



Ms Emily Scott  
General Manager  
Waverley Council  
PO Box 9,  
Bondi Junction 1355

Dear Ms Scott,

### **Waverley Council - Local Housing Strategy**

Thank you for submitting Waverley's Local Housing Strategy (LHS) to the Department.

The Department commends Council on preparing a robust local analysis to support its LHS, providing Council with a clear understanding of the housing needs of the Waverley local government area.

I can confirm that as a delegate of the Secretary, I have determined to approve Waverley Council's Local Housing Strategy adopted by Council on 2 June 2020. In doing so, I have determined that:

- While the Department's analysis identifies the current pipeline is unable to meet the 6-10 year target in the District Plan and the 10-20 year forecast housing demand, there are identifiable and immediate opportunities for council to explore for additional housing to meet these housing targets. The LHS approval requires Council to implement the well resolved place planning undertaken by Council in the *Our Liveable Places Centres Strategy* and translate this to investigations for revisions for development controls for some of these centres. Doing this work in parallel with a plan(s) to implement public domain improvements as outlined in the strategy will help realise the centre's strategic vision.
- The LHS addresses some of the needs for housing diversity, although commitment to further actions for delivery are required.
- The LHS is committed to housing affordability, although mechanisms to implement this objective are required to be updated to be consistent with Departmental guidelines on financial feasibility.
- The LHS is generally consistent with Section 9.1 directions and SEPPs.
- The LHS is consistent with the Eastern District Plan, subject to the requirements identified below.

My approval is subject to the following requirements:

1. Prepare, and commence working to, a comprehensive work program and implementation plan to the Local Housing Strategy within 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 in Waverley.

2. Monitor and review housing supply pipeline and completions and to work with DPIE to address any identified issues to ensure achievement of the 6-10 year housing target. A monitoring and review system will ensure that appropriate mechanisms can be identified and implemented to contribute to Eastern City District housing supply over the medium to long term.
3. Note that the following LHS actions are not supported and are therefore are not approved as part of the LHS approval:
  - a. Action H1.1 Advised that there is sufficient capacity under current controls to accommodate housing targets and needs up to 2036.

The basis for this is that there is insufficient evidence to demonstrate long term sustained development to meet the projected needs of the LGA, in particular with regard to take up rates for the projected extensive redevelopment of Waverley's R2 Low Density Residential zones.
  - b. Action H3.1 – Develop an affordable housing contributions scheme that is inconsistent with DPIE guidelines.
4. That Council achieve its 6-10 year dwelling target set by the GSC provided that additional planning proposals are taken forward in accordance with the opportunities outlined in the Our Liveable Places Centres Strategies, with key focuses on Curlewis Street and/or the Bondi Road centres.
5. That Council in future iterations of its LHS adjust its committed 6-10 year target to align with GSC assurance requirements and that this is to be achieved through existing residential pipeline and further proposals to generate additional housing capacity.
6. Address the forecast shortfall in housing supply from 2021-2026 by commencing the following:
  - a. Action the implementation of Council's *Our Liveable Places Centres Strategy* to bring forward proponent-led or Council-led planning proposals for the Curlewis Street centre and/or Bondi Road centres, or other centres capable of accommodating additional residential uplift within 12 months of the date of the approval of this strategy; and
  - b. Commence consultation with Transport for New South Wales to investigate Infrastructure requirements to support housing growth within 12 months of the date of the approval of this strategy.
7. Address future housing supply for the period beyond 2026 by:
  - a. seeking to further implement Council's *Our Liveable Places Centres Strategy* to bring forward proponent-led or Council led planning proposals for centres capable of accommodating additional residential uplift by or before 2024, and
  - b. In the event that 7(a) is unlikely to provide for sufficient housing supply for the period beyond 2026, investigate other forms of residential redevelopment on the R2 lands identified by Council in the LHS as being suitable for redevelopment, such as apartments, medium density housing, seniors housing and/or student housing by 2024, and

