



Mr Ray Brownlee  
General Manager  
Northern Beaches Council  
PO Box 82  
MANLY NSW 1655

Dear Mr Brownlee

### **Northern Beaches Local Housing Strategy**

Thank you for submitting Northern Beaches 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 current and future housing needs of the Northern Beaches local government area.

I can confirm that I have determined to approve the Northern Beaches LHS, adopted April 2021. My decision reflects the analysis undertaken to develop a comprehensive strategic planning framework and the evidence base to inform your LHS and deliver 3,500 dwellings for the period 2021-26. This assessment has also considered the additional information provided by council following our meeting in August.

In doing so, I have determined that:

- The LHS addresses housing supply, including the 6-10 year housing target, although commitment to further actions for delivery are required.
- The LHS addresses the need for housing diversity, although commitment to further actions for delivery are required.
- The LHS addresses housing affordability.
- The LHS is generally consistent with Section 9.1 Directions and SEPPs.
- The LHS is consistent with the North District Plan, subject to the requirements identified below.

The approval is also subject to the following requirements:

1. 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 the Department, Transport for NSW (TfSNW), Sydney Water and adjoining Councils, to ensure any interdependencies are satisfactorily identified.

2. Council is to expedite the following LHS actions under Priorities 2 and 5 to ensure housing supply, diversity and affordability outcomes are secured before 2026:
  - Planning analysis and LEP updates for Brookvale, Dee Why, Mona Vale, Manly Vale and Narrabeen that do not reduce the permissibility or density of existing permissible uses.
  - Annual reporting of development by centre to track yields and housing mix.
  - Adoption of a social and affordable housing target.
  - Continue to implement council's affordable housing contribution scheme (AHCS).
  - Review and seek lower parking requirements for boarding houses for R3, R4 and B4 sites in centre investigation areas.
3. Planning proposal(s) for two or more of the Centre Investigations Area are to be submitted to the Department for Gateway determination by December 2022 to facilitate dwelling delivery within the 2021 to 2026 period. These planning proposals are to be considered necessary to support the delivery of additional housing over the short to medium term, which will help council to meet its 6-10 year housing targets. These projects also present opportunities for new housing typologies (including affordable housing) suited to the future and changing needs of the community.
4. Council is to continue to progress and finalise the master planning and rezoning of Ingleside Precinct and include this as part of its proposed Comprehensive LEP to give rise to opportunities for housing to support council achieving its 6-10 year housing targets. Council is to prepare and submit this planning proposal to the Department for Gateway determination by December 2022.
5. Alternatively to requirement No. 4 (or if only part of expected dwelling yield for the Ingleside precinct is able to be realised as exhibited for the precinct by the Department in 2021), Council should proceed with planning work that will lead to rezoning of one or more of the following as outlined in its LHS to compensate for housing not delivered by the Ingleside precinct:
  - One of the of the following Centre Investigation Areas for Brookvale, Dee Why, Manly Vale or Narrabeen (this is not already committed under requirement No. 3 above);
  - Two or more of the Housing Diversity Areas centres; and/ or
  - other proposed rezonings in the LGA that have arisen since the preparation of the LHS that will enable delivery of substantive and new housing supply.

The planning proposals for one or more of these alternatives are to be submitted to the Department for Gateway determination by or before December 2022.

6. Any planning proposal(s) seeking to prohibit dual occupancy and/or medium density development where these forms of housing are currently permitted under any existing LEP is generally not supported, and would need to comprehensively address impacts to housing supply (including meeting the GSC's 6-10 year target), potential loss of housing choice and diversity, and justify any inconsistencies with Section 9.1 Ministerial Direction 3.1 – Residential Zones.
7. To ensure affordable housing is achieved within the 6-10 year period, Council is to continue to implement its AHCS in accordance with the Department's Guidelines.
8. A locally specific medium density complying development model as an alternative to the Low Rise Medium Density Housing Code is not supported. Council is to consult with the Department's Planning System Policy division to discuss alternative options to achieve the desired objectives of this approach.
9. A locally specific model for seniors housing as an alternative to the new Housing SEPP is not supported. Council is to review the new Housing SEPP and its changes to the previous approaches under the former Seniors Housing SEPP and consult with the Department's Planning System Policy division to discuss alternative options to achieve the desired objectives of this approach.
10. A locally specific model for affordable rental housing as an alternative to the new Housing SEPP is not supported. Council is to review the new Housing SEPP and its changes to the previous approaches under the former Affordable Housing SEPP, and is to consult with the Department's Planning System Policy division to discuss any alternative options to achieve the desired objectives of this approach.
11. Future iterations of the LHS should outline a clear commitment on the timing and process for reviews and updates of the LHS.
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. Update or revise the LHS to inform Council's updates/revision to its LSPS following the making of a future District Plan.

