

IRF21/2990

Mr Peter Fitzgerald Acting General Manager Cumberland Council PO Box 42 MERRYLANDS NSW 2160

Dear Mr Fitzgerald

Cumberland Council Local Housing Strategy

Thank you for submitting Cumberland Council's Local Housing Strategy (LHS) to the Department.

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 Cumberland local government area and a strong commitment to strategic planning.

I can confirm that I have determined to approve Cumberland Council's LHS adopted by Council in June 2020. My decision reflects the analysis undertaken to develop a comprehensive strategic planning and an evidence base to inform your LHS and to deliver a minimum of 7,200 dwellings and to provide updated LHS to achieve the housing target of 10,000-12,500 as set by Greater Sydney Commission (GSC) for the period 2021-26 (6-10 years).

In doing so, I have determined that:

- The LHS addresses housing supply, including the 6–10 year Council housing target, to be delivered predominantly through the current pipeline and existing capacity, and subject to verification and achievement of the targets set by GSC can achieve greater capacity through an implementation plan.
- The LHS's Background Papers provide an adequate evidence base to position Council to address greater housing diversity needs. By leveraging on the LSPS and the Background Papers, the Department is satisfied that Council has a solid foundation from which to plan for all cohorts and household types.
- The LHS partially addresses housing affordability and can be strengthened to reflect Council's adoption of the Affordable Housing Strategy.
- The LHS is generally consistent with Section 9.1 Directions and SEPPs.
- The LHS is generally consistent with the Central City District Plan, subject to the requirements identified below and demonstrates good alignment with the Cumberland Local Strategic Planning Statement (LSPS).

My approval is subject to the following requirements:

- 1. The 6-10 year target is be revised to align with the GSC's dwelling target range of 10,000 12,500 dwellings, as identified in the Letter of Support for the Cumberland LSPS, on the basis that the committed pipeline and feasible capacity of existing planning controls are capable of achieving the previously identified target range. The Council's set housing target is seen as the minimum target to achieve. Opportunities for further dwelling capacity is to be investigated as part of new key centres aligned with committed and funded infrastructure delivery, such as Westmead.
- Within six months of Council being notified of the LHS approval, Council prepares an updated and prioritised Implementation, Delivery, Review and Monitoring Plan that clearly articulates the targets, actions, pipeline, capacity, locations, roles and responsibilities and timing to facilitate housing supply, diversity and affordability between 2021 and 2026 and beyond. The Plan should commit to an early update of the LHS to reflect the significant body of work Council has completed since the LHS was first prepared. It should also be prepared in consultation with the Department, SINSW, Transport for NSW (TfNSW), Parramatta City Council and Strathfield Municipal councils to ensure any interdependencies and cross boundary issues are satisfactorily resolved.
- 3. As part of recommendation 2 above, Council when updating its Implementation and Delivery Plan, should translate the recommendations from the Background Paper Housing Study, Background Paper Affordable Housing Strategy and Background Paper Housing Needs Study into the LHS. In particular, the updated Implementation and Delivery Plan should incorporate, build on and update the specific actions in Tables 27 + 28 and Section 4.1 of the Background Paper Housing Study. The updated Plan should also include housing diversity, as required by the GSC's Letter of Support for the Cumberland LSPS. Further details should be provided on all master planning and corridor strategies, the potential yield, diversity of housing and timing. The updated Implementation and Delivery Plan should also outline detailed and specific planning and policy interventions proposed to overcome challenges facing housing delivery, diversity and affordability.
- 4. Future iterations of the LHS be informed by detailed analysis and mapping to confirm medium- and long-term housing opportunities. This analysis should:
 - a) be contextualised having regard to the Greater Sydney Region Plan, Central City District Plan, Westmead Place Strategy, the Cumberland LSPS (including any updates), Future Transport 2056, delivered infrastructure reinvestments and the outcomes of the PRCUTS traffic and transport analysis;
 - consider the implications that Merrylands future strategic centre designation could have for housing and the need to balance employment function and jobs growth with housing needs;
 - c) confirm timing for Woodville Road precinct plan and Development Control Plan as an input into the LHS;
 - d) be undertaken in collaboration with relevant stakeholders, including TfNSW, City of Parramatta and Strathfield Municipal council;

