



30 January 2018

Director, Housing and Infrastructure Policy  
Department of Planning and Environment  
GPO Box 39  
Sydney NSW 2001

Dear Director

**Re: Proposed changes to State Environmental Planning Policy (SEPP) No 70 Affordable Housing (Revised Schemes)**

The Southern Sydney Regional Organisation of Councils (SSROC) is an association of 11 councils in the area south of Sydney harbour - central, inner west, eastern and southern Sydney. SSROC provides a forum for the exchange of ideas between our member councils, and an interface between state and federal governments, other councils and key bodies on issues of common interest. Together, our member councils cover a population of about 1.7 million, one third of the population of greater Sydney.

The SSROC Secretariat appreciates that the Department of Planning and Environment has called for submissions on the proposed changes to the SEPP 70 Affordable Housing (Revised Schemes). The SSROC Secretariat is pleased to offer the comments below.

**Affordable Housing in Eastern City and South Districts and the need for Planning Mechanism Solutions**

As SSROC Secretariat's submission on affordable housing to the Greater Sydney Commission emphasised, lack of affordable housing is a significant issue in the SSROC region. This is more so as the market is not creating affordable housing for most very low, low and moderate-income households in the Eastern City and South Districts.

The proposed changes to SEPP 70 Affordable Housing (Revised Schemes) could not have been more timely. SSROC is pleased that the Department of Planning and Environment accepted and supported the evidence for and analyses of affordable housing need in Randwick, Inner West and Canada Bay Councils.

Aware that lack of affordable housing has social and economic implications, SSROC made recommendations to the Greater Sydney Commission on mechanisms for creating genuinely affordable housing in the Eastern City and South District Plans in 2017.

One of the recommendations was to enable local governments to include a mandatory requirement for affordable housing in their LEPs where there is land value uplift and sufficient justification to support its application in Priority Urban Renewal Precincts, large redevelopment sites and government land. The Department of Planning and Environment's proposed changes to SEPP 70 Affordable Housing (Revised Scheme) is in line with SSROC's recommendation.

In the submission to the Greater Sydney Commission, one of the planning mechanisms that SSROC recommended that could be used to enable State and local governments to legally levy affordable housing contributions was an extension of SEPP 70 Affordable Housing to all councils in the Eastern City and South Districts. SSROC believes that councils in the Eastern City and South Districts are in a position, considering dire affordable housing shortages, to demonstrate the need for affordable housing in their areas.

### **Proposed changes to SEPP 70 Affordable Housing**

SSROC strongly supports the proposed changes to SEPP 70 Affordable Housing (Revised Schemes) to include Randwick City, Inner West, Northern Beaches, City of Ryde and City of Canada Bay. Three of the five councils, Randwick, Inner West and Canada Bay are SSROC member councils and we believe that more SSROC councils would be eligible. We realise that the schemes are currently in place only in the City of Sydney (at Green Square, Ultimo-Pyrmont and the Southern Employment Lands) and Willoughby City Council. The approval of the schemes in other deserving councils will contribute along with other strategies, to alleviate housing affordability in Sydney, the world's second most unaffordable city.

### **Preparation of Affordable Housing Contribution Schemes**

SEPP 70 Affordable Housing (Revised Schemes) requires specified councils to prepare an affordable housing contribution scheme to support planning proposal for approved precincts or areas where contributions for affordable housing will be required. It involves amendments to LEPs to include a mandatory requirement for affordable housing where there is demonstrated need and quantified uplift.

SSROC would like to emphasise that affordable housing contribution rates should be set at reasonable, feasible and equitable rates in response to the characteristics of the particular area. As SSROC emphasised in a submission to the Greater Sydney Commission, contribution rates could be consistent across a single precinct or site, but allow for differences in average land value uplift between precincts through the setting of differential rates as required.

### **Conclusion**

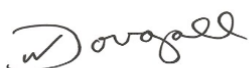
SSROC strongly supports that Randwick, Inner West, Northern Beaches, Ryde and Canada Bay Councils be listed under section 9 of SEPP 70 Affordable Housing (Revised Schemes) with an identified need for affordable housing.

As SSROC has advocated in a submission on affordable housing to the Greater Sydney Commission and the NSW Premier, the NSW State Government should consider listing all councils within the Eastern City and South Districts under SEPP 70 Affordable Housing. This would allow the inclusion of a mandatory requirement for affordable housing in their LEPs, in recognition of strong evidence of need and uplift assessments, not only in Randwick, Inner West and City of Canada Bay councils, but the Eastern City and South Districts in general. This is largely supported by evidence base reports that accompanied the SSROC Affordable Housing submission.

In order to make this submission within the timeframe of the review, it has not been possible for it to be reviewed by councils or to be endorsed by the SSROC Delegates. I will contact you further if any issues arise as it is reviewed.

If you have any queries please do not hesitate to contact myself or Vincent Ogu, SSROC's Strategic Planning Manager, on 02 8396 3800.

Yours faithfully,

A handwritten signature in blue ink, appearing to read "Namoi Dougall".

Namoi Dougall  
General Manager  
Southern Sydney Regional Organisation of Councils