

# Amendments to State Environmental Planning Policy (Affordable Rental Housing) 2009

## ABOUT 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 in NSW.

A scheduled review of the AHSEPP commenced at the end of 2010 and discussions were held with key stakeholders. As a result, a discussion paper was placed on exhibition from 21 December 2010 to 1 March 2011, which attracted 230 public submissions.

The feedback indicated general community support for a State planning policy to encourage the development of more affordable rental housing, but it also highlighted the need for the NSW Government to work more closely with councils and the community on the issue of affordable housing.

## A NEW APPROACH TO PLANNING FOR AFFORDABLE RENTAL HOUSING

The NSW Government has announced a two staged approach to the review of the AHSEPP.

### **Stage 1 – Amendments to the AHSEPP**

On 20 May 2011, changes were made to the AHSEPP to remove certain provisions applying in low density residential areas and to amend other elements as set out in the fact sheets. These changes will allow an orderly and well-planned transition to Stage 2.

### **Stage 2 – Affordable Housing Taskforce, Affordable Housing Choice SEPP and Local Affordable Housing Strategies**

Stage 2 will involve the formation of an Affordable Housing Taskforce, and the development of an Affordable Housing Choice SEPP.

Stage 2 also involves working with local councils to develop Local Affordable Housing Choice Strategies for individual council areas or councils in a region, to reflect their local housing needs and development characteristics. Once these strategies have been confirmed as appropriately meeting local affordable housing needs, the council will be able to be exempted from all or certain provisions in the Affordable Housing Choice SEPP.

## CHANGES ON 20 MAY 2011

### **Revised provisions for low-rise development**

- Villa, townhouse and residential flat developments by the private sector will no longer be allowed in low-density residential areas.
- Where villas, townhouses or residential flat buildings are permissible, proposals under the AHSEPP will need to be compatible with the design character of the area and will provide at least 20 per cent of the total floor space (rather than a specified number of units) as affordable rental housing for 10 years.
- A more extensive public transport test will ensure that affordable housing developments in Sydney are located close to public transport routes operating seven days a week. In regional areas, a new test will be introduced to ensure developments are accessibly located within 400 metres of a local centre or mixed-use zone.
- Higher parking standards will apply for new development applications.
- The affordable component in development applications under assessment and new development applications will need to provide the affordable housing contribution as a percentage of the total floor space (rather than as a proportionate number of units).

### **Revised standards for boarding houses**

- Boarding houses will now need to be compatible with the design character of the area in which they are to be located.
- Boarding houses proposed in low density residential areas in Sydney are now required to meet a new test of being close to public transport services. Boarding houses proposed in regional areas must be accessibly located within 400 metres of a local centre or mixed-use zone.
- The AHSEPP now requires higher parking standards for new boarding house applications.

### **Revised standards for Housing NSW proposals**

- Housing NSW will continue to self-assess its own proposals where they are less than 8.5 metres in height, contain less than 20 units and meet the criteria of being close to public transport routes operating seven days a week.
- Housing NSW will now be required to notify a proposal in line with the local council policy and meet parking standards outlined in the AHSEPP. These parking standards have been graded similarly to the standards adopted for new generation boarding houses.

### ***New local character test***

Development applications that have been lodged prior to the amendments and which are currently under assessment, as well as all new infill development and boarding house applications, must satisfy a new local character test. The new local character test seeks to ensure developments proposed under the AHSEPP are consistent with the design of the area.

### ***Transitional provisions***

To ensure a smooth transition to the amended policy, existing applications, lodged before the changes to the AHSEPP took effect, can still be assessed under the repealed and amended provisions subject to being compatible with the new local character provision and the affordable component being provided as a percentage of the total floor space.

Housing NSW can continue to progress proposals it was already working on before the changes were made under the repealed provisions. This is restricted by a requirement that such developments must be commenced by 20 May 2013.

### ***Other provisions***

Provisions in the AHSEPP which support other types of accommodation – including granny flats, group homes and supportive accommodation – are being retained with no changes.

## **AFFORDABLE HOUSING TASKFORCE**

As part of Stage 2, the NSW Government will establish an Affordable Housing Taskforce. This will comprise representatives from the Department of Planning and Infrastructure, social housing experts, community housing providers, key local government representatives and other relevant government agencies.

The taskforce will assist in developing the methodology for the Local Affordable Housing Choice Strategies, and steer the development of the new Affordable Housing Choice SEPP. The membership of the taskforce will be announced by the NSW Government at a later date.

## **NEW AFFORDABLE HOUSING CHOICE SEPP**

The Department of Planning and Infrastructure is developing a new Affordable Housing Choice SEPP to replace the current policy. It is proposed that this will include those provisions from the AHSEPP that are widely supported, plus new initiatives to encourage a wide range of development types to meet the needs and demands of the community.

The Affordable Housing Taskforce will provide important input in the development of this new Affordable Housing Choice SEPP. In the meantime, the AHSEPP will continue to apply, subject to the amendments that took effect from 20 May 2011.

## **WORKING WITH COUNCILS ON LOCAL STRATEGIES**

The NSW Government will work with councils – either individually, or on a regional/sub-regional basis – to develop Local Affordable Housing Choice Strategies. These strategies will reflect the housing needs of a particular locality, and the desired development characteristics for that area.

Each strategy will be approved by the Department of Planning and Infrastructure and implemented through a council's local environment plan (LEP). The NSW Government will include a provision in the new Affordable Housing Choice SEPP which will exempt councils from all or part of the SEPP once they have implemented their own Local Affordable Housing Choice Strategy.

## **KEEPING YOU INFORMED**

The NSW Government will be keeping the public and stakeholder groups informed throughout the process of preparing a new State planning policy and during the development of the Local Affordable Housing Choice Strategies.

## **FURTHER INFORMATION**

An updated version of the AHSEPP incorporating the changes set out in the amending SEPP is available on the NSW legislation website:

[www.legislation.nsw.gov.au](http://www.legislation.nsw.gov.au)

The State Environmental Planning Policy (Affordable Rental Housing) Amendment 2011 and Fact Sheets on the recent changes can be found on the Department's website: [www.planning.nsw.gov.au](http://www.planning.nsw.gov.au)

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