



Randwick City Council  
3 September 2025

Online submission at:  
[council@randwick.nsw.gov.au](mailto:council@randwick.nsw.gov.au)

## **Re: SSROC Submission: Draft Affordable Rental Housing Strategy**

### **1 Introduction**

The Southern Sydney Regional Organisation of Councils (SSROC) appreciates the opportunity to make a submission regarding the exhibition of the Draft Affordable Rental Housing Strategy to accelerate the supply of affordable rental housing across Randwick City. SSROC commends Council and strongly supports the key elements of the draft Affordable Rental Housing Strategy.

The Southern Sydney Regional Organisation of Councils Inc (SSROC) is an association of twelve local councils in the area south of Sydney Harbour, covering central, inner west, eastern and southern Sydney which includes Randwick City Council. SSROC acknowledges the traditional custodians of the land on which we work and live, the peoples of the Darug, Dharawal and Eora Nations.

SSROC provides a forum for the exchange of ideas between our member councils, and an interface between governments, other councils and key bodies on issues of common interest. Together, our member councils cover a population of about 1.8 million, one third of the population of Sydney, including Australia's most densely populated suburbs. SSROC seeks to advocate for the needs of our member councils and bring a regional perspective to the issues raised.

SSROC and its member councils have a strong interest in the supply and ongoing provision of affordable (non-market) rental housing in its communities and warmly welcomes the development of the Affordable Rental Housing Strategy and the opportunity to provide input into the draft Strategy.

### **Collaboration with Resilient Sydney**

Resilient Sydney is a collaboration of all 33 metropolitan councils of Greater Sydney to develop and implement a city-wide [resilience strategy](#), first published in 2018.

Over five years, SSROC has been collaborating with Resilient Sydney to help tackle the housing affordability problem, actively building support amongst metropolitan local councils for practical solutions to the lack of supply by examining a diverse range of measures to increase it, including the establishment of affordable housing contribution schemes through the NSW Planning system.

This work included:

- a Resilient Sydney workshop for senior planners from 32 metropolitan councils to share guidance on new tools, templates and resources developed by our project. These are designed to help councils to prepare local affordable housing contribution schemes that, once adopted, progressively generate new affordable rental housing supply.

- SSROC convened a Resilient Sydney Diverse and Affordable Housing Steering Committee to tackle the problems, bringing together councils, NSW departmental officers and other expert housing advisers. Work undertaken by the Resilient Sydney Affordable Housing Steering Committee in consultation with metropolitan councils identified substantial barriers to establishing affordable housing contribution schemes under the current framework; and,
- Supporting two Resilient Sydney Mayoral Summits in 2023 and 2024 encouraging councils to take action to foster affordable housing responses.

## 1 Understanding of the Draft Affordable Rental Housing Strategy

The draft Affordable Rental Housing Strategy for Randwick City Council is on public exhibition from 6 August 2025 March until 3 September 2025.

For over 20 years, Randwick City has been a leader in supporting affordable housing by using the planning system to help increase affordable housing supply. Randwick Council has a track record of advocating to the NSW Government for stronger action, policies and long-term housing solutions.

Randwick City Council has been a long-standing leader in addressing affordable housing challenges, introducing innovative policies and a range of initiatives for nearly 20 years.

- In 2004, Council mandated 1% affordable housing at the Prince Henry site in Little Bay.
- In 2008, Council adopted the *Affordable Housing Strategy and Action Plan 2008*, being one of only a few councils to have such a plan which focused on supporting low-income residents.
- In 2019, after years of sustained advocacy, Randwick Council became one of the first Greater Sydney councils included in SEPP 70 (now under SEPP Housing 2021) and introduced affordable housing contributions in Kensington and Kingsford.
- In 2020, Council's Vision 2040 planning statement reinforced commitments to housing diversity and affordability.

### The Challenge

As noted in the Strategy, despite these advances, the proportion of social and affordable housing has dropped from 7.5% of all dwellings in 2001 to 6.1% in 2021. This 1.4% decline has intensified competition for market housing displacing many low- and moderate-income households out of the lower end of the rental housing market. Many need to relocate to where they can find housing they can afford far from Randwick LGA.

For many essential workers, young families and low-income households, securing a home to rent or to buy in Randwick LGA (and many other parts of metropolitan Sydney city) has become almost impossible.

