

## Department of Planning and Environment

Our ref: IRF23/731

Mr Alan Stoneman  
General Manager  
Penrith City Council  
PO Box 60  
PENRITH NSW 2751

4 May 2023

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### Subject: Penrith Local Housing Strategy – Letter of Approval

Dear Mr Stoneman

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

I can confirm that I approve Council's LHS dated August 2022. My decision reflects the analysis undertaken to develop comprehensive strategic planning and an evidence base to inform your LHS and the capacity to deliver 7,500 or more dwellings 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 reliance on capacity under existing controls and the finalisation of the Glenmore Park and Orchard Hills planning proposals.
- Subject to the attached advisory notes relating to updates to Council's implementation and delivery plan, the LHS will address the need for housing diversity.
- The LHS addresses housing affordability, including a solid evidence base and submission of the Stage 1 Affordable Housing Contribution Scheme which is nearing finalisation.
- 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 requirements identified below.
- There is strong support for the LHS by the elected representatives of Penrith Council.

My approval is subject to the following requirements:

1. Council is to progress its Corridor and Centres Strategy following any release of updated dwelling targets to ensure housing within town centres and strategic centres are appropriately future proofed. As part of its development, the Strategy is to consider how to best manage and balance housing needs with economic and productivity objectives particularly within the East-West Economic Corridor.
2. All future planning processes must acknowledge and give due regard to flood modelling undertaken by Infrastructure NSW Hawkesbury-Nepean Valley Flood Risk Management Directorate and local councils, as well as the evacuation capacity limitations of the Hawkesbury-Nepean floodplain and the outcomes of the 2022 NSW Flood Inquiry.

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3. Council is to progress the expansion of the Affordable Housing Contribution Scheme (or a variation of it) across the remainder of the LGA, where feasible.
4. 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). A bottom-up approach to strategic planning will be undertaken by the Department, considering the strategic directions developed by Council.

Any planning proposals for new housing development will be assessed against the approved LHS and the requirements and advisory notes of this approval. Any State Government policy changes that may occur in the future are to prevail in the event of any inconsistency.

### Implementing your LHS

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, regular updates to Council's Implementation and Delivery Plan are required. This should reflect a comprehensive work program for all strategic work Council commits to undertake to implement its LHS. Accompanying this letter are advisory notes to provide guidance on future updates to Council's Implementation and Delivery Plan and should include, but not limited to:

- Council's work stream for translating the LHS' housing diversity and housing affordability actions into changes to Council's Local Environmental Plan and Development Control Plan;
- Indicative yields, desired dwelling mix and timeline for progressing strategic planning processes for all key growth areas beyond 2026, so Council, the Department and stakeholders understand the timing of housing delivery in the 10+ year period; and
- Continued consultation with State infrastructure providers including the Western Parkland City Authority, Sydney Water, Rural Fire Service, Schools Infrastructure NSW, NSW State Emergency Service, and the Recovery Authority (or its successors) as part of future detailed opportunities and constraints analysis, infrastructure capacity, staging and sequencing investigations and to ensure any critical interdependencies are satisfactorily resolved.

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 Sara Roach, Director, Metro Housing Programs on 8275 1704.

Yours sincerely

A handwritten signature in black ink, appearing to be "F. No".

**Felicity No**  
**Acting Executive Director**  
**Housing Supply and Infrastructure**