## LAND RELEASE AND HOUSING SUPPLY IN NEW SOUTH WALES

| Organisation:  | Bayside Council            |
|----------------|----------------------------|
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| Position:      | Manager Strategic Planning |
| Date Received: | 5 September 2017           |



5 September 2017

Our Ref F09/996 Contact Clare Harley

David Hale NSW Legislative Assembly Committee on Environment and Planning Parliament of NSW Macquarie Street SYDNEY NSW 2000

Via email: environmentplanning@parliament.nsw.gov.au

Dear Sir/Madam

#### Re Bayside Council submission to Inquiry on Land Release and Housing Supply

Thank you for the opportunity to respond to the NSW Legislative Assembly Committee on Environment and Planning Inquiry into Land Release and Housing Supply in NSW.

Council has reviewed the Inquiry's Terms of Reference and its implications for Bayside Council and the Greater Sydney region. A submission is attached for the Committee's consideration.

If you have any queries regarding this submission, please do not hesitate to contact Council's Manager Strategic Planning, , on or at (

Yours sincerely

Meredith Wallace **General Manager** 

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# **Bayside Council**

Submission to the NSW Legislative Assembly Committee on Environment and Planning

## Inquiry into Land Release and Housing Supply

September 2017



### Introduction

Council welcomes the opportunity to provide comments on issues relevant to the Inquiry on Land Release and Housing Supply. As a Local Government authority with a direct stake in housing supply, supporting infrastructure and liveable places, Council hopes that the Inquiry acknowledges the significant role of Local Government in the planning and delivery of housing across NSW, as well as the challenges of providing local infrastructure near where people live to ensure that sustainable growth supports the community, now and in the future.

Council's submission to the Inquiry is focused on three key themes:

- Liveability
- Housing Choice
- Affordable Housing

#### Housing, Growth and Liveability

A core objective which informs planning for growth is to achieve improvements to the liveability of a place and the overall district. Housing supply is an important aspect of creating liveable places. However, actions and priorities have often fallen short in delivering liveability outcomes.

Currently, Council's and the larger community's view of liveability, are places that:

- People live in that are close to:
  - Public transport;
  - High quality public and private open space;
  - Health and education services; and
  - Community facilities, etc.
- Are easy to move around in sustainably; and
- Are in proximity to meaningful employment opportunities.

Councils experience pressure to meet housing targets established by government strategy and the Draft District Plans continue this approach by quantifying future targets for housing. However, the Draft District Plans do not establish benchmarks and performance indicators for the social, open space, public transport, education, environmental, health and employment needs required to support the forecasted population growth.

Regional and District planning needs to move beyond the historic response to liveability (ie boosting housing supply), and focus on benchmarking activities that will lead to liveable places. Government strategies such as the District Plans need to include benchmarks on access to and provision of:

- Health and education services;
- Public and active transport opportunities;
- Quality public and private open space;
- Responses to protect the natural environment
- Provision of community facilities; and
- Employment opportunities.

It is noted that Bayside Council has been part of the Southern Sydney Regional Organisation of Councils (SSROC) Liveability Indicators and Mapping project. The intent of this project has been to benchmark and understand the current liveability performance of each area of the SSROC region against the following indicators:

- Access to and suitability of open space;
- Rental affordability and mortgage stress;
- Access to centres and employment;
- Relative job accessibility;
- Access to public education;
- Access to hospitals and local health clusters; and
- Access to community facilities and cultural precincts.

With regard to open space, little focus has historically been placed on the role that private landholdings and the housing development sector has in the provision of fit-for purpose private open space for communities, and the integration of private open space with the public domain. With increased densification of neighbourhoods, planning processes do not adequately consider how open space needs can be met in an integrated manner. Instead, more pressure is being placed on local Councils, without the corresponding resources, to provide additional and higher quality open space because community needs are not being provided within private domains.

