

IRF21/534

Dr Eddie Jackson Chief Executive Officer Liverpool City Council Locked Bag 7064 Liverpool BC NSW 1871

Dear Dr Jackson

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

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

I can confirm that I have determined to approve the Liverpool LHS 2020. My decision reflects the analysis undertaken to develop a comprehensive strategic planning and evidence base to inform your LHS and deliver 11,000–12,500 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 predominantly through the current pipeline and existing capacity.
- The LHS provides an adequate evidence base to position Council to address housing diversity and affordability needs. Subject to 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.
- The LHS is generally consistent with Section 9.1 Directions and SEPPs.
- The LHS is consistent with the Western City District Plan (WCDP), subject to the requirements identified below and demonstrates good alignment with the Liverpool Local Strategic Planning Statement (LSPS).

The approval is also subject to the following requirements:

1. Forecasting contained with the LHS and the Department's 6-10 year housing forecast indicate that Council has ability to meet the Greater Sydney Commission's (GSC) target of 11,000 – 12,500 additional dwellings in the 2021-2026 period subject to implementing the actions in its LHS and those requirements outlined in this approval. Council is to therefore adopt and work towards achieving and exceeding a minimum housing target aligned to the GSC target range for this period to ensure that regional strategic planning can be appropriately managed.

- Within six (6) 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 DPIE, TfSNW, Sydney Water and the Western Sydney Planning Partnership, to ensure any interdependencies are satisfactorily resolved.
- 3. Council is to reconfirm growth areas and update its timeline for the precinct planning process, so both Council and DPIE understand the timing of housing delivery in the 6-10 year and 10+ year period. This is to be reflected in the Implementation and Delivery Plan required above.
  - **NOTE**: Council has supplied a suitable initial response to the Department in its Feedback on LHS draft conditions provided on 25 May 2021.
- 4. Future iterations of the LHS are to be informed by a detailed land use opportunities and constraints analysis and mapping to confirm long term housing opportunities. This analysis should:
  - be contextualised having regard to the Greater Sydney Region Plan, Western City District Plan (WCDP), the Liverpool LSPS (including any updates), Future Transport 2056, delivered infrastructure and the progression and implementation of the LHS actions;
  - b) consider the implications that Liverpool's Metropolitan Centre designation could have for housing and the need to balance employment function and jobs growth with housing needs;
  - c) be undertaken in collaboration with relevant stakeholders;
  - d) consider the implications of DPIE Population Projections for the LGA;
  - e) clearly articulate existing and future opportunities and constraints as either manageable or insurmountable;
  - f) include the relevant evidence base from the Local Housing Study;
  - g) appropriately acknowledge the draft Aerotropolis Precinct Plans, draft Special Infrastructure Contribution (SIC) and draft Place based Infrastructure Compact (PIC) and confirm whether there are implications for the LHS and whether a (future) update is necessary, having regard to the status and adoption (or otherwise) of the Aerotropolis planning framework by the NSW Government.
- 5. To support improved housing diversity outcomes, Council is to explore opportunities for housing choice in opportunity sites such as (but not limited to) those identified with potential for residential development in the Liverpool City Centre and Innovation Precinct, the Miller Precinct and the Warwick Farm racing precinct.
- 6. Council is required to provide housing diversity targets including non-standard dwellings in future iterations of the LHS.
- 7. Council is to consider the outcomes of the Western Sydney Housing Affordability Strategy when finalised. 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 18 to prepare an AHCS.
- 8. Council is to examine ways to resolve fragmentation issues for greenfield areas of Austral and Leppington to help unlock rezoned land for development. Noting that Camden Council has been asked by the Department to embark on similar work for

- land in the South Western Growth Area (SWGA) as part of is approval for its LHS, it is encouraged that both councils work together on this endeavour.
- 9. 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 local housing strategy (as revised and current).
- 10. 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 37 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 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 Planner on 02 8275 1024.