- e) consider the implications of the Department's 2019 Population Projections for the LGA;
- f) clearly articulate existing and future opportunities and constraints, including local character aspects, as either manageable or insurmountable; and
- g) undertake additional investigations to substantiate the feasibility of existing capacity and identify additional investigation areas to supplement capacity, if required.
- 5. Council expedites key centre and strategic corridor reviews to determine their capacity, housing needs and specific opportunities that may be available within individual strategic centres (such as student accommodation, key worker housing, seniors housing, etc) or as a result of particular investments and programs. The key centre and strategic corridor reviews should determine future implementation mechanisms including any necessary planning proposals and their timing.
- 6. Council is to monitor and review the supply and delivery of housing, in particular to track its performance against the 6-10 year housing target and to evaluate what medium density is delivered under the changes adopted through amendments to the LEP(s).
- 7. Future iterations of the LHS should articulate the short, medium- and long-term housing supply can be facilitated within the hierarchy of centres in order to ensure diverse and affordable housing is linked to infrastructure delivery.
- 8. Future iterations of the LHS should acknowledge Council's adoption of the Affordable Housing Strategy and its recommendations, as well as relevant recommendations from the Background Paper Affordable Housing Strategy, where appropriate. In addition, future iterations of the LHS should clearly articulate the affordable housing requirement for land within the Parramatta Road Corridor, noting that PRCUTS identifies that 5% of all new housing within the Corridor should be provided as affordable housing.
- 9. Council is to provide details on proposed monitoring and implementation of the LHS, including timing and any specific issues that would trigger an update.
- 10. Council is to continue to collaborate with the Department, relevant State agencies and private consultants to implement PRCUTS and other places outlined in its LHS, in order to ensure sufficient housing capacity and delivery in Cumberland. This requirement is to be undertaken in conjunction with the relevant requirements above.
- 11. Council is to prepare principles for assessing proponent-initiated requests for planning proposals, including out-of-sequence criteria to consider any additional opportunities for growth that are not identified in its LHS, or for urban renewal opportunities.
- 12. 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).

13. Council is to update or revise the LHS to inform Council's update / revision to it LSPS following the making of a future District Plan.

Any planning proposals for new housing development will be assessed against Cumberland Council's LHS, the requirements above and advisory notes attached. Any State Government policy changes that may occur in the future are to prevail in the event of any inconsistency.

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:

- completions of detached and multi-unit dwellings; the LHS indicates there is a feasible capacity for approximately 24,200 dwellings
- existing capacity in Auburn, Lidcombe, Granville, Merrylands and Wentworthville
- additional infill development in South Granville and Merrylands West (dwellings unknown)
- planning controls review and uplift in accordance with Council's Strategic Centres Framework in Auburn, Lidcombe, Guildford, Merrylands, Wentworthville and Westmead South based on access to transport and infrastructure (dwellings unknown)
- planning for strategic corridors including GPOP, Parramatta Road, Woodville Road and the T-Way Corridor, although realistically these are likely to be delivered post 2026

Local Housing Strategy Reviews and Updates

We strongly recommend that Council review and revise (where required) its LHS before the LSPS is required to be reviewed by the GSC. 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 enclosed 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 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 letter of approval and advisory notes.

Should you have any further questions, please contact me on 9274 6563.

