

IRF21/523

Mr Kerry Robinson Chief Executive Officer Blacktown City Council PO Box 63 BLACKTOWN NSW 2148

Dear Mr Robinson

### **Blacktown City Council Local Housing Strategy 2020**

Thank you for submitting Blacktown City Council's Local Housing Strategy (LHS) to the Department for the Secretary's approval.

The Department commends Council on preparing a robust evidence base to support its LHS, providing Council with a clear understanding of the housing needs of the Blacktown local government area (LGA) and a strong commitment to strategic planning.

I can confirm that I have determined to approve the Blacktown LHS 2020. My decision reflects the analysis undertaken to develop a comprehensive strategic planning and evidence base to inform your LHS and deliver 16,500 to 18,500 dwellings for the period 2021-26.

In doing so, I have also determined that the approval is granted on the basis that:

- The LHS addresses housing supply, including the 6-10 year housing target, to be delivered mainly through existing capacity under current planning controls including in the North West Growth Area (NWGA).
- The LHS addresses the need for housing diversity by identifying possible locations for diverse housing typologies. The place-based planning work being undertaken by Council should also assist in addressing the need for housing diversity, subject to the requirements identified below.
- The LHS addresses housing affordability, subject to the requirements identified below. While Council commits to preparing an Affordable Housing Strategy, further work is required to prepare a SEPP70 scheme, as required by the District Plan.
- The LHS is generally consistent with Section 9.1 Directions and SEPPs, subject to the requirements identified below.
- The LHS is broadly consistent with the Central City District Plan, subject to the requirements identified below.

The approval is also subject to the following requirements:

1. Within four (4) months of Council being notified of the LHS approval, Council is to prepare an updated and prioritised Implementation and Delivery Plan that clearly articulates the actions, roles and responsibilities and timing to facilitate housing supply, diversity and affordability between 2021 and 2026 and beyond. The Plan should be prepared in consultation with the Department, Transport for NSW

- (TfSNW) and Infrastructure NSW (INSW), to ensure any critical interdependencies are satisfactorily resolved.
- 2. Council is to collaborate with the Department, TfNSW, and other State agencies to finalise the relevant investigations and studies to enable a more detailed vision of housing in the NWGA to be established.
- 3. Council is to continue to undertaking place-based planning work for areas that may be serviced by a future Sydney Metro line, with these plans to be updated should the Sydney Metro line be confirmed and approved.
- 4. Council is to prepare a program to monitor and review the supply and delivery of housing, in particular the 6-10 year housing target, to monitor market take-up and understand whether further incentives to increase housing supply in the LGA may be required.
- 5. Council is to consider and include diverse housing opportunities within all placebased planning work, to ensure housing diversity is encouraged and enabled, particularly within identified centres.
- 6. Council is to manage and expedite planning proposal processes, particularly where they will secure diversity and affordability outcomes and in particular support key cohorts such as seniors housing, key worker housing, affordable housing and other typologies that suit the changing needs of existing and future households in identified investigation areas.
- 7. Council is to undertake ongoing monitoring and review of the development pipeline, housing supply, delivery, and capacity, to ensure there is a clear understanding (including across agencies) of the housing capacity of the LGA. Future iterations of the LHS should include a sequencing plan for place-based planning work that will deliver housing in the 10+ year (2026-36) period and beyond.
- 8. Council is to prepare an Affordable Housing Contribution Scheme (AHCS) that commits Council to examining the feasibility of levying affordable housing contributions for any new planning proposals that would result in development uplift or an increase in land value. This will ensure that planning proposals give effect to the District Plan, Action 17 to prepare an AHCS.
- 9. Council is to pause any rezoning applications directly affected by the NSW Government's flood evacuation strategy for the Hawkesbury Nepean flood plain—whether Council or proponent-led—until there is resolution on flood studies/analyses currently being undertaken by INSW, DPIE and TfNSW. Future development and planning will need to consider the outcomes arising from these studies, particularly in relation to the location of housing and infrastructure and the adequacy of that infrastructure.
- 10. Future iterations of the LHS and any supporting studies/investigations required to underpin rezonings for residential development on flood affected land are to acknowledge and give due regard to flood modelling undertaken by INSW Hawkesbury-Nepean Valley Flood Risk Management Directorate and local councils. This consideration should also include the evacuation capacity limitations of the Hawkesbury-Nepean floodplain and new guidance to be provided by:
  - the Flooding Section 9.1 Ministerial Direction
  - Planning Circular Considering flooding in land use planning: guidance and statutory requirements; and
  - Considering flooding in land use planning guideline, prepared by DPIE,

which come into effect on 14 July 2021 (https://www.planningportal.nsw.gov.au/flood-prone-land-package).

Council should consult with the Department, TfNSW, NSW SES and INSW in relation to flood evacuation capacity of affected areas of the LGA also. It is acknowledged that implementation of these new and existing considerations may impact or delay Council's ability to deliver additional housing capacity.