Yours sincerely

Amanda Harvey Executive Director

**Local Strategies and Plan Making** 

2 July 2021

Encl: Liverpool Council LHS Advisory Notes



# **Liverpool 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 DPIE, TfSNW and the Western Sydney Planning Partnership, 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 including but not limited to:  Housing Growth and Location
	<ol> <li>Finalise a 6-10 year housing target for the Liverpool LGA which to aligns with the Greater Sydney Commission's target range (11,000 – 12,500 dwellings) identified in the Local Strategic Planning Statement (LSPS) Letter of Support for the Liverpool LSPS.</li> </ol>
	2. Clearly identify growth areas categorised by the 6-10 year and 10+ year periods.
	3. Partner with State Government to investigate planning controls and land fragmentation in growth areas.
	4. Progress sustainable, high density transit-and landscape-oriented development along the Fifteenth Avenue Smart Transit (FAST) Corridor.
	<ol> <li>Accelerate the preparation and implementation of Precinct Plans for identified growth areas identified as short-term investigation areas in the LHS (ie: within the 6-10 year period).</li> </ol>
	6. Ensure housing density is focused within centres, high frequency public transport and amenity.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<ol> <li>Acknowledge the role the Aerotropolis Precinct Plans and associated planning framework can play in supporting future housing supply.</li> </ol>
	8. Ensure rural and scenic lands are protected.
	Housing Diversity
	9. Provide housing diversity targets for all typologies and cohorts including non-standard dwellings.
	10. Review land use and development controls in R1, R2 and R3 zones to encourage greater medium density and housing diversity without adversely impacting neighbourhood amenity.
	11. Review controls for R3 zone to improve feasibility, having consideration to appropriate built form outcomes.
	12. Review controls for medium density having regard to the Low-Rise Medium Density Housing Code to facilitate more diverse housing types in the LGA whilst still maintaining local character.
	13. Investigate options to incorporate the principles of Liveable Housing Design in a proportion of new housing.
	14. Review apartment mix controls for RFB development in City Centre, R1 and R4 zones.
	<ol> <li>Collaborate with State Government and other agencies to develop a land use definition and controls for student housing.</li> </ol>
	Housing Affordability
	16. Collaborate with DPIE, the Western Sydney Planning Partnership and other State agencies to prepare and implement a strategy for delivering affordable housing, including an Affordable Housing Contributions Scheme.
	17. Partner with State Government to investigate the potential for master planned precincts (such as LAHC properties in Warwick Farm and 2168 postcode) to renew and increase social and affordable housing.
	<ol> <li>Review Planning Agreements policy to enable consideration of affordable housing when considering development applications.</li> </ol>
	19. Maintain and build partnerships with Community Housing Providers to investigate opportunities for joint ventures or opportunities on low-cost sites for affordable housing or other opportunity sites, including Council-owned sites.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
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 Transport for NSW (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 waste water services. Thresholds/triggers, funding, responsibilities for delivery and indicative timeframes should also be identified.
Making appropriate provision	The inclusion of a transparent and robust framework to consider additional opportunities will assist Council, the
for any additional housing opportunities that may arise out of sequence	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:
	<ul> <li>Strategic merit and case for change</li> <li>Robust demographic evidence</li> <li>Housing Affordability and Diversity</li> <li>Demand analysis and economic impacts</li> <li>Infrastructure delivery and funding to be borne by the proponent</li> <li>Stakeholder consultation and outcomes</li> <li>Sustainability and resilience</li> </ul>
Community and Stakeholder Engagement	Incorporate the findings of any future relevant community and stakeholder engagement.



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
Consultation and engagement	Council should continue consultation with the following agencies:
with agencies	<ul> <li>TfNSW in relation to</li> <li>planning for city-shaping &amp; city-serving transport initiatives in Future Transport 2056 and alignment with Council-led transport infrastructure initiatives,</li> <li>infrastructure to support rapid and improved bus connections between Western Sydney Airport and Penrith, Liverpool, Blacktown and Campbelltown-Macarthur,</li> <li>Fifteenth Avenue Smart Transit (FAST) Corridor, and</li> <li>Sydney Metro City and Southwest Extension to Liverpool, and M5 motorway extension from Liverpool to Outer Sydney Orbital (M12).</li> <li>Western Parkland City Authority (WPCA) and the Department as part of Council's South Western Growth Area</li> </ul>
	<ul> <li>(SWGA) Infrastructure Study and specifically to determine the most effective governance arrangements for coordinating essential service providers as part of the SWGA Infrastructure Study.</li> <li>SINSW:         <ul> <li>Prior to the finalisation of any future strategy or planning proposal that proposes a significant increase in the number of dwellings; and</li> <li>When Council is aware of variations in the following:</li></ul></li></ul>
	<ul> <li>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.</li> <li>The Department in relation to:         <ul> <li>the application and ongoing effectiveness of State Environmental Planning Policy - Sydney Region Growth Centres;</li> <li>potential opportunities to unlock barriers posed by the challenges of land fragmentation and its impact on the expected levels of housing delivery;</li> <li>the progress of Council's Phase 2 LEP Review, especially actions to encourage housing diversity; and</li> </ul> </li> </ul>



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<ul> <li>the progress and timing of key planning proposals to deliver housing supply and ensure they are expedited (particularly noting Moore Point, as requested by Council).</li> <li>Council should also consult with Camden Council in relation to:</li> <li>examining ways to resolve land fragmentation issues for greenfield areas to help unlock rezoned land for</li> </ul>
	development, and
	<ul> <li>Camden LHS action 27 to 'Investigate the development of a Housing Density and Diversity Guide to inform planning controls in the review or rezoning of SWGA precincts'.</li> </ul>
	Liverpool and Camden Councils are encouraged to work together on these matters.
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 18 of the Western City District Plan requires Council to prepare an affordable housing contribution scheme. 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 examine 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 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 AHCS</i> . Council should continue to work with other councils in the Western Sydney Planning Partnership 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 relevant local evidence base	<ul> <li>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: <ul> <li>Miller Town Centre Studies (Feasibility Study and Residential Development Strategy and Social Infrastructure Masterplan);</li> <li>Miller Precinct Masterplan revision;</li> <li>Hargrave Park (Warwick Farm) Place-based Study (proposed collaboration with LAHC);</li> <li>Warwick Farm Racing Precinct Structure Plan;</li> <li>Georges River North Collaboration Area Precinct Plan (collaboration with DPIE);</li> <li>Western Sydney Aerotropolis Plan;</li> <li>Western City Affordable Housing Strategy;</li> <li>South West Growth Area Structure Plan (planned), and</li> <li>Sydney Water Growth Servicing Plan 2020-2025 (recently updated).</li> </ul> </li> </ul>
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 to 10 year target and 10-20 year housing forecast.	Revisions to the LHS should provide a breakdown of how the 6 to 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.