Any planning proposals for new housing development will be assessed against Northern Beaches Council's LHS, the requirements above and Advisory notes attached.

### *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 work streams related to items identified in the LHS Actions.

### *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 been undertaken to develop the LHS. Please be advised that the LHS will be published on the NSW ePlanning Portal alongside this letter of approval and advisory notes.

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

Yours sincerely



**Amanda Harvey**                      **16 December 2021**  
**Executive Director**  
**Local Strategies and Plan Making**

Encl: Advisory Notes



# Northern Beaches 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
<b>Supporting Approval Requirements</b>	
Affordable Housing Contribution Scheme (AHCS)	<p>Council’s LHS evidence-base is considered sufficient to justify the preparation of a SEPP70 AHCS. A condition of approval of the LHS is included which requires Council to prepare a scheme that sets out delivery and rent models, tenant eligibility criteria, tenancy allocation, asset ownership and management.</p> <p>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 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>.</p>



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
Ongoing Implementation	<p>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.</p> <p>The updated implementation plan prepared by Council and required to be shared with the Department should specifically address:</p> <ul style="list-style-type: none"> <li>• Council’s work in relation to significant infrastructure, investment and transformation projects, including:               <ul style="list-style-type: none"> <li>○ Centre Investigation Areas (CIAs) for Brookvale, Dee Why, Manly Vale and Narrabeen</li> <li>○ Housing Diversity Areas (HDAs) for local centres</li> <li>○ The French Forest Education and Health Precinct</li> <li>○ The Ingleside Precinct</li> </ul> </li> <li>• Council’s work in relation to housing diversity.</li> <li>• The preparation of a place-based and/or centres-based planning program that investigates opportunities and constraints in the LGA, identifying areas where greater uplift or changes to planning controls may be feasibly delivered.</li> <li>• The preparation/progression of the Consolidated LEP planning proposal to implement a single LEP for the Northern Beaches LGA.</li> </ul>
Review and monitoring framework	<p>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.</p> <p>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.</p>



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
<b>For inclusion in future iterations of the LHS</b>	
Infrastructure	<p>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 waste water services. Thresholds/triggers, funding, responsibilities for delivery and indicative timeframes should also be identified.</p>
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 assists 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.</p> <p>Council is encouraged to utilise its out-of-sequence criteria in its LSPS to consider such proposals, and consider the following heads of consideration:</p> <ul style="list-style-type: none"> <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>
Review and monitoring framework	<p>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.</p>



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<p>The implementation of a monitoring and review system and establishment of housing targets for medium-density and seniors housing to determine whether future changes to the LEP and/or DCP are required to incentivise or encourage housing diversity and diversity of housing typologies, including any necessary changes to the Northern Beaches LEP (once gazetted) and in response to the new Housing Diversity SEPP. The framework should also review the supply and delivery of housing, including the 6-10 year housing target.</p>
<p>Community and Stakeholder Engagement</p>	<p>Incorporate the findings of any future relevant community and stakeholder engagement.</p>
<p>Consultation and engagement with agencies</p>	<p>Council should continue consultation with the following agencies:</p> <ul style="list-style-type: none"> <li>• TfNSW in relation to <ul style="list-style-type: none"> <li>○ planning for city-shaping &amp; city-serving transport initiatives in Future Transport 2056 and alignment with Council-led transport infrastructure initiatives,</li> <li>○ future transport infrastructure including the Western Harbour Tunnel and Beaches Link,</li> <li>○ future B-Lines along Warringah and Mona Vale Roads, and</li> <li>○ travel demand management measures and improvements to walking and cycling infrastructure to reduce dependence of current and future residents on private vehicle use.</li> </ul> </li> <li>• Sydney Water</li> <li>• SINSW: <ul style="list-style-type: none"> <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: <ul style="list-style-type: none"> <li>- The actual number of lots or dwellings varying from planning proposal estimates / strategic plans.</li> <li>- An emerging demographic that varies from the planned population profile, either with more or less families with children.</li> <li>- Rates of development and dwelling take-up varying from planned release programs or forecast residential take-up rates.</li> </ul> </li> </ul> </li> </ul>





Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	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.
Seniors housing	Council is encouraged to investigate the inclusion of seniors housing provisions in its LEP that encourages increased supply of housing for seniors and people with a disability.
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"> <li>• Northern Beaches Affordable Housing Strategy</li> <li>• Review of LEP and DCP controls which restrict the development of smaller, diverse and fit-for-purpose housing,</li> <li>• Sydney Water Growth Servicing Plan 2020-2025 (recently updated), and</li> </ul> <p>The Frenchs Forest Structure Plan once finalised.</p>
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.
<b>Data</b>	
Clarification of 6-10 year target and 10-20 year housing forecast.	<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 Department 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>