

**Submission
No 137**

**INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE
HOUSING**

Organisation: Strathfield Council

Date received: 4/03/2014

28 February 2014

Ash Chand

The Director
Select Committee on Social, Public and Affordable Housing
Parliament House
Macquarie St
SYDNEY NSW 2000

Dear Director,

INQUIRY INTO SOCIAL, PUBLIC AND AFFORDABLE HOUSING

Strathfield Council appreciates the opportunity to contribute to the Select Committee's Inquiry on Social, Public and Affordable Housing. Local Government plays an important role in the delivery of affordable housing for their local areas.

Strathfield Council's submission primarily focuses on:

- The housing design approaches and social service integration to support tenant wellbeing,
- Criteria for selecting and prioritising residential areas for affordable and social housing development, and
- The built form and streetscape impacts as a result of the development incentives in the Affordable Housing State Environmental Planning Policy 2009.

The submission addresses some the deficiencies evident in the Affordable Housing State Environmental Planning Policy 2009 and makes recommendations on the following:

1. The impact of the policy on the residents of affordable housing development, and
2. The impact on the surrounding area as a result of the development under this policy.

Should you have any questions Strathfield Council's submission to the Select Committee's Inquiry on Social, Public and Affordable Housing, please the Director Technical Services,

Yours sincerely,

**DAVIDBACKHOUSE
GENERAL MANAGER**



STRATHFIELD COUNCIL SUBMISSION

Inquiry into Social, Public and Affordable Housing

INTRODUCTION

This submission has been prepared by Strathfield Council in response to the invitation by the Legislative Council Select Committee Inquiry into Social, Public and Affordable Housing.

Whilst the terms of reference for the Inquiry are broad, the key issues of concern in Strathfield Council's submission will focus on the planning and policy framework in which affordable housing is currently delivered, more specifically, the role of the Affordable Housing State Environmental Planning Policy 2009.

This submission will primarily focus on the following term of reference:

- Housing design approaches and social service integration to support tenant wellbeing, and
- Criteria for selecting and prioritising residential areas for affordable and social housing development, and
- The built form and streetscape impacts as a result of the development incentives in the Affordable Housing State Environmental Planning Policy 2009.

Introduction

Metropolitan Sydney is distinguished by a lack of affordable accommodation, especially for the inner areas such as the Inner West and the Eastern Suburbs, where the demand for housing has outstripped the supply. This is even more pronounced in the rental market. The lack of an affordable and diverse housing stock in certain suburbs has seen the pricing out of lower income workers and families from the inner metropolitan areas of Sydney.

Strathfield is exemplified by a large proportion of the local workforce residing outside the region, where 50% commute from Western and South-western Sydney. This would appear to indicate that the local workforce cannot afford local prices and raises concerns for socioeconomic stability and long-term sustainability for the metropolitan region which sees an increasing segment of the population marginalised.

Affordable Housing State Environmental Planning Policy 2009

The key aims of the Affordable Housing State Environmental Planning Policy (AHSEPP) are to provide a consistent planning regime for the provision of affordable rental housing

that will facilitate the retention and mitigate the loss of existing stock, employ a balanced approach between obligations for retaining and mitigating the loss of existing affordable rental housing and incentives for development of new affordable rental housing, facilitate an expanded role for not-for-profit-providers of affordable rental housing, support local business centres by providing affordable rental housing for workers close to places of work, and facilitate development of housing for homeless and other disadvantaged people who may require support services, including group homes and supportive accommodation.

The AHSEPP has been used to address the long term decline of affordable housing in NSW and to provide guidance to Councils and the community in terms of measures to encourage the provision of affordable housing. The AHSEPP relies on planning incentives to encourage infill residential development (including low rise, medium density town houses and high rise flats).

AHSEPP 2009 Outcomes

Whilst Strathfield Council is supportive of the objectives of the AHSEPP to facilitate affordable housing, Council holds concerns that the current mechanisms in the AHSEPP to encourage affordable housing are unduly focused on development incentives (FSR bonuses) which are concerned more with what the extra development potential can be given to a developer rather than on the outcomes and delivery of affordable housing for the end user.

