



NSW Department of Planning and Environment

DRAFT NEW ENGLAND NORTH WEST REGIONAL PLAN 2041

Shelter NSW submission

25 February 2022



About Shelter NSW

Shelter NSW has been operating since 1975 as the State’s peak housing policy and advocacy body. Our vision is to create a sustainable housing system that provides secure homes for all. We pursue our vision through critical engagement with policy, practice, and thought leadership. We provide systemic advocacy and advice on policy and legislation for the whole NSW housing system to resolve housing inequality.

We are especially concerned for low-income households which struggle to afford good-quality and well-located housing in the private market.

Our approach involves engaging, collaborating, and connecting with government, the private and not-for-profit sectors, stakeholders, and consumers. Our research centres on the causes of inequity and injustice in the housing system.

We consider a sustainable housing system one that delivers what we call Triple-A housing and Triple-P outcomes.

Affordable and diverse homes	Accessible and well-located housing	Appropriate and high-quality development
Housing supply and demand	Proximity to jobs and services	Amenity and aesthetics
Tenure forms and rights	Access to public transport	Energy and environment
Housing types and sizes	Accessibility and adaptability	Standards and maintenance
Productive cities and regions	Poverty-free communities	Protected neighbourhoods
Access to jobs and services	Housing stress and homelessness	Energy use and consumption
Housing costs and consumption	Physical and mental health	Urban heat
Financial and economic stability	Education access and attainment	Climate resilience and adaptation

At Shelter NSW, we believe that all people deserve to live in housing that delivers these priorities and objectives. We assert for example, that someone renting has as much right to secure, affordable, and sustainable housing as someone who owns their own property. We believe the housing system should be ‘tenure blind’ and delivering outcomes for all.

About our submission

Shelter NSW thanks the Department of Planning for the opportunity to comment on the draft *New England North West Regional Plan 2041* (‘NENWRP’). The Australian housing market has moved a long way from what many would say is its inherent and essential purpose – to provide secure, functional, and affordable shelter to all people at various stages of their lives. Housing is now considered a financial product or a wealth-generating vehicle. The private housing market in this country is consistently and persistently failing to provide secure, well-located, and affordable shelter especially for the lowest 40 percent of income earners.

Given our firmly held position that the private market fails to provide enough quality, well-located, affordable housing, we call on governments to make an urgent and widespread investment in social housing acquisition and construction. This is consistent with Infrastructure Australia's report¹ explicitly identifying the subpar quality, supply, and design of social housing across the country. The same report notes the projected need for almost 730,000 new social housing properties over the next 15 years (with current social housing stock only 4% of Australia's total housing compared to the OECD average of 6%). Further, Garry Fielding's Regional Housing Taskforce recommendations report to Minister Anthony Roberts calls for the NSW Government to "consider social and affordable housing as essential social and economic infrastructure"².

Shelter NSW has strengthened its interest in and advocacy for regional housing solutions in NSW. In May 2021, we formally engaged the Regional Australia Institute ('RAI') to undertake a review of every local government area in regional NSW. Our investigation found that the Tamworth LGA is one of 16 top LGAs of concern when it comes to housing pressures in regional NSW. **We have outlined the implications of this needs-assessment in our submission.**

We attended a Zoom stakeholder workshop on the NENWRP on 3 February 2022. Our submission reiterates some of the points raised in the workshop around the **need for mixed use, infill housing, a distinct Local Housing Strategy for Tamworth, and commitments to renew and augment social housing stock.**

Other key asks in our submission call on the **innovative use of publicly-owned land and more assistance to councils in planning for workforce accommodation.** A summary of our recommendations is included on page 11.

