



13 January 2023

NSW Department of Planning and Environment  
GPO Box 239  
SYDNEY NSW 2001

<https://www.planningportal.nsw.gov.au/housing-policy-eie>

## **Submission regarding Housing SEPP Explanation of Intended Effect**

To whom it may concern

I write on behalf of the Resilient Sydney Steering Committee on Diverse and Affordable Housing. The Steering Committee welcomes the opportunity to respond to the exhibition of the Housing SEPP Explanation of Intended Effect (November 2022) and to offer support for the section promoting more affordable housing through planning mechanisms and the proposals that will help to address the low uptake of affordable housing contribution schemes by councils.

### **About the Resilient Sydney Steering Committee on Diverse and Affordable Housing**

The RSDAH Steering Committee first convened in March 2021 to work together to identify solutions to Sydney's housing crisis. It has representatives from:

- Metropolitan local councils;
- Resilient Sydney Office
- Department of Planning and Environment;
- Greater Cities Commission (GCC);
- Community Housing Industry Association of NSW;
- Industry planning and housing experts; and
- Southern Sydney Regional Organisation of Councils (SSROC), who coordinate the Steering Committee and its activities.

The Steering Committee hosted a workshop in 2021, attended by representatives from 25 councils. The workshop asked councils about their experiences in developing affordable housing policy and delivering affordable housing dwellings, within current policy setting in their local areas.

Following that workshop, the Steering Committee identified three project areas for immediate focus:

- enabling councils to implement affordable housing contribution schemes;
- improving the availability of housing-related data to assist councils in developing appropriate policy settings; and
- fostering partnerships between interested councils and community housing providers for delivery of affordable housing via innovative delivery models.

Work has progressed on all project areas.

In October 2022, Resilient Sydney and SSROC convened the Affordable Housing Mayoral Summit, to present ways in which councils could increase and promote the supply of affordable housing in their local government areas. The Summit was attended by Lord Mayors, Mayors, Deputy Mayors and their representatives from 19 councils across metropolitan Sydney. The



Summit concluded with Mayors considering the practical steps their councils could adopt, such as finding council land to an affordable housing project, and/or establishing a local affordable housing contribution scheme. It was very clear that Sydney metropolitan councils are concerned about the lack of affordable rental housing for their communities, and that they want to be part of the solution.

## **Response to Housing SEPP EIE**

The introduction of an affordable housing contribution scheme is the most efficient and successful approach local councils might take to providing affordable housing in their local areas. It provides an ongoing funding source to subsidise the delivery of affordable housing, certainly for developers, it is transparent, and is administratively efficient.

A key issue identified by councils as a barrier to the implementation of an affordable housing contribution scheme in their local area has been: the complexity and uncertainty around demonstrating the need for affordable housing; establishing viability; implementation in their local environmental plan; the administration of funds over time.

The RSDAH Steering Group therefore welcomes the recognition in the EIE that the current approach to promote contribution schemes is not effective. Further, the Steering Group strongly supports a review of the Department's Guideline for Developing an Affordable Housing Contribution and its online viability tool. Both need to be reviewed to ensure that they are effective mechanisms to enable easier and more efficient development of viable, effective schemes.

The RSDAH group has engaged a consultant, Urbanista, to develop and deliver a package of tools and resources for councils introducing affordable housing contribution schemes. The project has been guided by local councils in conjunction with the Department of Planning and Environment and Greater Cities Commission. The aim of the project is to develop easy-to-use tools, including a template affordable housing contribution scheme and a draft local environmental plan clause, for council planners to use now to develop affordable housing contribution schemes. The project also aimed to develop a series of recommendations for improvements to the Guideline and for how viability could be more easily established. The implementation package is intended to be launched with councils in February 2023.

The Steering Committee very much welcomes the strategic intent of the section of the EIE that proposes creating more flexibility for councils that are seeking to establish affordable housing contribution schemes, while remaining consistent with the EP&A Act. This approach is in harmony with the work currently being undertaken by the Steering Committee and so we look forward to continuing to work closely with the Department on its review of the Guideline.

Should you have any further enquiries in relation to this letter, please contact me on 02 8396 3800 or by email [ssroc@ssroc.nsw.gov.au](mailto:ssroc@ssroc.nsw.gov.au).

Yours faithfully

A handwritten signature in black ink, appearing to read 'H Sloan', is positioned above the printed name.

Helen Sloan  
**Chief Executive Officer**  
**Southern Sydney Regional Organisation of Councils**

cc Monica Barone, RSDAH Steering Committee Chair, CEO City of Sydney