Yours sincerely

Jenny Rudolph

Acting Executive Director, Local Strategies and Plan Making Greater Sydney Place and Infrastructure

21 July 2021

Encl: Advisory Notes



Cumberland 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 and definitive timeframes with risks and dependencies identified and clarity around delivery and anticipated yields. The implementation plan should also outline the areas, anticipated number of dwellings and timeframes. The Plan should be prepared in consultation with the Department, TfNSW and SINSW, 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 Council's background report and LHS, and include:-
	 Planning controls review and uplift in accordance with Council's strategic planning program in Granville, Merrylands (east of railway), Berala, Guildford and Westmead South based on access to transport and infrastructure. Additional uplift along existing corridors such as Parramatta Road, Woodville Road and the T-Way Corridor, and future transport corridors such as Bankstown-Parramatta Corridor, and Kogarah-Parramatta Mass Transit Corridor (dwellings unknown in all corridor studies). These should be confirmed and progressed with State agencies in order to further undertake/inform the analysis and inform timing. Articulation of a zoning/centres hierarchy and function description of each centre to provide a framework that prioritises growth and signals to all stakeholders where and when growth and investment is proposed to occur.



Consideration for future LHS updates and preparation and assessment of planning proposals
 Council clearly identifies State significant sites and precincts in future iterations of the LHS. This will assist in determining where collaboration between various agencies may be required to ensure delivery of housing in the target periods. Implementation programs within future iterations of the LHS, to ensure clarity around delivery of housing and
anticipated dwelling yields. Collaborate with the Department to achieve the timeframes set out by Council in the implementation programs.
6. Council includes implementation programs and anticipated sources of 10+ year housing supply within future iterations of the LHS, to ensure clarity around delivery of housing and capacity to continue to provide housing into the future.
 7. Consider the actions and timeframes identified in Council's LSPS and the GSC's Letter of Assurance. 8. Any future iterations of the LHS address feedback provided through the exhibition and community engagement process of the LHS.
 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. This review should consider housing diversity in the area, which can include affordable housing, medium
 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 the Department and other State agencies (and in particular Schools Infrastructure NSW, 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. That future iterations of the LHS be required to give due consideration to housing needs based on the future population and household needs in the context of existing, committed and planned infrastructure investment



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 in the LHS.
Consultation and engagement with agencies	 Council should continue consultation with the following agencies: TfNSW would like to work with Council on its programmed strategic land use planning relating to stops along the identified strategic corridors of the T-way, Parramatta Road, Woodville Road and Greater Parramatta to Olympic Peninsula (GPOP) as part of its proposed actions to realise Priority 2. Schools Infrastructure NSW: 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
Affordable Housing	 Council's LHS evidence base is considered sufficient to justify the preparation of a SEPP70 affordable housing contribution scheme, subject to feasibility studies. 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, the District Plan requires Council to prepare an affordable housing contribution scheme (AHCS). The AHCS 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 with regard to 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 AHCS. The AHCS should be prepared in accordance with the Greater Sydney Region Plan key parameters for successful implementation of Affordable Rental Housing Targets and the NSW Government's <i>Guideline for Developing an Affordable Housing Contribution Scheme</i>. Future iterations of the LHS will need to reflect Council's recent adoption of an Affordable Housing Strategy (November 2020) which identifies an additional 10,744 affordable rental dwellings and 112 supported accommodation beds will be required by 2036.
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.
Interdependencies with relevant local evidence base	Incorporate the findings and outcomes of latest studies, policies and State-led precinct plans prepared since the publication and release of the LHS.
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.
Strategic planning framework	 Future iterations of the LHS should include specific discussion on the application of relevant housing SEPPs. Planning for medium- and long-term housing growth should be included in the preparation of a Local Centres Strategy that addresses the Central City District Plan's Principles for Local Centres (page 49, Central City District Plan).



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
Data	
Clarification of 6-10 year target and 10-20 year housing forecast.	 Revisions to the LHS should provide a breakdown of how the 6-10 year target will be achieved, including when and where anticipated supply will be delivered and explain market take-up rates. LHS revisions will also need to include a 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. Council should also consider the actions and timeframes identified in Council's LSPS and the GSC's letter of assurance. Council should ensure that future iterations of the LHS and relevant planning proposals give effect to the District Plan, Westmead Place Strategy and PRCUTs.