Sincerely Yours,

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¹ Australian Government, Infrastructure Australia. (September 2021, p. 19). *Reform to meet Australia's future infrastructure needs: 2021 Australian Infrastructure Plan*. Retrieved from <https://www.infrastructureaustralia.gov.au/publications/2021-australian-infrastructure-plan>

² Fielding, G. (October 2021, p. 5). *Regional Housing Taskforce: Recommendations Report*. Retrieved from <https://www.planningportal.nsw.gov.au/regional-housing>

Context: Tamworth as an LGA of high housing need

At the population level, regional and rural communities are often home to an ageing demographic which increasingly wants to age-in-place (this is considered best practice and reflected in the Aged Care Royal Commission's recommendation to increase in-home aged care by 80,000 new packages into 2022)³. Downsizers, ex-farmers, and older people in general will need housing which is easy to maintain, affordable, and well-located with respect to key health and social services. Tamworth is no different; it is anticipated that population growth will be highest in the 70+ year age group in the coming years for this locality⁴.

Infrastructure growth, food industry growth, and other local economic factors have created a dearth of accommodation options for workers and locals alike in and around Tamworth⁵. Single-parent families and households in mortgage or rental stress are overrepresented in Tamworth, compared to the rest of the State⁶. Meanwhile, the proportion of dwellings as social housing stock is relatively low at 3.1% and there are approximately 487 people on the general social housing waitlist⁷. Waiting times exceed 2 years for all dwelling types⁸.

The COVID-19 pandemic has thrust regional NSW into a housing crisis as net migration to regional areas has outstripped net migration to metropolitan areas⁹. Renters in regional towns have faced no-grounds evictions in order for property owners to increase weekly rents beyond once-a-year limitations¹⁰. The rental vacancy rate for New England North West did not reach 3% throughout any point of 2021 and hovered below two percent for most of the year, indicating tight competition for housing¹¹.

Due to the above factors (and other parameters outlined in our housing-need report), **Tamworth is ranked in joint-sixth position out of all regional LGAs, respectively, in**

³ Royal Commission into Aged Care Quality and Safety. (February 26, 2021). *Final Report - Recommendation 39*. Retrieved from https://agedcare.royalcommission.gov.au/sites/default/files/2021-03/final-report-volume-1_0.pdf

⁴ Shelter NSW in partnership with Regional Australia Institute. (November 2021, p. 24). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

⁵ Tamworth Regional Council. (August 11, 2021). *Planning Proposal – Temporary Workers Accommodation*. Retrieved from <https://www.planningportal.nsw.gov.au/ppr/lep-decision/tamworth-regional-lep-2011-temporary-workers-accommodation-2-26-basil-brown-drive-westdale>

⁶ Shelter NSW in partnership with Regional Australia Institute. (November 2021, p. 24). *New South Wales Regional Housing Need Report*. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

⁷ Ibid, p. 24

⁸ Ibid, pp. 13, 14, 24

⁹ id informed decisions. (July 19, 2021). *Regional Renaissance – permanent or passing?* [webinar]

¹⁰ Pawson, H., Martin, C., Thompson, S., & Aminpour, F. (2021). *COVID-19: Rental housing and homelessness policy impacts*. ACOSS/UNSW Poverty and Inequality Partnership Report No. 12. Retrieved from https://shelternsw.org.au/wp-content/uploads/2021/11/Covid-19_rental-housing-and-homelessness-impacts-in-Australia-24-Nov.pdf

¹¹ REINSW. (2021). *Residential vacancy rate*. Retrieved from https://www.reinsw.com.au/Web/Members/Property_data/Vacancy_Rates_Survey.aspx

our report on areas of high housing need¹². Shelter NSW is of the view that the most effective way of improving the housing situation in Tamworth and other towns/cities captured by the Plan is through the rollout of:

- an extensive social housing acquirement/construction program,
- distinct Local Housing Strategies,
- Affordable Housing Contributions Schemes or fit-for-purpose and transparent Affordable Housing Planning Agreement Policies,
- collated, mixed use, residential infill strategies targeting specific sites in established towns/cities and satellite villages,
- innovative non-market housing on publicly-owned land, and
- better planning and resources for workforce changes and growth.

