



23 February 2024

Kiersten Fishburn
Secretary
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Dear Secretary,

The St Vincent de Paul Society NSW (the Society) appreciates the opportunity to provide comments on DPHI's [Explanation of Intended Effect: Changes to create low-and mid-rise housing](#). As a large provider of housing and homelessness services, we have a particular interest in ensuring that everyone in our community, particularly people on low incomes and experiencing disadvantage, have an affordable, safe, and healthy place to call home.

We acknowledge the NSW Government's suite of planning reforms, including this proposal to facilitate the 'missing middle', that are aimed at increasing housing supply and improving housing affordability. However the delivery of private market housing alone will not resolve the unmet housing needs of many in our community, particularly people in low-incomes and essential workers. This makes the provision of significantly more Affordable Housing a critical consideration in all planning reforms, in addition to improved housing affordability.

The lack of affordable housing is one of the most significant issues facing NSW in both metropolitan and regional areas, as highlighted in the recent NSW Productivity Commission Report.¹ The private rental market has reached a point of extreme unaffordability, with the consequences experienced more severely by people with limited financial means. Anglicare Australia's 2023 Rental Affordability Snapshot found virtually no properties were affordable for people on income support payments.² Around half of all low-income renters are in housing stress,³ consistent with the 46% of people experiencing housing stress whom the Society assists.

The high cost of housing is forcing people on lower incomes – including key workers such as educators, nurses, carers and social workers – further from jobs, transport and other services. At its worst, people are being forced into homelessness, including working families. This comes at significant cost to the economy due to lost economic output as employers struggle to attract staff due to a lack of locally affordable housing.⁴

The Society asserts that the NSW Government should use these low and mid-rise density planning reforms to facilitate the delivery of more Affordable Housing in well located areas. This should be facilitated by introducing Mandatory Inclusionary Zoning requirements of 15% on all Development Applications and Planning Proposals that will occur on land affected by these reform changes so that land value uplift resulting from more generous planning controls in these areas is captured in a broadbased Affordable Housing Contribution Scheme.

Affordable Housing, as currently defined in the NSW State Environmental Planning Policy (Housing) 2021⁵ (Chapter 2, Part 2, Division 1, s21) should be amended so that housing is retained as Affordable Housing in perpetuity, instead of the current 15 year term, to ensure public benefits from upzonings and planning changes

¹ NSW Productivity Commission (2024) *What we gain by building more homes in the right places*

<https://www.productivity.nsw.gov.au/sites/default/files/2024-02/What-we-gain-by-building-more-homes-in-the-right-places.pdf>

² Anglicare Australia (2023) *Rental Affordability Snapshot, National Report 2023*, <https://www.anglicare.asn.au/wp-content/uploads/2023/04/Rental-Affordability-Snapshot-National-Report.pdf>

³ Australian Bureau of Statistics (2019-20). *Housing Occupancy and Costs, Table 13.1 Rental affordability, lower income renter households, national housing and homelessness agreement basis*. ABS. <https://www.abs.gov.au/statistics/people/housing/housing-occupancy-andcosts/2019-20> [Accessed at 31 July 2023]

⁴ Everybody's Home (2022) *HOUSING CRITICAL The role of housing in solving critical skill shortages across the regions*, <https://everybodyshome.com.au/resources/housing-criticalthe-role-of-housing-in-solving-critical-skill-shortages-across-the-regions/>

⁵ Current version for 1 January 2024 to date (accessed 19 February 2024 at 20:21)

accrue to the public. Affordable Housing should also be delivered and managed by registered not-for-profit Community Housing Providers so that the housing is delivered for social benefit in perpetuity.

To complement the introduction of inclusionary zoning requirements to facilitate increased Affordable Housing supply, we recommend the introduction of transparent accountability measures to monitor and report on delivery of new Affordable Housing supply. The Society notes the lack of publicly available information about how many new affordable rental homes were delivered as a result of the previous Greater Sydney Commission's District Plans. We strongly recommend that an accessible and centralised framework to monitor Affordable Housing approvals and completions by LGA and against recommended Regional Plan targets will incentivise local government compliance and increase public accountability to drive the delivery of more affordable rental housing.

In addition to facilitating increased supply of Affordable Housing, we recommend the NSW Government introduce Mandatory Minimum Energy Efficiency Standards for rented homes and require all new homes to comply with silver level accessibility standards, in line with the National Construction Code. An important, but often overlooked component of housing affordability is not just the cost of the dwelling itself, but the costs of running and maintaining the property. Introducing minimum energy efficiency standards for rental housing would reduce resident's energy bills and make homes more climate resilient. Upfront investment in universal design would contribute to a more inclusive housing system that can better accommodate each of us as our needs change across life's many stages.

While the Society strongly supports the delivery of increased housing supply where it includes specific provisions to facilitate more affordable rental housing for people on low income, it must also be delivered as part of a master plan to foster inclusive, healthy and prosperous communities. NSW already has too many examples of poorly planned new developments without adequate infrastructure and facilities. People on low incomes and experiencing disadvantage are most impacted by living in communities with poor walkability, inadequate public transport, urban heat effects, and lack of libraries, parks, pools and community centres. As part of the implementation of these reforms, local planning must be undertaken with Councils and their communities to develop comprehensive plans that include the provision of critical social infrastructure and programs. This will ensure density is done well for everyone, including our future generations.

Thank you for the opportunity to provide comments on the low- to mid-rise housing density proposal. For questions about this submission, contact Solange Frost, Manager Policy and Advocacy, at solange.frost@vinnies.org.au.

Yours sincerely,



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