

SEPP 70 Affordable Housing (Revised Schemes)

Frequently asked questions

December 2017

The NSW Government is working with councils to make it easier to deliver affordable rental homes in their communities.

What has been announced?

Proposed changes to the state policy governing affordable rental housing is a step towards boosting the number of affordable rental homes in Sydney.

The proposal involves expanding the provisions of the Affordable Housing State Policy – SEPP 70 – so it applies to five new councils, being Randwick City, Inner West, Northern Beaches, City of Ryde and City of Canada Bay.

These proposed changes will facilitate affordable housing in future rezonings in the respective local government areas.

What does SEPP 70 allow councils to do?

The State policy identifies councils with a need for affordable housing and enables them to prepare affordable housing contribution schemes requiring contributions to provide affordable housing. The provisions currently operate in City of Sydney local government area.

What are the proposed changes?

Expanding the existing provisions to identify Randwick City, Inner West, Northern Beaches, City of Ryde and City of Canada Bay in the SEPP, and to allow the Councils to prepare affordable housing contribution schemes for upcoming rezonings.

The Councils are required to prepare draft affordable housing contribution schemes for consideration by the Minister for Planning for approval as part of the normal planning proposal process.

What do councils have to do to implement an Affordable Housing Contribution Scheme?

To implement an affordable housing contribution scheme a council will need to prepare a draft scheme in support of a rezoning proposal. The scheme will need to demonstrate that the proposed affordable housing contributions rate will not impact on supply of general housing.

How do councils currently provide affordable rental housing?

Many councils currently use Voluntary Planning Agreements to boost the number of affordable rental homes in their area on an ad-hoc basis.

Inclusion in SEPP70 will simplify the process for development in these LGAs, meaning there is a consistent approach to providing affordable rental homes. It will make the requirements clear to landowners and proponents early in the planning and development process.

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The current system provides little consistency or certainty for developers, the community and councils.

Why do we need more affordable housing?

Affordable rental housing underpins economic productivity and can support Sydney as a prosperous global city.

The provision of affordable housing in the right places connects workers to jobs and people to services.

Affordable housing is necessary for the workers on low incomes who keep Sydney and NSW operating and it is also a pathway out of social housing.

What consultation has been undertaken?

The Department has undertaken targeted stakeholder consultation regarding SEPP 70 as well as two other housing State Policies being reviewed (the Affordable Rental Housing SEPP and the Housing for Seniors or People with Disability SEPP). It has consulted with agencies, industry stakeholders and councils.

What will happen next?

Following exhibition all submissions received will be taken into account when the Minister considers whether to make the amendments to SEPP70.

As noted above, if the Minister decides to make the amendment to SEPP70, affordable housing contributions will not be implemented in the local government areas until an affordable housing contribution plan is made and incorporated into the Council's LEP.

Will SEPP 70 and the SIC both have affordable housing contributions in Rhodes East?

No. In Rhodes East it is proposed to support affordable housing through a council led SEPP 70 scheme. The proposed SIC will not include a contribution for affordable housing.