Stronger commitment to augmenting social and affordable housing

Affordable housing

The term 'affordable housing' is defined in the NSW planning system as:

*Housing for very low income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument.*¹³

Affordable housing is not necessarily public or community housing ('public' and 'community' housing both come under the umbrella of 'social' housing¹⁴). Affordable housing can be funded (and delivered) by local Councils, particularly where private development must contribute funds/land/dwellings for the purposes of affordable housing.

Affordable housing is nearly always affordable rental housing. A greater variety of households may be eligible for affordable rental housing than social housing. Indeed, income brackets for affordable rental housing eligibility tends to include key workers such as teachers, nurses, aged care workers, trade apprentices, and other industry workers who are essential to local communities. Providing more housing opportunities for these

¹² Shelter NSW in partnership with Regional Australia Institute. (November 2021, pp. 41 & 42). *New South Wales Regional Housing Need Report*. Retrieved from <https://sheltersnsw.org.au/wp-content/uploads/2021/11/NSW-Regional-Housing-Need-Report.pdf>

¹³ NSW Government. (current version December 1, 2021). *Environmental Planning and Assessment Act 1979 No 203*, s1.4 Definitions. Retrieved from <https://legislation.nsw.gov.au/view/whole/html/inforce/current/act-1979-203>

¹⁴ NSW Government. (current version November 26, 2021). *State Environmental Planning Policy (Housing) 2021*, Dictionary="social housing provider". Retrieved from <https://legislation.nsw.gov.au/view/whole/html/inforce/current/epi-2021-0714>

working cohorts is therefore imperative to advancing any region's economic growth goals.

The NSW Department of Planning can and should assist local Councils in scoping out the viability of creating Affordable Housing Contributions Schemes or Affordable Housing Planning Agreement Policies.

The Regional NSW Housing Taskforce initial findings report¹⁵ acknowledges that using the Department's viability tool for Affordable Housing Contributions Schemes can be cumbersome and that more training for regional planners is required to ensure the tool can be practically used. Additionally, the Department has a ministerial direction and practice note setting out the need for an underlying local Planning Agreement policy to be in place before negotiating any planning agreements¹⁶. It is not known whether specific guidance and resources are provided by the Department to local Councils on crafting policies for Affordable Housing Planning Agreements.

Social housing

The intent of both public and community housing (as subsets of social housing) is to accommodate people on very low, low, and moderate incomes in affordable housing. **Social housing renewal and augmentation is a State responsibility** and in 2022, our ask of the NSW Government in this respect is to:

1. Fast track investment in social housing to prevent homelessness and support economic recovery across the state (including in regional areas):
 - a) Build or acquire 5,000 additional units of social housing each year for the next 10 years to address the current backlog and enable an effective response to the growing demand
 - b) Invest \$500 million in an expanded repairs and maintenance program for existing social housing stock. This would include upgrades to inefficient fixtures (water, heating and cooling) and improve the thermal performance of existing social housing stock
 - c) Build three new Youth Foyers in NSW providing integrated housing, education and employment support to vulnerable young people otherwise at risk of homelessness.

In addition to the above, Shelter NSW routinely advocates for at least 5% of all dwellings in all LGAs to be social housing.

We note Strategy 14.1 of the NENWRP intends to:

¹⁵ Fielding, G. (September 2021, pp. 35 & 36). *Regional Housing Taskforce: Initial Findings Report*. Retrieved from <https://www.planningportal.nsw.gov.au/regional-housing>

¹⁶ NSW Government. (February 28, 2019). *Ministerial Direction: Environmental Planning and Assessment (Planning Agreements) Direction 2018*. Retrieved from <https://www.planning.nsw.gov.au/-/media/Files/DPE/Directions/ministerial-direction-s7-9-environmental-planning-and-assessment-planning-agreements-2019-06-11.pdf?la=en> ; NSW Government. (February 2021). *Planning Agreements: Practice note*. Retrieved from <https://www.planning.nsw.gov.au/-/media/Files/DPE/Practice-notes/practice-note-planning-agreements-2021-02.pdf?la=en>

Assess the potential to renew social housing to increase and diversify social housing stock

“Assessing the potential” to renew and augment social housing is not the same as a firm commitment to renewing and increasing social housing stock. We therefore insist Strategy 14.1 – or at least any linked actions to that Strategy point – be amended to make it clear that renewing and increasing social housing stock in the New England North West is a key feature of the Regional Plan through to 2041.