- 11. The direction and strategic planning approaches endorsed in any State-led strategies or plans are to prevail in the event of any inconsistency with this approval and/or the Council's LHS (as revised and current).
- 12. Council is to update or revise the LHS to inform Council's updates/ revision to it local strategic planning statement following the making of a future District Plan.

#### Implementing your Local Housing Strategy

The State Government is committed to reducing the time taken to complete planning proposals that support housing delivery by tailoring the steps in the process to the complexity of the proposal, and by providing clear and publicly available justification for each plan at an early stage.

To meet these commitments, a detailed implementation plan is required. This should reflect a comprehensive work program for all strategic planning work Council commits to undertake to implement its LHS and should include but not be limited to the Actions in the LHS Implementation and Delivery Plan.

### Local Housing Strategy Reviews and Updates

We strongly recommend that Council review and revise (where required) its LHS before the Local Strategic Planning Statement (LSPS) is required to be reviewed by the Greater Sydney Commission. This will help best inform the next update to the LSPS.

It will also provide Council with the opportunity to improve and clarify aspects of the LHS. The advisory notes provide specific guidance on matters that Council is encouraged to consider when updating the LHS. The Department will expect these same matters to be addressed in planning proposals and will be reinforcing them through Gateway determinations as an interim measure in the absence of the Department's LHS review process.

Once again, I would like to take this opportunity to acknowledge the significant amount of work your team has undertaken to develop the LHS. Please be advised that the LHS will be published on the NSW ePlanning Portal alongside the Department's letter of approval and advisory notes.

Should you have any further questions, please contact Dominic Stefan, Specialist Planner on 02 8275 1024.

Yours sincerely

Jénny Rudolph
Acting Executive Director
Local Strategies and Plan Making

12 July 2021

Enc: Blacktown Council LHS Advisory Notes



# Blacktown Council Local Housing Strategy

## **Advisory Notes**

The following advisory notes identify the further work Council will need to undertake to strongly position future planning proposals and further iterations of the Local Housing Strategy (LHS). The advisory notes provide specific guidance on matters that Council is encouraged to consider when updating the LHS. The Department will expect these same matters to be addressed in planning proposals (where relevant) and that these will be reinforced through Gateway determinations as an interim measure in the absence of the LHS review process.

Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
General	
Implementation	Future iterations of the LHS should be underpinned by an Implementation Plan with a priority work program, clearly defined roles, responsibilities, sequencing and definitive timeframes with risks and dependencies identified. The Plan should be prepared in consultation with the Department, Transport for NSW (TfSNW) and the Western Sydney Planning Partnership (WSPP), to ensure any critical interdependencies are satisfactorily resolved. This is encouraged to be informed by resourcing and budgets to demonstrate how housing targets will be delivered. The implementation plan should specifically address work streams related to items identified in the LHS Actions.
Review and monitoring framework	Revisions to the LHS may be required in response to significant changes in the LGA such as announcements on new infrastructure investment and employment opportunities, significant changes in projected population growth or updates to the LSPS.  The framework should also review the supply and delivery of housing, including the 6-10 year housing target and targets for medium density and seniors' housing.
Infrastructure	Future iterations of the LHS should detail the key local and State infrastructure commitments and investment decisions that will support the unlocking of housing supply. This analysis should consider public and active transport, education and health facilities, open space, community infrastructure, drinking supply, wastewater and utility services. Council is encouraged to cross reference any endorsed Council strategies and plans, where relevant, and collaborate with DPIE and other State agencies (and in particular Schools Infrastructure NSW (SINSW), Sydney Water and TfNSW) to ensure identified opportunities are realistic and accurately reflect staging, sequencing, servicing and delivery of critical infrastructure such as public transport, education facilities and drinking supply and wastewater services. Thresholds/triggers, funding, responsibilities for delivery and indicative timeframes should also be identified. The future LHS should also consider proposed linkages to local infrastructure contributions, and its recent reform.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
Making appropriate provision for any additional housing opportunities that may arise out of sequence	The inclusion of a transparent and robust framework to consider additional opportunities will assist Council, the Department and other relevant agencies to assess proposals that are inconsistent with the LHS. It will also ensure that changes to land use or development controls do not take place without demonstrating strong strategic merit.  Council is encouraged to develop a framework within which to consider such proposals, including but not limited to the following heads of consideration:  Strategic merit and case for change Robust demographic evidence Housing Affordability and Diversity Demand analysis and economic impacts Infrastructure delivery and funding to be borne by the proponent Stakeholder consultation and outcomes Sustainability and resilience
Community and Stakeholder Engagement	Incorporate the findings of any future relevant community and stakeholder engagement. Future iterations of the LHS should also clearly note the exhibition period or, note that it was not exhibited.
Consultation and engagement with agencies	Council should continue consultation with the following agencies:  • TfNSW in relation to  ○ planning for city-shaping & city-serving transport initiatives in Future Transport 2056 and alignment with Council-led transport infrastructure initiatives,  ○ infrastructure to support rapid and improved bus connections between Western Sydney Airport and Penrith, Liverpool, Blacktown and Campbelltown-Macarthur,  ○ Potential future connections to the Aerotropolis, Marsden Park Strategic Centre and Sydney Metro Northwest at Tallawong Station.  ○ Infrastructure NSW, TfNSW and Sydney Water as part of opportunities and constraints analysis.  • Land and Housing Corporation (LAHC) in relation to planning for and renewals of the LGA's social housing stock.  • SINSW:  ○ Prior to the finalisation of any future strategy or planning proposal that proposes a significant increase in the number of dwellings; and  ○ When Council is aware of variations in the following:



