shire were paying high mortgage repayments, and 10.1% were paying low repayments, compared with 36.0% and 11.9% respectively in Greater Sydney Region. A comparison of the monthly loan repayments between The Hills Shire and the Greater Sydney Region is included in the following graph.

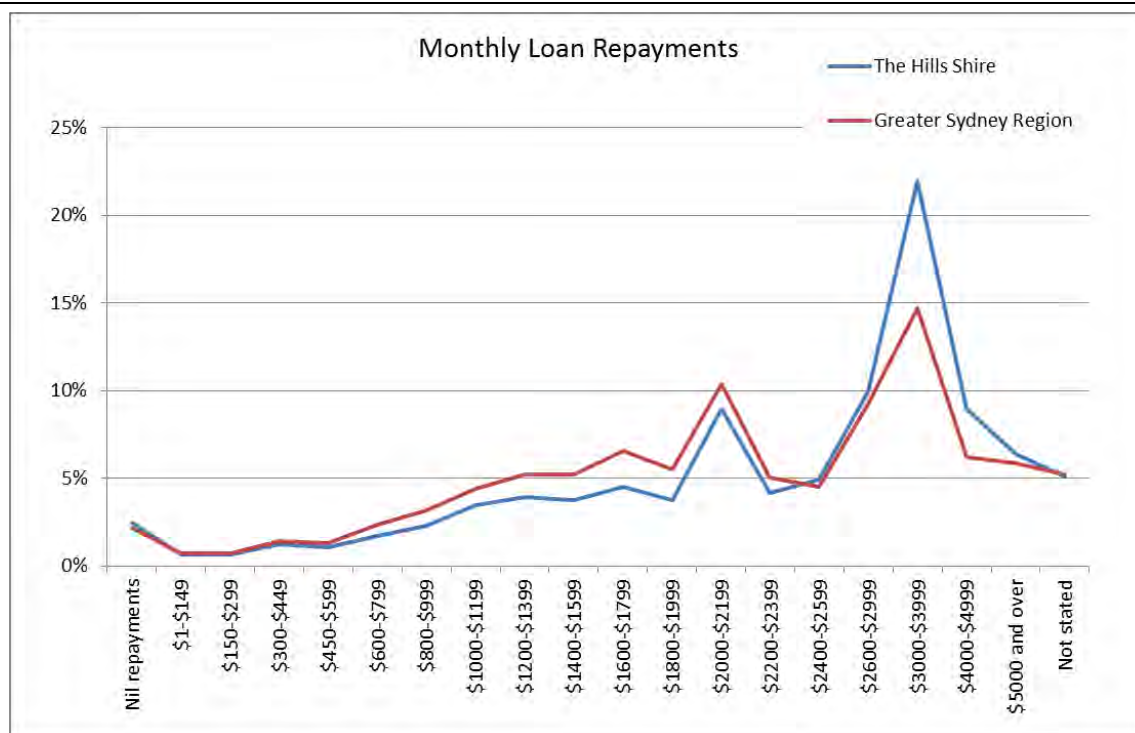


Figure 9
First Home Buyers (The Hills Shire LGA)

Housing loan repayment quartiles allow for the comparison of mortgage repayments across time. Approximately 43.1% of all households within The Hills Shire fall within the highest housing loan repayment quartile (more than \$2,854 per month) compared with 31.8% for the Greater Sydney Region. The mortgage repayment quartiles are included within the following graph.

Housing loan quartiles, 2011

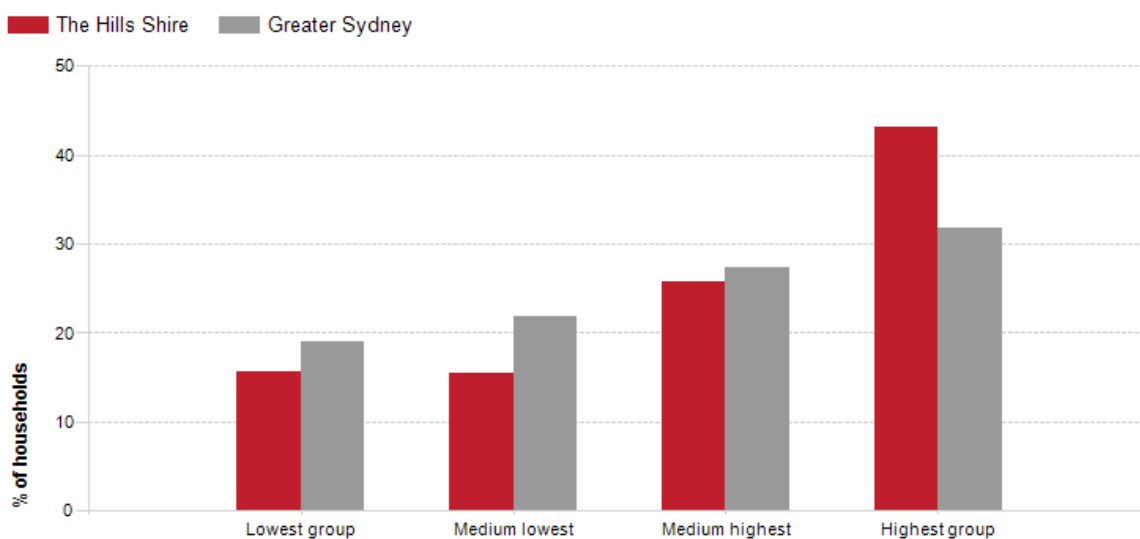


Figure 10
Mortgage Repayment Quartiles (profile.id)

Within The Hills Shire, the total number of households with a mortgage increased by 2,324 between 2006 and 2011. The most significant change in The Hills Shire during this period was in the highest quartile which showed an increase of 1,254 households.

Price to Income Ratio

Income is an important consideration when deciding on a household's capacity to make loan repayments in full and on time. The price-to-income ratio gives an indication of the relative expense of a home for a typical household by comparing the median housing price and median income.

The Demographia International Housing Affordability Survey ranks urban housing markets into four (4) categories based on their 'median multiple' score (median house price divided by the median household income), from affordable (3.0 and under) to moderately unaffordable (3.1 to 4), seriously unaffordable (4.1 to 5.0) to severely unaffordable (5.1 and over). The median multiple is widely used for evaluating urban markets. In the most recent survey all of the major markets of Australia, New Zealand, Hong Kong and Singapore were severely unaffordable. Sydney was identified as a 'severely unaffordable' market and was allocated a score of nine (9) which was the worst performing city in Australia.

When compared with other overseas markets all of Australia's major cities performed very poorly. Whilst there are a number of factors which impact on mortgage repayments and household debt levels, the median multiple method provides an indication on the general affordability of housing. When the housing prices increases the proportion of household income that must be allocated to mortgage repayments also increases. This reduces housing affordability as higher cost of housing leaves less disposable income which ultimately impacts upon the standard of living of households.