Recommendations

- Provide more hands-on assistance to local Councils in developing/implementing Affordable Housing Contributions Schemes and Affordable Housing Contributions Policies, and indeed make clear the difference between these two mechanisms in delivering affordable rental housing outcomes
- Set a starting target of at least 5% of all dwellings in each LGA being social housing
- Include specific affordable housing targets, similar to numeric targets outlined in the draft *Central Coast Regional Plan 2041* currently on exhibition
- Strengthen the wording of Strategy 14.1 or any linked actions so as to make it clear that renewing and increasing social housing stock in the New England North West is a key feature of the Plan through to 2041.

Mixed use, infill residential development

Shelter NSW applauds the intent of Strategy 13.3:

Only approve rural residential housing on land which has been approved in a strategy endorsed by the Department of Planning, Industry and Environment¹⁷

The complement to this Strategy point will need to be targeted, mixed use infill residential development in existing town centres and surrounds. **No such strategy or action exists in the Plan to delimit this need.** Further, no indicative infill potential footprints are mapped for Armidale or Tamworth.

We advocate for infill development to be a primary housing and urban renewal option in regional towns and cities. Greenfield estate development has long been on the Americanised trajectory of sprawling, detached, single-storey ‘McMansions’ with limited footpath infrastructure, heavy car reliance, and no minimum estate-wide targets for universally accessible design. Poorly designed suburban sprawl estates are incompatible with an ageing population, provision of cost-effective infrastructure, and climate change more generally. The lack of diversified housing in regional centres is at odds with ABS

¹⁷ NSW Government. (2021, p. 62). *Draft New England North West Regional Plan 2041*. Retrieved from <https://dpe.mysocialpinpoint.com.au/new-england-north-west-2041>

data indicating the number of people per household in regional locations is more conducive to 1-to-2 bedroom dwellings¹⁸.

Our submission to the Regional Housing Taskforce¹⁹ in September 2021 included the recommendation for land use zoning typologies to be reimagined for regional and rural settings, with diminishing prevalence of land zones that promote sprawl in LEPs. In this vein, **we believe an action should be included in the NENWRP to assess the viability of certain land zone typologies** (R2 and R5 zones at urban fringes when compared to R1, RU-, and Enviro zones) and increase preference for other land zone typologies (R3 and Mixed Use near commercial cores and employment hubs) in all New England North West LEPs. This action should specifically mention the role of Local Housing Strategies (under development or review) in auditing land use zone typologies.

Infill development opportunities must be explored in conjunction with Department of Communities and Justice ('DCJ') and community housing providers, and incentives offered to private developers to dedicate affordable rental housing in these infill sites (either through Planning Agreements or Affordable Housing Contributions Schemes).

Recommendations

- Include a Strategy or Action point related specifically to the need to identify infill opportunities in Armidale and Tamworth
- Indicate residential infill footprint opportunities on maps
- Include numeric targets for social and affordable housing properties (with reference to dwelling types/sizes/numbers of bedrooms) in infill residential strategies, to ensure new social and affordable housing stock is not relegated only to greenfield development areas
- Commit to reviewing viability of certain land zone typologies when furthering the objectives of infill development whilst cross-referencing the roles and outcomes of Local Housing Strategies.