With an increase of more than \$200 per week in the median unit rental price in the past five years in Randwick LGA, financial pressure on many essential workers such as nurses, teachers and hospitality staff has increased significantly, resulting in many being forced to live further away from the very community they provide for. Attracting these people to local jobs has become increasingly difficult. Similarly, many long-term residents are being forced to move further away from friends and family due to the cost of housing in the area. This growing disconnect between where people work and where they can afford to live places financial strain on households and undermines the social and economic resilience of the community, as well as local businesses and services.

To help reverse this trend, the draft Strategy sets an aspirational target of 7.5% social and/or affordable housing across the Randwick LGA by 2036. This will restore provision to 2001 levels and help to ease current and future market pressures.

### **The Proposed Strategy**

Randwick Council is seeking to step up efforts to address the growing challenge of rental affordability and to protect housing diversity. The draft Affordable Rental Housing Strategy to deliver secure, affordable and low-cost rental homes that are well-designed. The Strategy provides a plan to deliver on the 7% aspirational target. Achieving this target will depend on the four key priorities and corresponding actions laid out in the Strategy, each designed to drive progress toward a more equitable city.

The strategy focuses on four priorities:

- Accelerate the delivery and retention of quality affordable and low-cost housing through the use of planning provisions
- Provision of affordable rental housing led or supported by Council
- Collaboration and advocacy with key government organisations for increased provision of affordable housing
- Review and establish processes for the ongoing management of affordable housing.

### **2036 Social and Affordable Housing Targets**

To address the growing need for affordable rental housing in Randwick City, the Strategy sets a target to increase the proportion of social and/or affordable housing to 7.5% of all dwellings in the Randwick Local Government Area (LGA) by 2036, noting that provision was at 6.1% at the 2021 Census. This target has been established for the following reasons:

It is clear and measurable - based on projected household growth to approximately 63,494 dwellings by 2036. Achieving the target will require at least 4,761 dwellings classified as social or affordable housing. This aligns with broader housing targets and planned developments in the area.

It responds to current need, aiming to restore affordable and social housing provision to levels seen in 2001, ensuring low- and moderate-income households have access to secure rental accommodation.

It can be tracked over time, with census data providing a reliable measure to assess progress toward achieving this housing goal each census year.

The target takes into account the substantial capacity within the Randwick LGA housing estates to deliver a large proportion (up to 100%) of all required social and affordable housing by 2036.

It should be further noted that the 2036 target of 4,761 includes an existing 3,267 households in social housing (6.1% of all households in 2021).

A total of 1,494 new social and affordable housing dwellings would be required by 2036 or approximately 150 additional dwellings per year.

Arguably this target should exclude and separately report the temporary, time limited affordable housing produced through the Housing SEPP floorspace and height bonus available to developers.

## 2 SSROC Support

SSROC offers its strong support for the draft Affordable Rental Housing Strategy and congratulates Council on its development. There is growing and sustained public support for the provision of affordable rental housing targeted to those in housing need<sup>1</sup> through the planning system.

Furthermore, this submission commends and supports each of the four priority areas of the Strategy and their respective set of actions.

### **Priority 1: Accelerate the delivery and retention of quality affordable and low-cost housing through the use of planning provisions**

**Action 1.1** - *For sites subject to uplift, require a strategic target of up to 10% of the total gross floor area to be provided as affordable housing subject to feasibility (inclusionary zoning mechanism).*

*Supported.*

#### *SSROC comment*

This sets useful market and government expectations for affordable housing contributions to apply to new growth precincts as they become apparent in the future.

One of the most significant opportunities to develop affordable housing at scale (for essential workers and others) is currently through inclusionary zoning. The framework for developing affordable housing contribution schemes, established by the State Government, relies (primarily) on council-led affordable housing contribution schemes.

The NSW Government recently introduced Accelerated TOD Tier 1 precincts LEP amendments. These provisions have provided a legislated model for quickly adding new spatially new defined growth precincts within a LGA, with different contribution levels geared to the upzoning and feasibility. It enables progressive additions.

#### **Recommendation 1**

*Council consider adopting a unified affordable housing contribution scheme that brings the existing and future precinct affordable housing contribution schemes into a single Randwick LGA scheme. It would provide for both precincts linked to upzoning and a broad low flat contribution for development without upzoning, as per recommended in the Strategy's Action 1.2.*

The potential benefits include:

- Delivering a consistent, clear approach that is easy for councils, communities, developers and CHPs to understand and implement.
- The proposed scheme recognising the long-term housing needs of communities by providing affordable rental housing in perpetuity.
- Facilitating the timely capture of future up-zonings with reduced administrative impost.

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<sup>1</sup> A survey in 2023 showed widespread support for the "introduction of planning regulations to ensure any new housing development included a proportion of low cost housing".

