

IRF21/540

Ms Elizabeth Richardson General Manager Hawkesbury City Council PO Box 146 WINDSOR NSW 2756

Via email: council@hawkesbury.nsw.gov.au

Dear Ms Richardson

Hawkesbury Local Housing Strategy

Thank you for submitting Hawkesbury 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 Hawkesbury local government area and a strong commitment to strategic planning.

I can confirm that I have determined to approve the draft Hawkesbury LHS dated August 2020. My decision reflects the analysis undertaken to develop a comprehensive strategic planning and evidence base to inform your LHS and deliver 1,100 – 1,300 dwellings for the period 2021-26.

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

- The LHS, supplemented by the Department's assessment, demonstrates that housing supply can be delivered aligned to the Greater Sydney Commission's (GSC's) 6-10 year target range, predominantly delivered through the current planning proposal pipeline and existing capacity.
- The LHS demonstrates Council's capacity to contribute to the Western City's longerterm housing supply.
- The preparation of a robust Implementation Delivery and Monitoring Plan will guide Council with its preparation of future iterations of LHS and relevant planning proposals, and will also assist in specifically tracking take-up rates and providing early identification of any changes to planning controls required to achieve housing targets, diversity and affordability over both the short and long term.
- Subject to the imposition of the recommended requirements of approval and Advisory Notes the Department is satisfied that Council has a solid foundation from which to plan for all cohorts and household types to secure housing diversity and affordability outcomes.
- The LHS is generally consistent with Section 9.1 directions and SEPPs.
- The LHS is consistent with the Western City District Plan, subject to the recommended requirements of approval and demonstrates alignment with the Hawkesbury Local Strategic Planning Statement (LSPS).

The approval is also subject to the following requirements:

- 1. Council is to submit current planning proposals with Gateway Determination (as current at the date of this approval) to the Department for finalisation by or before June 2022. Timely progression of these planning proposals is considered necessary to support Council achieving its 6-10 year (2021-2026) housing targets.
- 2. Alongside the progression of the aforementioned planning proposals, the Department's 6-10 year housing forecast indicates Council is capable of meeting the Greater Sydney Commission's (GCS) target of 1,100 1,300 additional dwellings in the 2021-2026 period. Council is to therefore adopt and work towards achieving this housing target to ensure Hawkesbury LGA fairly contributes to housing supply for the Western City District.
- 3. Within six (6) months of Council being notified of the LHS approval, Council is to review and revise Section 6 of the LHS and prepare a new Delivery Implementation and Monitoring Plan that clearly articulates the objectives and expected outcomes of each identified action.
- 4. Council is to establish suitable targets for all seniors housing, student housing, key worker housing and group homes. Future changes to LEP and/or DCP to achieve the identified targets should also be identified.
- 5. Council is to prepare and commence any planning proposals that are required to facilitate housing diversity and affordable housing outcomes. Council is encouraged to actively engage with the Department and other State agencies in the preparation of these proposals.
- 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 the housing diversity and affordability outcomes delivered. A monitoring and review system will ensure that appropriate mechanisms can be identified and implemented to meet Hawkesbury's housing needs.
- 7. Council is to prepare an Affordable Housing Contribution Scheme (AHCS) in accordance with the Department's Guideline for Developing an 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 Action18 of the Western City District Plan.
- 8. The local character areas identified within the LHS are pending the Department's assessment of Council's Local Character Area planning proposal and finalisation of the draft standard instrument clause for Local Character Areas and therefore not approved or supported at this stage.
- 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 collaborate with the Department on the progress and timing of key planning proposals to deliver housing supply and ensure they are expedited.
- 11. Future iterations of the LHS should outline a clear commitment on the timing and process for reviews and updates.

- 12. 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:
 - a. the Flooding Section 9.1 Ministerial Direction;
 - b. Planning Circular Considering flooding in land use planning: guidance and statutory requirements; and
 - c. Considering flooding in land use planning guideline, prepared by the Department,

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

Council should consult with the Department, TfNSW, 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.