- c. Commence consultation with Transport for New South Wales to investigate Infrastructure requirements to support housing growth beyond 2026, within 12 months of the date of the approval of this strategy.
8. Council is to revise its Affordable Housing Contribution Scheme to commit 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 in line with SEPP 70 and the Department's *Guideline for Developing an Affordable Housing Contribution Scheme*. It is also encouraged that Waverley Council consider collaborating with a neighbouring council or councils to potentially deliver a joint approach/scheme for affordable housing.
9. Should Council wish to exclude limited areas from the *Low Rise Housing Diversity Code* (LRHDC) this may be achieved through the application of local character areas under the LEP. Council will need to provide a comprehensive evidence base in relation to the delivery of medium density housing (see Advisory Notes for more detail). This should include:
  - a. Historical and forecast supply of medium density housing, including statistics on range of housing types approved over the last five years (DA and CDCs) and anticipated future take up rates.
  - b. Include recommended controls outlined in LHS for medium density in implementation plan, including current status and timeline for implementation.
10. Council is to collaborate with relevant State Government agencies (including DPIE and TfNSW) to identify and progress longer term housing supply opportunities in a timely manner. This also includes working with Sydney Water for service capacity.
11. Council is to articulate in any future LHS and relevant strategic planning work, the need to balance employment, housing and urban services functions at Bondi Junction and other local centres. Future iterations of the LHS are to make reference to and address the alignment of the housing strategy with the Bondi Junction Commercial Centres Review, Council's *Our Liveable Places Centres Strategy* and any other relevant studies.
12. Council is to explore ways to incentivise the delivery of commercial development sought by the *Our Liveable Places Centres Strategy* by reviewing capability for housing capacity uplift in identified centres, while not reducing existing housing capacity or compromising unrealised residential development capacity under existing development controls.
13. Work with DPIE in identifying approaches to ensuring a consistent housing supply that meets the needs of students and workers with specific housing needs as identified in the LSPS.
14. That future iterations of the LHS identify the contribution of non-standard dwellings to the housing supply and targets.
15. That future iterations of the LHS should include a detailed analysis of land use opportunities and constraints that take into account likely take-up rates.
16. 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.
17. Council is to update or revise the Local Housing Strategy to inform its Local Strategic Planning Statement following the making of a future District Plan.

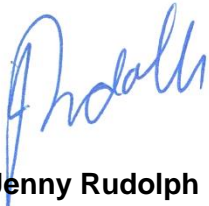
18. The direction and strategic planning approaches endorsed in any State led precinct plans are to prevail in the event of any inconsistency with this approval and/or the Council's local housing strategy (as revised and current).

Any planning proposals for new housing development will be assessed against Waverley Council's 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.

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 Deborah Dickerson, Specialist Planning Officer on 9275 1121.

Yours sincerely



**Jenny Rudolph**  
**Acting Executive Director**  
**Local Strategies and Plan Making**

**16 July 2021**

Encl: Advisory Notes

# Waverley 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. 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
<b>General</b>	
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. This is encouraged to be informed by resourcing and budgets to demonstrate how housing targets will be delivered.</p> <p>The implementation plan should specifically address:</p> <ul style="list-style-type: none"> <li>• Investigation, planning and implementation of Council's <i>Our Liveable Places Centres Strategy</i> to bring forward planning proposals for centres capable of accommodating additional residential uplift. This should include a staging plan involving: <ul style="list-style-type: none"> <li>○ Time frames for proponent-led planning proposals to contribute to the 2021-2026 housing target, and housing supply beyond 2026, and</li> <li>○ Timeframes to activate Council-led planning proposals in the event that anticipated proponent led planning proposals do not meet the staging plan.</li> </ul> </li> <li>• Investigate redevelopment options on the R2 lands identified by Council in the LHS as being suitable for redevelopment. This should take into account Action H2.2 that requires opportunity sites for Seniors Housing to be identified as a short term action. This should include feasibility and take up analysis.</li> <li>• Investigate the feasibility of affordable housing contributions for areas subject to uplift in accordance with DPIE's Guideline for Developing an Affordable Housing Contribution Scheme</li> <li>• Identify housing diversity targets including for Seniors Housing and Student/ Worker Housing.</li> </ul>
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.

Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<p>While Action H1.5 includes to monitor the ongoing housing supply and capacity, the ‘timeframe’ should be altered from medium-term to ongoing.</p> <p>Implement a detailed monitoring program which specifically tracks take up rates and provides early identification of any changes to planning controls required to achieve housing targets. This is to inform whether future changes to the LEP and/or DCP are required to incentivise or encourage housing diversity or in response to the new Housing Diversity Code once finalised. The monitoring program should include the following:</p> <ul style="list-style-type: none"> <li>• Residential dwellings and units,</li> <li>• The take up of infill opportunities identified in the R2 zone relied upon in the current 10-20 year housing target;</li> <li>• Other residential housing forms including: Seniors housing, student housing, boarding houses and granny flats.</li> </ul>
<p>Making appropriate provision for any additional housing opportunities that may arise out of sequence</p>	<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.</p> <p>Council is encouraged to develop a framework within which to consider such proposals, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Strategic merit and case for change</li> <li>• Robust demographic evidence</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> <li>• Social and affordable housing contribution</li> </ul>
<p>Community and Stakeholder Engagement</p>	<p>Incorporate findings of exhibition of the LHS as well as relevant community and stakeholder engagement.</p>
<p>Consultation and engagement with agencies</p>	<p>Council is to continue consultation with the following agencies:</p> <ul style="list-style-type: none"> <li>• TfNSW in relation to place based outcomes for the <i>Our Liveable Places Centres Strategy</i></li> <li>• DPIE Planning Policy in relation to current and future planning proposals for Local Character Areas and Affordable Housing Policy.</li> </ul>
<p>Interdependencies with relevant local evidence base</p>	<p>Revisions to the LHS should identify interdependencies.</p>

Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
<p>Consistency with Strategies for the Retention of Employment Lands and Urban Services</p>	<p>It is noted that the GSC letter of support for the LSPS required DPIE to confirm if the Bondi Junction Commercial Centres Review requires approval to inform LEP updates. The GSC letter also requires confirmation by DPIE if the Village Centres Strategy and Local Housing Strategy are required to be co-ordinated with potential mechanisms to ensure urban services are provided in Waverley.</p> <p>In order to facilitate DPIE addressing the requirements of the GSC letter as noted above, future iterations of the LHS are to address the alignment of the Housing Strategy with <i>the Our Liveable Places Centres Strategy</i>, Bondi Junction Urban Design Review and other relevant studies and discuss how the housing strategy balances the needs for housing, employment lands and urban services in Waverley.</p>
<b>Data</b>	
<p>Clarification of 6 to 10 year and 10-20 year housing target</p>	<p>Revisions to the LHS should provide a breakdown of how the 6 to 10 year and 10 to 20 year target will be achieved, including when and where anticipated supply will be delivered and explain market take up rates.</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 division to resolve any variations in dwelling forecasts.</p> <p>The Department has identified that progression of planning proposal/s for centres capable of accommodating additional residential uplift as identified in Council's Our Liveable Places Centres Strategy is necessary to contribute to Council's 6 to 10 year and 10 to 20 year housing target. Additional redevelopment opportunities on the R2 lands identified by Council in the LHS as suitable for redevelopment may further assist Council in satisfying the housing needs of the area.</p>
<b>Dwelling Diversity</b>	
<p>Medium Density Housing</p>	<p>Revisions to the LHS should identify mechanisms to deliver medium density housing, including details of baseline supply and demand studies, investigation of housing typologies and land suitability, and potential precinct plans.</p>
<p>Affordable Housing Contribution Scheme</p>	<p>The Department does not support the use of SEPP70 as an LGA wide standard to increase contributions for affordable housing. The City of Sydney's scheme as referenced by Council was proposed and lodged with the Department prior to DPIE's Affordable Housing Guideline being developed. An approach consistent with the City of Sydney is not supported by the Department.</p> <p>Consistent with the guideline, a requirement for approval is recommended that Council prepare an Affordable Housing Contribution Scheme 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, such as the Curlewis Street/Old South Head Road precinct identified in Council's Our Liveable Places Strategy.</p>

Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
	<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>
<b>Local Character</b>	
<p>Low Rise Housing Diversity Code</p>	<p>The introduction of local character areas and local low-rise housing diversity controls would be contingent on an assessment of the evidence base when the relevant planning proposal is submitted to the Department. The approval of the Local Housing Strategy is not to be construed as support for a LRHDC exemption</p> <p>Should Council wish to exclude limited areas from the Low Rise Housing Diversity Code (LRHDC) through local character areas, the LHS will need to provide a comprehensive evidence base in relation to the delivery of medium density housing. This should include:</p> <ul style="list-style-type: none"> <li>• Historical and forecast supply of medium density housing, including statistics on range of housing types approved over the last five years (DA and CDCs) and anticipated future take up rates.</li> <li>• Include recommended controls outlined in LHS for medium density in implementation plan, including current status and timeline for implementation.</li> <li>• Incorporate framework to monitor and review the delivery of medium density housing within the LGA.</li> </ul>
<b>Inter Governmental Agency Advice</b>	
<p>School Infrastructure NSW</p>	<p><b><i>SINSW requests that consultation between SINSW and Council occurs:</i></b></p> <ul style="list-style-type: none"> <li>• <i>Prior to the finalisation of any future strategic direction and planning proposal that consequentially proposes an increase to the residential population/number of dwellings contained, in response to the draft Housing Strategy; and</i></li> </ul> <p><i>When Council is aware of deviations in the following:</i></p> <ul style="list-style-type: none"> <li>• <i>number of lots/ dwellings altering from planning proposal estimates/ strategic plans</i></li> <li>• <i>A population demographic that deviates from the planning profile, either with more or less young families</i></li> <li>• <i>Rates of development and dwelling take-up varying from planned release programmes</i></li> </ul> <p><i>This is to ensure SINSW specifically understands where growth, or changes to growth rates is occurring and can effectively respond by targeting appropriate resourcing to impacted government schools.</i></p>



Matter	Consideration for future LHS updates and preparation and assessment of planning proposals
Transport for NSW	<p><b><i>TfNSW advised that it would like to work closely with Council in the development of its transport studies to support the LHS, such as the following:</i></b></p> <ul style="list-style-type: none"> <li>• <i>TfNSW welcomes the opportunity to work with Council to better understand the traffic and transport implications of housing growth identified in the LHS through a comprehensive transport impact study and developer contribution frameworks, developed in consultation with TfNSW</i></li> <li>• <i>Collaborate with TfNSW to investigate travel demand management measures, with a greater focus on improving facilities and safety for people walking, cycling and using public transport.</i></li> <li>• <i>T4 Eastern Suburbs and Illawarra Line (Central to Bondi Junction) via Bondi Junction and Edgecliff stations is underutilised. The use of Edgecliff station needs to be encouraged by providing better accessibility, connectivity and amenities. In particular, Council should investigate opportunities for infrastructure provisions at transport interchange facilities to improve safety, wayfinding and accessibility.</i></li> <li>• <i>Collaborate with TfNSW to address the need for improved pedestrian crossing points (especially aligned with bus stops) while minimising delays to the movement of customers.</i></li> <li>• <i>In order to attract people to use buses as a mode of transport, existing bus routes need to be reviewed with some quality improvements to bus stop facilities and capacity required.</i></li> <li>• <i>Consider opportunities in collaboration with TfNSW to review speed limits on local roads within the LGA (especially Darlinghurst, Edgecliff, Double Bay, Rose Bay and Bondi), to enhance road safety.</i></li> <li>• <i>The impact of the future developments on the road network including local and state roads and public transport service capacity, the passenger capacity on T4 Eastern /Illawarra Line and bus services will need to be considered in more detail once the nature and timing of these new developments are known, and where possible early planning and integration of potential active and public transport infrastructure to/from the developments should be considered at the early stages of development approval. It is the Council's opportunity now to ensure these new developments are well serviced by sustainable transport connections and to identify the public transport service capacity is adequate for future growth.</i></li> </ul> <p><i>TfNSW requests to work closely with Council in the development of its transport studies to support forthcoming LEP amendments as a result of the LSPS and LHS.</i></p>