<sup>11</sup> Sydney Morning Herald, 24 April 2023, reported a Resolve Survey showing 68% of the respondents supported "introduction of planning regulations to ensure any new housing development included a proportion of low cost housing".

- The contributions could be applied as a monetary contribution and as a condition of development consent before the issue of a construction certificate simplifying the administration. The simplicity of such contribution arrangements effectively captures both smaller and larger contributions consistently.

**Action 1.2** - *For all new development, investigate an LGA wide affordable housing contribution scheme.*

*Supported.*

**SSROC comment**

A broader application of affordable housing contributions will ensure that the responsibility for addressing affordable housing need in the community is shared equitably across all developments, not just those areas subject to development uplift.

Waverley Council has been successful in introducing a low contribution rate LGA wide affordable housing contribution arrangement<sup>2</sup>.

**Recommendation 2**

Council consider developing and adopting a unified LGA wide affordable housing contribution scheme that includes a low broad-based affordable housing contribution on all development as noted in the Strategy.

**Action 1.3** *Ensure both dwelling dedications and Council led developments of affordable housing meet Council's Affordable Housing Design Guidelines.*

*Supported.*

**SSROC comment**

The adoption by Council of a non-statutory Distribution Plan for affordable housing contributions supporting the Affordable housing contribution scheme can facilitate the adoption a good practice approach that maximises affordable housing supply and place-based outcomes. It could also specify compliance with *Council's Affordable Housing Design Guidelines*.

**Recommendation 3**

Council consider developing and adopting a Distribution Plan for affordable housing contributions to facilitate consistent quality outcomes from the Affordable Housing Contribution Scheme (or schemes).

**Action 1.4** - *A Council program to encourage the renting out of bedrooms in households with spare bedrooms and review planning controls to encourage additional forms of housing such as secondary dwellings to provide housing choice.*

*Supported.*

**SSROC comment**

Short term solutions can provide immediate relief to those most affected by the housing crisis.

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<sup>2</sup> Waverley Council's LGA-wide affordable housing contribution requires new residential apartment developments, multi-dwelling housing, and mixed-use developments to contribute 1% of their total gross floor area as a monetary or in-kind contribution to affordable housing. Sites receiving a planning uplift or rezoning through a planning proposal are subject to a higher 10% target contribution on the gross floor area.

[https://www.waverley.nsw.gov.au/media/documents/council/policies/Waverley\\_Affordable\\_Housing\\_Contributions\\_Scheme\\_2023.pdf](https://www.waverley.nsw.gov.au/media/documents/council/policies/Waverley_Affordable_Housing_Contributions_Scheme_2023.pdf)

**Action 1.5** - Review planning controls to encourage additional forms of housing such as secondary dwellings and self-contained bedrooms, providing housing choice.

Supported.

*SSROC comment*

A review may assist in advocating for flexibility in the Housing SEPP to better support the delivery of affordable housing and supply of diverse housing types in high demand areas in Randwick LGA.

**Action 1.6**- Investigate the impacts of short-term rentals across the LGA and the loss of traditional low-cost and affordable dwellings through the redevelopment of sites to understand the impacts on housing affordability

Supported.

*SSROC comment*

In an effort to increase supply of housing, it is crucial to implement appropriate measures to safeguard existing housing stock that contributes to the provision of low-cost and affordable housing.

**Action 1.7** - Strengthen planning provisions to address the net loss of dwellings and low- rental housing through demolition/redevelopment.

Supported.

*SSROC comment*

The growing trend towards the provision of luxury residential flat buildings may result in a further affordability impact in the Randwick LGA. The extent of such impacts should be investigated to confirm the suitability of current planning provisions.

**Action 1.8** - Investigate and implement planning incentives and mechanisms to encourage residential apartments in areas where there is competition for residential floor space.

Supported.

*SSROC comment*

As noted in the Strategy, in certain areas of the Randwick LGA close to the University and Hospital there is competition for residential floor space with housing typologies such as student housing often yielding higher returns on investment for developers. Council could explore the issues, and if necessary, implement planning incentives to encourage the development of more standard residential apartments suited to broader community use.

**Priority 2: Provision of affordable rental housing led or supported by Council**

**Action 2.1**- For the development of Council owned land, develop a priority list of sites and undertake land use analysis and feasibility assessment to investigate opportunities for the delivery of affordable rental housing.

Supported.