- 13. 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.
- 14. 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).
- 15. Council is to update or revise the LHS to inform Council's updates/ revision to its LSPS 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 identified in section 6.0 of the Hawkesbury LHS.

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 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 Planning Officer on 8275-1024 or via email Dominic.Stefan@planning.nsw.gov.au.

Yours sincerely

Amanda Harvey
Executive Director

Local Strategies and Plan Making

3 September 2021

Encl: Hawkesbury City Council LHS Advisory Notes CC: Andrew Kearns, Manager Strategic Planning



Hawkesbury 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 next 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 until the LHS is further updated in accordance with the approval requirements and these notes.

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. This is encouraged to be informed by resourcing and budgets to demonstrate how housing targets will be delivered.
	The implementation plan should specifically address:
	 Actions, timeframes, accountabilities, interdependencies with NSW Government agencies, key risks and mitigation measures.
	 Demonstration that supply pipeline data is cross-checked against published data and is inclusive of the scope of imminent developments and planning proposals.
	 Details on proposed monitoring and implementation of the LHS, including timing and any specific issues that would trigger an update.
	 Flood risks and evacuation strategy across the Hawkesbury-Nepean Valley, including the new Section 9.1 Ministerial Direction, Planning Circular, standard LEP provisions and land use planning guideline prepared by the Department.
	 The proposed approach to delivering housing diversity is the most effective application of planning provisions to achieving housing diversity.
	 The housing priorities and requirements across all cohorts and plan for non-standard dwellings. Approach for expediting the introduction of dwelling size and mix controls.
	 Consultation with relevant Departments in term of flood affectation and evacuation.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	 Identify if there are any opportunities for medium density and dual occupancy development given the local government area's flood evacuation constraints and other environmental and landscape characteristics. Monitoring of realistic and commercially feasible supply and take up rates. Verification of existing capacity when adjusted for environmental and natural constraints. Plan to prepare and submit to the Department feasibility analysis to support future planning proposals and proposed amendments to planning controls.
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 Local Strategic Planning Statement (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.
Making appropriate provision for any additional housing opportunities that may arise out of sequence	The inclusion of a transparent and robust framework (within Hawkesbury LHS) 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 decision making framework within which to consider such proposals, including but not limited to: Strategic merit and case for change Robust demographic evidence Demand analysis and economic impacts Infrastructure delivery and funding to be borne by the proponent Stakeholder consultation and outcomes Sustainability and resilience Social and affordable housing contribution
Community and Stakeholder	Incorporate findings of exhibition of LHS as well as relevant community and stakeholder engagement.
Engagement Consultation and engagement with agencies	Council is to continue consultation with the following agencies:



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	 Council should consult with the Department, TfNSW, NSW SES and Infrastructure NSW in relation to flood evacuation capacity and limitations for growth. Consultation with TNSW in relation to opportunities for medium density development and town centre planning identified in the LHS. Ongoing consultation and collaboration with councils of the Western City and community housing providers to support the delivery of affordable housing. The Department in relation to place-based planning for local centres.
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.
Data	
Clarification of 6-10 year and 10-20 year housing target	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. 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 division to resolve any variations in dwelling forecasts.
Dwelling Diversity	,
Affordable Housing Contribution Scheme	Council's LHS evidence base is considered sufficient to justify the preparation of a SEPP 70 affordable housing contribution scheme (AHCS). Notwithstanding the Western District Plan requires Council to prepare an AHCS. It noted that Council is a participant of the Western Planning Partnership Affordable Housing Strategy. Ongoing collaboration with Councils of the Western City on a consistent approach to affordable housing is supported. Council should continue to work with other Western City councils to assess the options and viability of affordable rental housing as part of the development of an Affordable Housing Strategy and AHCS. The LHS should also be updated once this work has been finalised. Council should prepare an AHCS and investigate the economic feasibility of implementing affordable housing
	contributions for future growth areas.