



Mr Craig Wrightson
General Manager
Lane Cove Council
48 Longueville Rd
LANE COVE NSW 2066

Dear Mr Wrightson

Lane Cove Council Local Housing Strategy

Thank you for submitting Lane Cove 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 Lane Cove local government area (LGA) and a strong commitment to strategic planning.

I can confirm that I have determined to approve Lane Cove Council's LHS adopted by Council on 19 July. My decision reflects the analysis undertaken to develop a comprehensive strategic planning and an evidence base to inform your LHS and to deliver the housing target of between 3,000 and 3,500 dwellings as set by Greater Sydney Commission (GSC) for the period 2021-26.

In doing so, I have determined that:

- The LHS addresses housing supply, including the 6-10 year housing target, to be delivered mainly through the existing approvals pipeline and the St Leonards South precinct. The LHS identifies sufficient capacity to achieve the target; however, delivery is subject to market take-up.
- The LHS discusses the importance of housing diversity in the LGA and commits to reviewing and implementing updated planning controls in order to encourage greater housing diversity in the LGA. This is a sufficient response, subject to the requirements identified below.
- The LHS discusses housing affordability and commits to preparing and implementing an Affordable Housing Strategy; however, commitment to further actions for delivery are required by the requirements below.
- The LHS is generally consistent with Section 9.1 Directions and SEPPs, subject to the requirements identified below.
- The LHS is consistent with the North District Plan, subject to the requirements identified below.

My approval is subject to the following requirements:

1. Council is to prepare and commence working towards a comprehensive work program and implementation plan for the LHS within six (6) months of this approval being granted by the Department and to share this with the Department. This is to ensure that the Department and other State agencies have a clear understanding of the roles and responsibilities required to facilitate a consistent housing supply pipeline for the LGA.
2. Council is to review LEP and DCP controls which restrict the development of smaller, diverse and fit-for-purpose housing and provide an update to the Department by December 2022. This should consider:
 - the relationship between Council's controls and the controls for 'missing middle' housing typologies outlined in the Low Rise Housing Diversity Code.
 - the introduction of controls to encourage the delivery of diverse housing typologies (such as those in the Low Rise Housing Diversity Code) where the Code does not apply/does not enable delivery of housing through an exempt or complying mechanism.
 - a review of the B1, B2 and B4 zones in the LGA, to identify opportunities for the delivery of more diverse and/or affordable housing in these zones.

The LHS has established a strong base for this work to be undertaken with relative expediency. Any subsequent amendments to the LEP and DCP must be completed by June 2023, to ensure the revised controls enable housing diversity in the 6-10 year period.

3. 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 additional medium-density and seniors housing continues to be delivered. A monitoring and review system will ensure that appropriate mechanisms can be identified and implemented to meet Lane Cove housing needs over the medium-to long-term.
4. 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 scheme is to be prepared in accordance with Department's Guideline for Developing an AHCS.
5. 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 the LHS, or for urban renewal opportunities. In fulfilling this requirement, Council should use and expand upon its Local Strategic Planning Statement (LSPS) Principles for Location of Additional Housing. Advisory notes have been provided that include appropriate heads of consideration.

6. 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).
7. Council is to update or revise the LHS to inform Council's updates/ revision to it LSPS following the making of a future District Plan.

Any planning proposals for new housing development will be assessed against the Lane Cove Council 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.

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 Planning Portal alongside the letter of approval and advisory notes.

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

Yours sincerely



Amanda Harvey
Executive Director
Local Strategies and Plan Making

14 September 2021

Encl: Advisory Notes



Lane Cove 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. The Plan should be prepared in consultation with the Department and Transport for NSW (TfNSW), 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 Actions identified in the LHS Action and Implementation Plan.
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 the Department 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



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	waste water services. Thresholds/triggers, funding, responsibilities for delivery and indicative timeframes should also be identified.
Making appropriate provision for any additional housing opportunities that may arise out of sequence	<p>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:</p> <ul style="list-style-type: none"> • 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.
Consultation and engagement with agencies	<p>Council should continue consultation with the following agencies:</p> <ul style="list-style-type: none"> • TfNSW in relation to <ul style="list-style-type: none"> ○ planning for city-shaping & city-serving transport initiatives in Future Transport 2056 and alignment with Council-led transport infrastructure initiatives, ○ future transport infrastructure including the Western Harbour Tunnel and Beaches Link, ○ Council’s proposed St Leonards Plaza, and ○ travel demand management measures and improvements to walking and cycling infrastructure to reduce dependence of current and future residents on private vehicle use. • SINSW: <ul style="list-style-type: none"> ○ 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: <ul style="list-style-type: none"> - The actual number of lots or dwellings varying from planning proposal estimates/ strategic plans.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<ul style="list-style-type: none"> - 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. <p>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.</p> <ul style="list-style-type: none"> o The Department, in relation to Council’s proposed St Leonards Plaza. <ul style="list-style-type: none"> • Sydney Water
Affordable Housing	<p>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 an AHCS that sets out delivery and rent models, tenant eligibility criteria, tenancy allocation, asset ownership and management. Notwithstanding potential issues related to development feasibility, Action 18 of the North 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 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 contributions scheme.</p> <p>The scheme 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 <i>Guideline for Developing an Affordable Housing Contribution Scheme</i></p> <p>Council should continue to work with the Department to assess options and the viability of affordable rental housing as part of the development of an Affordable Housing Strategy and AHCS.</p>
Seniors housing	<p>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.</p>
Interdependencies with relevant local evidence base	<p>Incorporate the findings and outcomes of latest studies, policies and State-led precinct plans prepared since the publication and release of the LHS, including but not limited to:</p> <ul style="list-style-type: none"> • Lane Cove Affordable Housing Strategy • Review of LEP and DCP controls which restrict the development of smaller, diverse and fit-for-purpose housing, and



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<ul style="list-style-type: none"> • Sydney Water Growth Servicing Plan 2020-2025 (recently updated).
Structure Plan	<p>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.</p>
Data	
<p>Clarification of 6-10 year target and 10-20 year housing forecast.</p>	<p>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.</p> <p>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</p>