#### *SSROC comment*

While it is recognised that there are many competing uses for Council owned land, such land also provides the opportunity to be developed for affordable housing. Council's land holdings such as at grade car parks may provide opportunities for redevelopment for the purposes of affordable housing whilst retaining car parking for public purposes if required. As noted in the Strategy, the use of existing Council land significantly reduces the cost of development as there is no upfront purchase cost. Alternatively, land could be sold at a discount to a registered CHP to design and construct affordable housing development in support of Council's urban design guidelines.

#### **Recommendation 4**

Council consider exploring the opportunities and feasibility for affordable housing delivery on Council owned sites with a view to maximising affordable housing supply and other council determined place-based outcomes.

**Action 2.2** - *Explore joint venture opportunities or partnerships with Community Housing providers, Housing Co-Ops or other organisations for delivering affordable housing on Council owned land.*

*Supported.*

#### *SSROC comment*

Ownership or joint ownership of the affordable rental housing projects with registered community housing providers (CHPs) should be tested under the Strategy in conjunction with a Council led Distribution Plan governing affordable housing contributions. The Distribution Plan alongside funding agreements can effectively set out council requirements and expectations and secure Council's long-term interests. (See also Recommendation 3). Transfer of ownership of the affordable rental housing to CHPs should be on the proviso that CHPs leveraging additional finance and/or contributing other resources to grow the supply of affordable housing.

The Strategy (Section 6.6) notes a number of existing innovative housing projects in metropolitan Sydney that highlight how new build led by CHPs can fulfil Council placemaking and social objectives in ways that may be harder to achieve with private developments.

When exploring the development of Council's own land, it is important to consider the role CHPs can play in the process, with many CHPs not only having the benefit of operating at scale, but also having access to a range of funding and resources. A range of partnership models with CHPs or other areas of industry can result in a greater delivery of affordable housing due to the added efficiencies and cost effectiveness.

Registered not-for-profit CHPs have a strong and proven track record delivering affordable rental housing. Their performance is currently measured against good practice service standards under the supervision and regulation of the NSW Community Housing Registrar. They can bring to affordable housing projects tax concession savings arising from their charitable status and additional rental revenue from the collection of Commonwealth Rent Assistance<sup>3</sup> improving the long-term financial viability and borrowing capacity of the affordable housing projects. They also have special access to long-term, low-cost private finance, such as the Housing Australia Future Fund (HAFF). Ownership of affordable housing with a caveat on title will limit Council's future unfunded liabilities associated with the affordable housing avoiding an unwanted impost on ratepayers.

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<sup>3</sup> Many CHP tenants receive Commonwealth Rent Assistance. Public housing tenants are not eligible for this assistance.

**Recommendation 5**

Council consider piloting and evaluating joint venture projects (including shared and/or transferred ownership) with selected registered CHPs with a view to maximise affordable housing to better deliver on the Strategy's ambitious supply targets. An independent evaluation of the pilot project could compare the potential benefits of the joint venture with council ownership.

**Action 2.3** - *Undertake an acquisition program for purchasing existing stock, for use as affordable housing based on Council's site selection criteria.*

*Supported.*

**SSROC comment**

The purchase of existing housing stock presents a practical, quick and effective strategy to increase the supply of affordable housing and can be pursued in parallel to development on Council owned land or developments led by a registered CHP to maximise affordable housing supply. Again, a council developed Distribution Plan could set out acquisition priorities including the purchase of appropriate existing housing stock.

The principles guiding a Distribution Plan could include:

- efficient and effective delivery and management in-perpetuity of quality affordable rental housing supply in for very low, low and moderate income households.
- detailed commissioning processes for the delivery of affordable housing, consistent with the requirements of the Scheme.
- include the option of delivery, ownership, and management of affordable rental housing utilising the expertise and resources of the Community Housing Sector and NSW Government housing providers and the regulatory framework established under the Community Housing Providers Act 2012.
- amplification of the overall supply of affordable rental housing through distribution approaches that are competitive and leverage external financing and/or land assets, and
- transparent reporting on the collection, management, and expenditure of contributions as per the intent of the Scheme.

**Recommendation 6**

Council consider developing a Distribution Plan for affordable housing contributions that includes acquisition of suitable existing housing stock.

**Priority 3: Collaboration and advocacy with key government organisations for increased provision of affordable housing**

**Action 3.1**- *For the redevelopment of existing social housing sites advocate for 100% social housing to be retained, whilst ensuring a mix of dwelling sizes that is appropriate to the needs of the community. Council will advocate for a high level of engagement with both Council and social housing residents in the redevelopment of these sites.*

*Supported.*

**SSROC comment**

Within the Randwick LGA, there are significant State Government land holdings that could be investigated for the purposes of affordable and social housing. Some of these landholdings are close to transport, services and employment which makes them well suited to affordable housing.