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	- The actual number of lots or dwellings varying from planning proposal estimates/ strategic plans.
	- An emerging demographic that varies from the planned population profile, either with more or less
	families with children.
	- Rates of development and dwelling take-up varying from planned release programs or forecast
	residential take-up rates.
	This is to ensure SINSW specifically understands where growth, or changes to growth rates are occurring and can
	effectively respond by targeting appropriate resourcing to impacted Government schools.
	The Department in relation to:
	<ul> <li>potential opportunities to unlock barriers posed by environmental constraints such as flooding, bushfire and ecology and their potential impact on the expected levels of housing delivery.</li> </ul>
	<ul> <li>place-based planning and review of planning controls in nominated Strategic Centres and Urban Renewal Precincts (URP),</li> </ul>
	<ul> <li>transfer of planning controls from the State Environmental Planning Policy (Sydney Region Growth Centres) 2006 to local environmental plans.</li> </ul>
Affordable Housing	Council's LHS evidence base is considered sufficient to justify the preparation of a SEPP70 affordable housing
	contribution scheme (AHCS). An LHS requirement of approval is included for Council to prepare a scheme that sets
	out delivery and rent models, tenant eligibility criteria, tenancy allocation, asset ownership and management.
	Notwithstanding potential issues related to development feasibility, Action 17 of the Central City District Plan requires
	Council to prepare an AHCS. The scheme would be prepared in advance of any out-of-sequence planning proposals
	and sends a critical signal to the market regarding Council's strategic planning intentions regarding affordable housing
	provision. It will also commit Council to examining the feasibility of affordable housing contributions for all new
	proposals that are likely to result in an uplift of land value. If feasible and appropriate, affordable housing
	contributions would be required by LEP provisions that implement the contributions scheme.
	The AHCS should be prepared in accordance with the <i>Greater Sydney Region Plan</i> key parameters for successful
	implementation of Affordable Rental Housing Targets and the NSW Government's Guideline for Developing an
	Affordable Housing Contribution Scheme.
	Council is encouraged to continue working with other councils in the WSPP to assess options and the viability of
	affordable rental housing as part of the development of an Affordable Housing Strategy and AHCS.
Seniors housing	Council is encouraged to investigate the inclusion of seniors housing provisions in its LEP that increase the supply of
	housing for seniors and people with a disability.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
Interdependencies with	Incorporate the findings and outcomes of latest studies, policies and State-led precinct plans prepared since the
relevant local evidence base	publication and release of the LHS, including but not limited to:
	Marsden Park strategic centre masterplan;
	Toongabbie URP masterplan;
	Seven Hills URP masterplan;
	Western Sydney Aerotropolis Plan;
	Blacktown Affordable Housing Strategy;
	Western City Affordable Housing Strategy; and
	Sydney Water Growth Servicing Plan 2020-2025 (recently updated).
Structure Plan	Future iterations of the LHS should include a structure plan(s) that clearly identifies housing growth areas/precincts
	and their anticipated delivery over the short, medium- and longer-term horizons. Annotations to identify likely yield
	ranges and any key threshold assumptions should also be included.
Data	
Clarification of 6 -10 year target	Revisions to the LHS should provide a breakdown of how the 6-10 year target will be achieved, including when and
and 10-20 year housing	where anticipated supply will be delivered and explain market take up rates. LHS revisions will also need to include a
forecast.	revised housing delivery forecast for the 10-20 year period as new information becomes available.
	Council should ensure that all population and dwelling forecasts are cross-checked against published DPIE projections
	to provide greater transparency. Additional guidance and support can be arranged with the Department's Evidence
	and Insights team to resolve any discrepancies in dwelling forecasts.
Housing capacity analysis	Future iterations of the LHS should provide a more detailed breakdown of the existing capacity in the LGA, including
	at a precinct (URP and Strategic Centre) level where available. This will assist in understanding the capacity of each
	precinct / strategic centre / URP and the impact of any place-based planning on this capacity.