

Supporting social housing

STATE ENVIRONMENTAL PLANNING POLICY (AFFORDABLE RENTAL HOUSING) 2009

This policy helps deliver new social housing for persons in need of subsidised affordable rental housing across NSW.

What is the Affordable Rental Housing SEPP?

The State Environmental Planning Policy (Affordable Rental Housing) (AHSEPP) was introduced on 31 July 2009 to increase the supply and diversity of affordable rental and social housing throughout NSW.

The AHSEPP promotes affordable rental housing in existing residential areas that are accessible by public transport.

The NSW Government made amendments to the AHSEPP on 20 May 2011 after in a review of the AHSEPP that was carried out after it had been in effect for a year.

Feedback during the review revealed general community support for a State planning policy to encourage more affordable rental housing, but also highlighted the need for the NSW Government to work more closely with councils and the community on identifying the most appropriate locations for new affordable housing.

The information contained in this fact sheet reflects the current policy.

Why do we need affordable housing?

Throughout NSW there is a strong need for a range of affordable housing options amongst the community. This is reflected in figures which show that in February 2010 there were over 47,000 people in NSW on waiting lists for suitable housing accommodation.

It is essential that government at all levels, private industry and the non-government sector work in partnership towards finding innovative ways to provide more affordable housing.

GENERAL INFORMATION ABOUT SOCIAL HOUSING

What is affordable rental housing?

Affordable rental housing is housing for very low, low and moderate income earning households. These are currently households with an annual income of up to about \$80,000 including those who have no place to live, people on low and moderate incomes and key workers who need to live closer to their employment.

What is social housing?

Social housing is a type of affordable rental housing and comprises of subsidised housing, providing a secure, affordable rental option for people on very low and low incomes. Social housing is provided by public authorities, community housing providers and other not for profit organisations and includes properties owned or managed by Housing NSW and the Aboriginal Housing Office.

Where is social housing permitted?

New social housing development proposals can only be located where they are permissible under the council's local environment plan or another planning instrument – whether flats, townhouse, dual occupancy or single dwelling houses.

Prior to the amendments made to the AHSEPP on 20 May 2011 the AHSEPP made dual occupancies, multi-dwelling housing and residential flat buildings by the private and public sectors permissible in certain low density residential areas where they were otherwise prohibited by local environmental plans. Whilst the changes introduced to the AHSEPP on 20 May 2011 generally remove these provisions, they are preserved for proposals that Housing NSW was working on before the amendments were made. A further restriction requires such developments to be commenced by 20 May 2013.

The need to keep rents at levels which are affordable for very low and low income residents reduces the income stream available to social housing providers. This reduces their capacity to purchase properties which are zoned for residential flats and are close to services and facilities. However these locations are the most advantageous for social housing residents.

Therefore for sites close to public transport in the Sydney Region, or close to the business district of 32 nominated major regional centres, the AHSEPP enables development consent to be sought for residential flat buildings for or on behalf of public authorities or social housing providers on sites where residential flats are not normally permitted.

In order to take account of issues relating to the compatibility of such proposals with the area in which they are proposed it is an essential requirement that a site compatibility certificate be obtained from the Director-General of Planning and Infrastructure certifying that the site is appropriate for this type of development before a development application can be lodged with the relevant council.

This process is only available to public authorities and social housing providers, and it is designed to make social housing providers an attractive partnership proposition for private developers.

What is the assessment process for social housing?

Typically, the council’s standard development application process applies for most large social housing proposals and applicants will need to lodge their applications with the local council.

Certain small to medium sized social housing developments which meet specific criteria in the AHSEPP may be undertaken by or on behalf of the NSW Land & Housing Corporation (effectively Housing NSW) as ‘development without consent’.

Where the social housing does not meet the criteria for small to medium sized social housing developments, development consent is required from the local council. If the project is worth more than \$5 million, then the Joint Regional Planning Panel is the consent authority, with the application assessed by the local council.

Before carrying out small to medium sized social housing developments as ‘development without consent’, Housing NSW must undertake an environmental assessment which takes into account the environmental impact of the development to the fullest extent possible in accordance with the procedures set out in Part 5 of the Act. Housing NSW is required to consult with neighbours and local councils on such proposals in accordance with the local council’s normal consultation practices and must take into consideration any issues raised.

The following are the main requirements for proposals being assessed by Housing NSW:

Maximum height: 8.5 metres.

Number of dwellings: Maximum of 20 units per development.

Prohibitions: Demolition of dwellings and structures on land that contains a heritage item or land within a heritage conservation area.

Design: Must consider urban design guidelines when preparing and assessing these proposals.

CASE STUDY: Muswellbrook

This is a new seniors housing project for 12 retirees developed by Housing NSW at Muswellbrook. The project was permissible on the site under the Seniors Housing SEPP and is designed to meet the standards of that policy. Having 12 units in one and two storey buildings less than 8.5m in height, it met the criteria of Division 6 for ‘development without consent’. Housing NSW undertook an environmental impact assessment of the project before approving it and undertaking its construction.

The new tenants think the project is fantastic for people who are really in need and opens up a whole new avenue of opportunity for the disadvantaged.



Muswellbrook
(Image courtesy of Compass Housing)

FREQUENTLY ASKED QUESTIONS

- Q. Do other local council planning controls continue to apply?**
- A.** If the SEPP does not explicitly override a local council planning control, then the local council planning control continues to apply.
- Q. What happens if there is a conflict between the controls in a local environmental plan and the SEPP?**
- A.** If there is an inconsistency between the SEPP and the relevant council's LEP, the provisions of the SEPP will override those in an LEP to the extent of the inconsistency.
- Q. Can Housing NSW continue to develop existing social housing proposals under the AHSEPP provisions from before 20 May 2011 as 'development without consent'?**
- A.** The changes introduced to the AHSEPP on 20 May 2011 enable Housing NSW to continue to progress proposals it was already working on before the amendments were made. Such developments must be commenced by 20 May 2013.
- Q. Do section 94 development contributions apply?**
- A.** The SEPP does not affect the levying of development contributions under section 94 of the *Environmental Planning and Assessment Act 1979*.

It is the long established practice of Housing NSW to pay contributions determined in accordance with the relevant council's contributions plan, unless a Ministerial exemption is in force.

- Q. Does BASIX apply?**
- A.** The SEPP does not change the application of the Building Sustainability Index (BASIX) requirements for developments to meet water and energy targets.
- Q. What is the situation with voluntary planning agreements?**
- A.** The SEPP does not affect voluntary planning agreements. A developer and a consent authority can still enter into a voluntary planning agreement (VPA) for the provision of affordable housing either under the SEPP or any other environmental planning instrument.

FURTHER INFORMATION

The AHSEPP is available on the NSW legislation website: www.legislation.nsw.gov.au

Further information can be found on the Department's website: www.planning.nsw.gov.au/affordablehousing

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