



22 December 2022

The Hon Anthony Roberts MP
Minister for Planning and Homes
GPO Box 5341
SYDNEY NSW 2001

By email: office@roberts.minister.nsw.gov.au

Dear Minister Roberts

Re: Higher BASIX targets for low rise apartment developments

I am writing firstly to thank you for recently meeting with me following my representations on behalf of the Southern Sydney Regional Organisation of Councils (SSROC) in response to my letter regarding the NSW Government's decision not to proceed with the draft Design and Place SEPP. I noted also that SSROC welcomed the updated BASIX standards. I am now seeking your support to amend the Sustainable Buildings SEPP to incorporate higher BASIX requirements for low density dwellings and small apartment buildings under 5 storeys.

I am sure you will agree that BASIX standards must be robust, fit for purpose and focussed on delivering positive long-term outcomes. Many of our councils consider that there is an urgent need to set higher sustainability requirements under the new SEPP in line with wider climate policy, improved health outcomes and household resilience as well as advance the Government's intention for the new policy to promote low energy buildings and progress the NSW net zero goal.

As you will be aware, current BASIX energy standards for new residential developments under 5 storeys have been in place since July 2017, and the Department of Planning and Environment has advised that these targets are not likely to be changed until the next Sustainable Buildings SEPP review in 2026. During consultations many of our council members raised concerns that the BASIX Energy target for low rise residential developments, up to 5 storeys, are not being increased in line with the other development typologies.

The justification for leaving the energy targets at the same level was on the basis that raising targets was found to be unfeasible. Modelling for the NSW Government by ACIL Allen concluded that the benefits of energy bill savings for households from meeting higher standards were not enough to cover the extra upfront costs. However, this cost benefit analysis was completed in August 2021 and energy prices have significantly increased since 2021 and are forecast to continue to remain high until 2026 ([Cornwall Insight Australia's August 2022](#)).

Therefore, SSROC strongly recommends that the NSW Government urgently undertake a revised cost benefit analysis using updated assumptions that match the lived experience of residents and that take into account the impact of increasing energy prices on their households as well as the broader societal benefits associated with adopting strengthened controls.



At the same time, it is also suggested that this review examine initiatives and legislative provisions to better enable solar power generation and battery storage for new strata developments. It is considered that a business-as-usual approach over the next four-year period for these low-rise residential typologies has now become inconsistent with the NSW Government's commitment to halving emissions from 2005 levels by 2030 for Stage 1 of the Net Zero Plan and to fast-tracking emissions reduction over the next decade.

SSROC looks forward to your response to this important issue for the State of NSW. We believe there is now a positive opportunity for adopting additional BASIX standards for low rise housing developments over the next decade that will help to relieve residents' cost of living pressures.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'John Faker', written over a faint blue line.

Cr John Faker
President

Southern Sydney Regional Organisation of Councils