Appropriately planned and landscaped streetscapes also play an important role in the provision of passive recreation opportunities and a sense of respite for people in a highly urbanised setting. Green streetscapes, in particular, play a vital role in combatting heat island effects, which is an ever-increasing impact in urban settings. However, with the proliferation of higher density housing precincts, tree-lined and green streetscapes are disappearing as authorities try to balance the placement of competing interests for the limited space remaining (eg utilities, access, vegetation, etc). With increased pressures to develop higher density precincts to address housing needs and future targets, a systematic approach to improved greening of streetscapes through planning processes should be addressed to assist Councils with their planning controls.

Performance indicators that address all of the issues above would ideally be used to assess how future infrastructure, strategic planning actions and urban intensification, as proposed in the Draft District Plans, will deliver a dividend, or benefit, to local communities.

It is noted that whilst the project report provides a summary of the liveability indicators for the Greater Sydney Commission's Central and South Districts, the key issues are reflected across Greater Sydney and include:

- Unaffordable rental markets;
- High levels of mortgage stress;
- Medium-to-low levels of accessibility to all types of open space and community facilities.

Bayside Council recommends that the Inquiry considers a range of quantifiable objectives, targets and indicators for any housing supply process so that the other pillars of liveability can sustainably support future population projections, including:

- Public and private open space provision (including quality);
- Transport infrastructure and services;
- Social infrastructure including health, education and community facilities;

- Affordable housing;
- Meaningful employment types; and
- Protection of the natural environment.

Overall, Council encourages the Inquiry to consider the high quality work in the SSROC Liveability Indicators and Mapping project, which has previously been submitted to the Greater Sydney Commission.

#### Housing Choice

Local housing strategies inform decision making in relation to housing need, diversity and supply. The preparation of Local Housing Strategies is supported and, as a minimum, these documents should identify the source of housing demand and formulate an appropriate strategy to provide the necessary housing diversity. Increasing levels of housing supply does not necessarily address the issue of housing diversity. Local housing strategies also need to address the availability of housing of varying size, type and location.

To achieve such an outcome, councils need practical support from the NSW Government through the development of appropriate mechanisms that would allow Council to deliver on the objective of more housing choice.

When housing decisions have been announced by the State government they have often been made without a commitment to a commensurate increase in or improvements to state or regional infrastructure to support a growing population. Councils are often left with the legacy of poor infrastructure planning and investment and the growing population is under resourced to meet its needs in areas such as public transport, education and health.

The NSW Government's Draft District Plans clearly establish that growth areas for housing should be focused around existing and planned infrastructure in Greater Sydney. Whilst this is positive, more can be done. For instance, the Arncliffe and Banksia Priority Precincts in Sydney's Central District are located on the Illawarra line. However, the line is currently over capacity in the morning peak. Additional housing at the levels suggested by the declaration of a Priority Precinct should only be considered where existing infrastructure has the capacity to accommodate the growth, or there is an absolute commitment to, with associated funding allocation, the timely provision of new or improved infrastructure.

#### Housing Affordability

The NSW government has, in recent times addressed the issue of housing affordability by focusing on increasing housing supply and fast tracking planning approval processes. However, there is little evidence that a focus on increasing housing supply has resulted in more affordable housing in Greater Sydney or NSW generally.

Housing affordability is a complex issue which cannot be addressed by only increasing supply. Community needs vary and the places where affordable housing is located as well as the mechanisms used to deliver such accommodation need to respond to those circumstances. For instance some people need short term affordable rental housing whilst others would like to purchase housing within their income means which is close to meaningful work.

The Draft District Plans for Sydney are proposing a target of 5% to 10% of new floor space to be allocated for affordable rental housing. The proposal to apply the target at the rezoning stage is

a sound approach so that its provision is factored into the development equation, with developers being fully aware of their responsibilities in this regard. The commitment to independently assess the need and viability of affordable housing provision is supported. Assessment of the implications for the financial viability of projects should be independent and applied consistently to all developments. It is suggested that statutory mechanisms, such as standard controls in Local Environmental Plans, could be introduced to formalise housing policies and realise initiatives such as affordable housing provision.

Council encourages the Inquiry to develop a sound understanding of the breadth of affordable housing issues in order to address this important element of housing supply.

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