This mechanism has created an opportunity for developers to push through developments which otherwise would not comply with Councils locally based LEP and DCP controls, which often represent an overdevelopment of sites in terms of a buildings bulk and scale, and potentially have adverse impacts on the streetscape and neighbouring properties.

The performance of the development sector under the AHSEPP has produced two negative consequences:

1) Impact on residents

The conditions the developments provide for people who live there ranges from a lack of private open space, poor accessibility to amenities or services such as child care centres, retail shops and medical practices, inadequate car parking, and the location for both higher density residential dwelling and boarding houses in very low density residential areas.

While the proximity to a bus stop is an important control maker for development under the AHSEPP, the frequency and destination of services is equally important. The current marker of an hourly service is insufficient to achieve long term sustainable outcomes for the residents of such development.

2) Impact on the surrounding area

The development can produce an exaggerated building envelope, that do not conform to local development control provisions, which can result in a development that are out of scale with the surrounding properties. The net effect can be a diminished streetscape,

increased privacy and overlooking issues, and poor urban design for the local character of the neighbourhood.

While the AHSEPP requires the development adhere to local character, the lack of adherence to the local development controls, nonetheless diminishes the local character of the area. Furthermore, the local character provision is deficient of detail in regard to character criteria to support this provision.

Accordingly, the performance of the AHSEPP at local level has been poor, where developer focus on bonus incentives at the expense of local liveability has resulted in diminished development quality and residential character.

Strategies, Sub Regional Planning and Local Instruments

The State Government's metropolitan strategies contain broad objectives to encourage affordable housing. However, it does not identify affordable regional and locational housing targets nor provide alternative options or mechanisms for the delivery of affordable housing through the sub-regional planning process.

For the greater Sydney region, the current framework does not link mandatory targets to clearly defined options for the delivery of affordable housing in sub-regional plans to achieve fair and equitable distribution of affordable rental housing across all suburbs.

Councils consider the issue of population, housing and employment into their local plans in an effort to increase the local supply of affordable housing. Whilst Strathfield Council acknowledges the concerns about housing affordability, local government has limited capacity through standardised planning controls to make major contribution in this area to deliver 'affordable housing' as a core responsibility.

The State Government objectives for affordable housing should be made clear in the planning policy and must be given effect in regional growth plans, sub regional delivery plans and standard LEP templates which can support housing needs assessment and housing targets.

Recommendations

1. Delivery models from other jurisdictions could be adopted to encourage affordable housing, for example as in the UK and in South Australia, where a mandatory requirement as a set percentage of dwellings in a development is set aside for affordable housing.

This avoids the issues that arise from the incentive based development approach in the AHSEPP such as overdevelopment of sites.

The principle that affordable housing must be delivered as part of new residential development has been accepted in other jurisdiction, and can be tailored to the NSW planning framework.

2. Housing diversity and more affordable housing options are better achieved at or near local and town centers, activity hubs and corridors, and public transport nodes, where higher densities yield more options with townhouses and multi-unit dwellings

as well as options for boarding house style accommodation and secondary dwellings.

These locations generally will provide greater levels of amenity, public transport connectivity, and accessibility to shops, community facilities, places of employment, and to public open space, which assist in meeting the needs of the community through different stages of the housing cycle, particularly for young people and elderly people on low incomes.

Furthermore, boarding houses should not be permitted in all R2 Low Density Residential zones that though they may have regular bus service but are still deficient in the frequency of the service and lack regional connectivity.

3. Provisions in the AHSEPP specify that consent authorities should consider the compatibility of the development with the character of the local area. The AHSEPP should provide more detail to support local character criteria.
4. The state should assess specific precincts within regions through sub-regional planning to determine where the locational and regional shortfalls in affordable housing exist and set more location based targets for affordable housing so that actions may be developed to address those deficiencies.