

14 October 2013

Sam Haddad,
Director General,
Department of Planning and Infrastructure
GPO Box 39,
Sydney NSW 2001

Dear Mr Haddad,

Planning changes in the North West and South West Growth Centres of Sydney.

The Urban Taskforce notes that The NSW Department of Planning and Infrastructure is proposing changes to the State Environmental Planning Policy (Sydney Region Growth Centres) 2006 (Growth Centres SEPP) and Development Control Plans (DCPs) of the Growth Centres to deliver greater housing diversity and more affordable housing in the Growth Centres of Sydney.

We have reviewed the documentation placed on exhibition and find this package of material to be clear and comprehensive. We are particularly encouraged to note that the key objectives for the proposed amendments include the establishment of consistent controls:

- across councils within the growth areas;
- that align with the current industry delivery model and finance arrangements; and,
- promote a wider variety of housing types within residential zones.

The Urban Taskforce has consistently argued that for development to occur there is an urgent need for planning authorities to acknowledge that the development industry must be provided with a planning system that will support the delivery of housing that responds to market demand. Planning controls that restrict the development industry from delivering a product that is acceptable to the market simply means that development does not occur. Lacklustre development performance has been the result of inflexible and/or inappropriate planning controls in a number of locations in the Growth Centres and also infill locations within the Sydney Metropolitan Region. The massive undersupply of housing we now face may have been lessened if Government had listened to industry earlier. Nevertheless, it is refreshing to read within the Department's Planning Report some acknowledgement of the influence that planning controls can have on development. The Planning reports says that:

Financing projects that require integrated subdivision and house construction is expensive due to the need to fund approvals and development upfront instead of being able to stage the costs. This has resulted in inactivity in rezoned Precincts There is a need to ensure the assessment and approval processes for more dense housing forms does not restrict the ability of developers and builders to finance projects.¹

Finally Government acknowledges that planning controls have a dramatic impact on development feasibility and funding models. This acknowledgement should drive a review of all planning controls that limit the production of housing across the entire Metropolitan area, not just within the Growth Centres. For instance, local government areas within the inner and middle ring of the Sydney Metropolitan area are in high demand for housing, yet production is slow and has not kept up with demand. We argue that the planning controls that apply in many of these areas reflect past planning practices which aimed to preserve or "freeze" development potential. There are locations where higher density development is permissible, but because local development controls are restrictive, community opposition is high and council hostility to redevelopment is obvious, little development occurs.

¹ NSW Department of Planning and Infrastructure (2013). Planning Report: Supporting housing choice and affordability in growth areas. July 2013. p. 11.

While we generally support the amendments to the Growth Centres SEPP proposed, we urge the Government to broaden its review of local environmental and development control plans to uncover and address further instances of restrictive planning that is limiting the supply of housing in accessible locations.

Infill locations, close to good quality public transport nodes should be locations where smaller lot development, multi-unit housing and residential flat buildings are permitted. It is unfortunate that due to the apparent hesitance of Government to engage with some obstinate local governments we are forced to rely more on greenfield development to meet much of our housing needs. Clearly some of our housing needs can and should be met through greenfield development. However, there are many consumers who seek other types of housing in alternative locations. That's why greenfield development must be balanced against an appropriate proportion of infill development.

Furthermore, we note that there are cases of variation in planning controls between councils within the same growth area. In this regard we support aims to address the inconsistency through the establishment of "controls that create a level playing field, so that all developers in all Precincts are operating under the same processes and requirements, and are required to comply with the same standards for subdivision design and amenity".² We agree that consistent controls will encourage competition, increase productivity, and increase the supply of affordable and diverse housing options.

We support the Department's proposal to permit a broader range of housing types in the R2 and R3 residential zones of the rezoned Growth Centre Precincts. For instance permitting attached dwellings and multi-dwelling housing in the R2 Zone is a good start. However, this should not only apply to the R2 zones in the Growth Centres. Attached dwellings and multi-dwelling housing should become permitted uses in R2 – Low density residential zones in other appropriate locations outside of the Growth Centres.

Finally, inconsistencies in minimum lot size controls across all of the rezoned Precincts for all of the housing types permitted must be addressed. There is no justification for variation in minimum lot size within the same zone across different local government boundaries. For instance, a R2 residential zone in The Hills Shire Local Government Area should be considered the same as a R2 residential zone in the Blacktown Local Government Area. There are few legitimate reasons to support differences in minimum lot sizes for the same zone within the same Growth Centre.

The Urban Taskforce generally supports the amendments to the Growth Centres SEPP to encourage greater housing choice while meeting development industry needs. However, we argue that there is an urgent need to review planning controls applied to the inner and middle ring suburbs of the Sydney Metropolitan area to ensure that similar amendments to planning controls are made so that there is a balanced delivery of housing. The community must be afforded with a real choice between greenfield and infill housing opportunities.

Yours sincerely

Urban Taskforce Australia



Chris Johnson AM
Chief Executive Officer

² NSW Department of Planning and Infrastructure (2013). Planning Report: Supporting housing choice and affordability in growth areas. July 2013. p. 13.