

Our ref: R96/0115-11.Ib Out-28415

13 December 2018

Ms Carolyn McNally  
Secretary  
Department of Planning and Environment  
GPO Box 39  
Sydney NSW 2000

Dear Ms McNally

**Proposed amendment to State Environmental Planning Policy No 70 – Affordable Housing (Revised Schemes) (SEPP 70)**

Thank you for the opportunity to comment on the Department of Planning and Environment's Explanation of Intended Effect outlining the proposed amendments to SEPP 70 and the *Draft Guideline for Developing an Affordable Housing Contribution Scheme*.

LGNSW strongly supports the proposed amendment to expand SEPP 70 to apply to all local government areas in NSW. The need for affordable housing across Greater Sydney and in regional areas is well documented and the limited application of SEPP 70 has been a significant constraint for councils seeking to develop effective responses to this important issue. Many councils have expressed disappointment about the missed opportunity to provide affordable housing in areas where there has already been significant residential development.

While the proposed amendment to SEPP 70 removes an administrative step, councils will be required to develop affordable housing contributions schemes. Allowing councils to decide when to develop a scheme is supported. Councils have different housing issues and priorities and are best placed to determine when to introduce a scheme in their area.

The *Draft Guideline for Developing an Affordable Contribution Scheme* setting out the process and the components to be included in schemes is welcomed. It is important that councils have clarity on the requirements and the approval process. The addition of model clauses and provisions from existing affordable housing schemes could enhance the guideline.

LGNSW understands that approval as part of a planning proposal provides the opportunity to ensure that schemes are responsive to local housing needs, align with District and Regional Plans and that contribution rates do not undermine development viability. Councils have expressed concern about the time it takes for the Department to review, provide feedback and finalise planning proposals. It is important that this process is adequately resourced so that councils can meet their implementation timeframes.

Section 3.4 of the draft guideline specifies that councils should nominate a community housing provider to manage the affordable rental housing. LGNSW agrees that affordable housing should be managed by registered community housing providers in partnership with councils.

The draft guideline (p.16) also states that the provider would manage "... related monetary contributions in accordance with the council's delivery program". It is not clear whether this refers to the monetary contributions collected from developers for the delivery of affordable housing or the rental income from dwellings when constructed. The arrangements for delivery of affordable

housing dwellings and the use of monetary contributions should be determined by councils. The guidelines need to clarify this.

As the development of an affordable housing contributions scheme will be new to many councils, workshops and information sessions on the SEPP and guidelines when finalised would be beneficial.

Should your staff have any questions, please ask them to contact Linda Blinkhorn, Senior Policy Officer, Planning (P: 9242 4072; E: [linda.blinkhorn@lgnsw.org.au](mailto:linda.blinkhorn@lgnsw.org.au)).

Yours sincerely



Kylie Yates  
**Acting Chief Executive**