¹⁸ Australian Bureau of Statistics. (2011-2016). Census of Population and Housing (Enumerated). Compiled and presented in profile.id, retrieved from <https://profile.id.com.au/australia/population?WebID=180>

¹⁹ Shelter NSW. (September 2021). Regional Housing Taskforce submission. Retrieved from <https://shelternsw.org.au/wp-content/uploads/2021/09/Regional-Housing-Taskforce-Shelter-NSW-submission.pdf>

Tamworth Local Housing Strategy ('LHS')

Action 4 states:

The Department of Planning, Industry and Environment will work with Armidale Regional Council on the preparation and implementation of a Local Housing Strategy²⁰

Shelter NSW supports this direct requirement for Armidale Regional Council to create a Local Housing Strategy. At the Zoom stakeholder workshop on 3 February 2022, the Department was quizzed on whether this requirement would extend to Tamworth Regional Council. **Attendees were informed this would not be the case**, as Tamworth has *BluePrint 100* to guide housing strategy.

It appears Tamworth's *Local Strategic Planning Statement* is embedded within *BluePrint 100*, and there is a commitment to review Development Control Plans and existing affordable housing strategy in this document²¹. Whilst housing and land considerations occur within this document, it is not a standalone, discrete LHS which is able to be readily scrutinised by the public on tracking housing expectations and outcomes. *BluePrint 100* may very well form the basis of a housing strategy but it would be inappropriate to give it the status of a de facto LHS.

Given our understanding of Tamworth as one of the highest housing need areas in regional NSW, Shelter strongly suggests a distinct LHS be developed for Tamworth and the requirement to do so must be included as an Action in the NENWRP.

As an aside, Shelter NSW notes that the LHS Tracker on the Department website currently only caters to Greater Sydney council areas. For increased accountability, we recommend the Department make the Tracker a truly centralised repository of all Local Housing Strategies in the state by including regional council Local Housing Strategies and their implementation statuses.

Recommendations

- Require creation of Local Housing Strategy for Tamworth through an Action point in the NENWRP
- Enhance LHS Tracker on the Department of Planning's website by including all Local Housing Strategies and their statuses (including regional councils).

²⁰ NSW Government. (2021, p. 62). *Draft New England North West Regional Plan 2041*. Retrieved from <https://dpe.mysocialpinpoint.com.au/new-england-north-west-2041>

²¹ Tamworth Regional Council. (May 26, 2020, p. 12). *Tamworth BluePrint 100: Local Strategic Planning Statement*. Retrieved from <https://www.tamworth.nsw.gov.au/about/policies-plans-and-regulations/blueprint-100>

Publicly-owned land and innovative housing

Collaboration Activity 4 states:

The Department... will establish a New England North West Housing Affordability Roundtable with councils, community housing providers, State agencies and the housing development industry to collaborate, build knowledge and identify measures to improve affordability and increase housing diversity²²

We support this collaborative exercise and would recommend the Roundtable be expanded to include Local Aboriginal Land Councils.

A key remit of the Roundtable should be exploration of innovative non-market housing opportunities on publicly-owned land.

The NSW Government's *Local Government Housing Kit* contains many case studies on innovative, non-market housing approaches²³ such as the 'Homes for Homes' initiative which relies on donations from property sales in a community to fund affordable housing projects²⁴. There is also the ACT Suburban Land Agency's rent scheme whereby purchase of land is not required in order to build a home on newly available allotments²⁵. In more recent times, Bellingen alongside Kempsey and Port Macquarie-Hastings Councils have established a community land trust to operate as a not-for-profit organisation, providing housing potentially through co-ownership or a 99-year lease model²⁶.

Recommendations

- Expand Roundtable membership of Collaboration Activity 4 to include Local Aboriginal Land Councils
- Include in the remit of Collaboration Activity 4 Roundtable a requirement to scope existing or feasible-to-acquire land for innovative non-market housing models.