The Commonwealth Government's Housing Australia Future Fund has enabled greater flexibility and viability in the redevelopment of Homes NSW/LAHC sites. Land could be developed by CHPs in partnership with Homes NSW with a view to maximising affordable housing supply outcomes and mixed inclusive communities.

**Action 3.2** - *Advocate to Homes NSW to increase the number of social and affordable dwellings through high-quality redevelopment of their strategic sites and for improved data in relation to housing delivered and in the pipeline in the Randwick LGA.*

*Supported.*

**Action 3.3** - *Advocate for affordable essential/key worker housing to be delivered as essential infrastructure required to support large scale non-residential redevelopment on government land or in proximity to proposed new infrastructure.*

*Supported.*

**SSROC comment**

The growing demand for essential worker housing within the LGA and the need to support them through the provision of affordable housing located on-site or in proximity to their workplace is apparent. Doing so would not only support the retention of the existing workforce but also contribute to well-being and a more resilient and inclusive local economy.

As noted, Census data for Randwick LGA shows that between 2016 and 2021, there was a decline in the number of local workers employed in 'Community and Personal Services' which comprises workers in health care, aged care, child care, hospitality, emergency and other personal services (from 6,665 to 5,762 persons, a drop of 903 workers).

**Recommendation 7**

Council consider funding placed based affordable housing supply initiatives targeted at cohorts of essential workers on lower incomes as part of the development of a Distribution Plan for affordable housing contributions.

**Action 3.4**- *Work constructively with industry to advocate for increased Federal government investment in social and affordable housing and a review of property tax and regulatory structures to address barriers for downsizers, disadvantages to first home buyers when competing against investors and to explore incentives or regulation to prioritise the delivery of low-cost and affordable housing over luxury developments.*

*Supported.*

**SSROC comment**

Meeting the growing demand for social and affordable housing, will require coordinated investment across all levels of government.

**Action 3.5** - *Advocate to the NSW Government to address the affordability of Co-Living developments through the planning system.*

*Supported.*

*SSROC comment*

Co-living housing, whether designed for student housing, essential workers or other household types, presents an opportunity to diversify and improve affordability outcomes. As the Strategy notes much co-living currently available within the LGA and other areas is being offered at rentals that exceed those in comparable private dwellings.

**Recommendation 8**

Council advocate with other stakeholders to the NSW Government for amendments to the Housing SEPP that deliver affordability outcomes and provide targeted support for essential workers and students on lower incomes.

**Priority 4: Review and establish processes for the ongoing management of affordable housing**

*Action 4.1- Improve the allocation and management of affordable housing by refining tenancy arrangements around need, based on income and rent in the 'Affordable and Transitional Housing Guidelines' and apply these to new and renewed management contracts awarded to CHPs.*

*Supported.*

*SSROC comment*

In the Randwick City context, 74.9% of market rent often exceeds more than 30% of household income and therefore it is recommended that all affordable housing be capped at 30% of household gross income across the LGA to align Councils existing affordable housing plans.

**Recommendation 9**

Council consider setting a policy that all affordable housing be capped at 30% of household income across the LGA.

*Action 4.2- Require better reporting for affordable housing managed by CHPs and owned by Council, including data on essential workers. Also advocate for CHPs to better report data on the number of dwellings within the LGA where ownership sits outside Council.*

*Supported.*

*SSROC comment*

Council should consider the reporting changes being introduced by the NSW Community Housing Registrar through the Community Housing Providers (Adoption of National Law) Amendment Act 2025 with the establishment of a register of affordable housing.

### **3 Conclusion**

Thank you for the opportunity to provide a submission regarding the Draft Affordable Rental Housing Strategy. This submission welcomes this initiative and supports the adoption of the Affordable Rental Housing Strategy by Council.

The proposed Strategy recognises the need for affordable rental housing, being critical to building sustainable, balanced and diverse communities and to strengthening the long-term economic growth of Randwick City. As part of Greater Sydney, SSROC and its member councils have a collective interest in supporting and advocating for these changes that will build more sustainable and inclusive communities, help to retain Greater Sydney's essential workers and enhance the productivity of local businesses in metropolitan Sydney.

In order to make this submission within the prescribed timeframe, it has not been possible for it to be reviewed by councils or to be endorsed by a formal meeting of 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 me or Mark Nutting, SSROC Strategic Planning Manager on 8396 3800, or [ssroc@ssroc.nsw.gov.au](mailto:ssroc@ssroc.nsw.gov.au).

Yours faithfully



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