²² NSW Government. (2021, p. 64). *Draft New England North West Regional Plan 2041*. Retrieved from <https://dpe.mysocialpinpoint.com.au/new-england-north-west-2041>

²³ NSW Department of Communities and Justice ('DCJ'). (2019). *Local Government Housing Kit: Module 5 case studies and resources*. Retrieved from <https://www.facs.nsw.gov.au/resources/nsw-local-government-housing-kit/chapters/Local-Government-Housing-Kits-Full-Kit-and-downloadable-modules>

²⁴ Ibid, p. 15

²⁵ Ibid, p. 6

²⁶ Housing Matters Action Group. (n. d.). *Current Projects*. Retrieved from <https://www.housingmatters.org.au/current-projects/>

Workforce accommodation and growth

Action 6 of NENWRP commits the Department to:

Releasing a package of information to advise how councils can plan for and manage accommodation options for seasonal and itinerant workers.

Special Activation Precincts, Renewable Energy Zones, and the Namoi regional job precinct will add significant strain to councils when attempting to plan and accommodate new and temporary industry workforces. Physical and human resources may need to be deployed to the New England North West (planners, building certifiers, and other assessors). We are of the view that Action 6 does not go far enough in supporting councils to meet this challenge.

Additionally, the draft *Central West & Orana Regional Plan 2041* on exhibition at the same time as this Plan includes an Action which should be adapted for inclusion into the NENWRP:

Investigate options to ensure new public and private infrastructure, mining and other major employment-related projects plan for workforce accommodation during the lifecycle of the project, by identifying:

- *the workforce required and their accommodation needs*
- *when the workforce will come to the region and how long they will stay*
- *housing, health, education and commercial needs for the workforce and their families*
- *how the project will impact tourism and how this impact will be addressed*
- *housing options to support the surrounding centres and community for the lifetime of the project, including construction and operational phases*
- *opportunities to retain project-related housing as community managed assets in the long term*
- *opportunities for new projects to provide a financial contribution towards the provision of key worker accommodation²⁷*

Recommendations

- Strengthen Action 6 with reference to the State supplying additional resources where necessary for councils to adequately administer new and temporary workforce accommodation
- Include an Action outlining matters for consideration when determining the social impact of new and expanded industry projects.

²⁷ NSW Government. (2021, p. 53). *Draft Central West & Orana Regional Plan 2041*. Retrieved from <https://dpe.mysocialpinpoint.com.au/central-westorana-2041>

Summary of recommendations

Shelter NSW recommends the Department of Planning:

- Provide more hands-on assistance to local Councils in developing/implementing Affordable Housing Contributions Schemes and Affordable Housing Contributions Policies, and indeed make clear the difference between these two mechanisms in delivering affordable rental housing outcomes
- Set a starting target of at least 5% of all dwellings in each LGA being social housing
- Include specific affordable housing targets, similar to numeric targets outlined in the draft *Central Coast Regional Plan 2041* currently on exhibition
- Strengthen the wording of Strategy 14.1 or any linked actions so as to make it clear that renewing and increasing social housing stock in the New England North West is a key feature of the Plan through to 2041
- Include a Strategy or Action point related specifically to the need to identify infill opportunities in Armidale and Tamworth
- Indicate residential infill footprint opportunities on maps
- Include numeric targets for social and affordable housing properties (with reference to dwelling types/sizes/numbers of bedrooms) in infill residential strategies, to ensure new social and affordable housing stock is not relegated only to greenfield development areas
- Commit to reviewing viability of certain land zone typologies when furthering the objectives of infill development whilst cross-referencing the roles and outcomes of Local Housing Strategies
- Require creation of Local Housing Strategy for Tamworth through an Action point in the NENWRP
- Enhance LHS Tracker on the Department of Planning's website by including all Local Housing Strategies and their statuses (including regional councils)
- Expand Roundtable membership of Collaboration Activity 4 to include Local Aboriginal Land Councils
- Include in the remit of Collaboration Activity 4 Roundtable a requirement to scope existing or feasible-to-acquire land for innovative non-market housing models
- Strengthen Action 6 with reference to the State supplying additional resources where necessary for councils to adequately administer new and temporary workforce accommodation
- Include an Action outlining matters for consideration when determining the social impact of new and expanded industry projects.