

Tuesday 24 February 2026

Randwick City Council
Strategic Planning Team
30 Frances Street, Randwick, 2031, New South Wales
Council@randwick.nsw.gov.au

Subject: Consultation on Randwick Junction Town Centre Planning Proposal

Dear Randwick City Council, Strategic Planning Team,

Thank you for the [opportunity to provide feedback](#) on the Randwick Junction Town Centre Planning Proposal ('The Proposal') and the associated Affordable Housing Plan for Randwick Junction Town Centre ('The AH Plan').

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 a secure home for all. We are especially concerned for low-income households who struggle to afford good-quality and well-located housing. We provide systemic advocacy and advice on policy and legislation for the whole NSW housing system to resolve housing inequality.

1. In-principle support for the Proposal and AH Plan

Shelter NSW strongly supports the use of local government planning powers to deliver more diverse and affordable housing to support inclusive and socio-economically diverse communities. We advocate for the development of ambitious affordable housing contribution schemes (AHCS) to ensure strong, productive communities and local economies where all people have access to safe, secure, affordable, high-quality housing.

This letter of support builds on [our submission to Randwick Affordable Rental Housing Strategy](#) lodged in September last year, which recommended:

- General support for the Strategy,
- Advocacy to NSW Government to amend the Ministerial Affordable Housing Guidelines so that affordable housing rents are set as a percentage of occupants' income and not a discount to market rent,

- A minimum level of 5% of gross floor area to be recouped by Council as an affordable housing contribution,
- That Council investigate a short-term rental accommodation (STRA) cap to better regulate STRA in the LGA,
- Consideration of direct delivery of rental affordable housing, including spot purchasing of properties in the private market.

Shelter NSW commends Randwick City Council ('Council') for preparing the Proposal, evidence base, and the AH Plan. This letter expresses our in-principle support for the Proposal and provides one formal recommendation to further strengthen it.

In particular, we support:

- The objective and intent of Council to support housing growth and diversity (up to 800 additional dwellings), including affordable housing (with yield estimated at 62 dwellings),
- the recognition in the AH plan of affordable housing as essential infrastructure,
- the provision of affordable housing in perpetuity,
- the commitment of Council to support a socio-economically diverse community and ensure there are opportunities for people living on low to moderate incomes with connections to Randwick City to live in Randwick City.

Shelter NSW supports the proposal more broadly, including increasing heights and floor space ratios (FSR) on appropriate sites, as well as the rezoning of some residential areas into mixed-use and commercial use areas. We note the removal of the proposed design excellence clause and the removal of the active street frontage on secondary roads. While we do not necessarily support this, we leave provision of feedback on those issues to people and organisations with more local knowledge and urban design expertise and focus our comments on the provision of affordable housing.

1.1 Need for affordable rental housing in Randwick City LGA

As previously detailed in [Shelter NSW's submission to Council Affordable Housing Strategy](#), we recognise the high level of need for more social and affordable housing in the LGA and strongly support Council's assessment as per sections 1.8 and 1.9 of the AH Plan. Shelter NSW considers

the legislative basis for affordable housing contributions to be strongly established by the documents on exhibition – and related Council documents.

1.2 Principles underpinning affordable housing design and management

Shelter NSW strongly supports the principles outlined by Council in section 1.10 of the AH plan, including:

- The requirement for the continued management of the housing delivered as rental affordable housing, i.e. in perpetuity
- The requirement for affordable rental housing rents to be set under a maximum percentage of occupants' income (30%) and rented to a mix of very-low-, low- and moderate-income households. Shelter NSW has been advocating to NSW Government for the Ministerial Affordable Housing Guidelines to be amended so that this is a requirement for all rental affordable housing. We commend Council on taking a lead on this important issue and demonstrating best practice going beyond state level guidelines and requirements.
- The requirement for affordable housing to be designed in such a way that it is consistent with other dwellings in the development (i.e. a 'tenure-blind' approach).

1.3 Level of affordable housing contributions

Shelter NSW strongly supports AHCS, as they allow for delivery of affordable housing at close to no cost to local government. As we have previously commented, delivery of affordable housing as development occurs is justified and needed because (a) increased general housing supply does not in and of itself lead to lower housing prices due to supply release control by developers, high levels of demand elasticity, and other factors, and (b) affordable housing contributions do not result in higher housing prices because they are priced in residual land values where the market is provided with sufficient advance notice to adjust.¹

¹ Shelter NSW, 'Submission to the Draft Western Sydney Regional Affordable Housing Contribution Scheme' (Submission, 7 April 2025) 8. <<https://shelternsw.org.au/wp-content/uploads/2025/04/Shelter-NSW-Submission-on-draft-Western-Sydney-Regional-Affordable-Rental-Housing-Contribution-Scheme.pdf>>

Property developers and landowners had ample advance notice that affordable housing contributions of 5-10% might be implemented across Greater Sydney, as early as in the 2018 as stated in plans from the now defunct Greater Sydney Commission.²

Shelter NSW urges and supports Council to proceed with an ambitious affordable housing contribution scheme. Arguments claiming that AHCS result in higher house prices misrepresent the well-established facts that (a) housing prices are a function of demand, not cost; and (b) property development business cases are worked out ‘backwards’ by calculating residual land value after deducting costs and necessary profit margins, allowing for contributions to be priced in.

While we strongly support the AH Plan proposed by Council, we believe that higher levels of contributions could be applied without unduly impacting development viability. Shelter NSW strongly supports the proposed contributions of 7% and 9% of additional FSR in areas 2 and 3. We recommend that a minimum level of 5% be applied to area 1 – as per our submission to Council’s Affordable Housing Strategy.

Recommendation 1 – Increase level of affordable housing contributions to 5% for area 1 of the Randwick Junction Town Centre Planning Proposal

1. 4 Possible ways to make the contribution

Shelter NSW strongly supports Council’s proposal to provide two options for landowners/developers to make their affordable housing contribution, i.e. in kind or in cash. We support the provisions that require that in-kind contributions be made under the form of dwellings of no less than 50sqm, in perpetuity, integrated into the broader development.

We strongly support the proposed exemption for development of social housing (public or community housing) and group homes, given that these developments already achieve the purpose of providing secure, adequate, affordable housing to people living on lower incomes in the area.

² Greater Sydney Commission, *Our Greater Sydney 2056: Western City District Plan* (Report, March 2018) 47. <<https://www.planning.nsw.gov.au/sites/default/files/2024-04/western-city-district-plan.pdf>>

1.5 Miscellaneous

Shelter NSW strongly supports other provisions of the AH Plan, including monitoring and reviewing provisions, the requirements for all rents to be reinvested in affordable housing delivery and management after deduction of management and maintenance costs, and regular indexation of payments.

Thank you for the opportunity to provide feedback

Shelter NSW commends Randwick City Council for preparing a town centre proposal that includes an affordable rental housing plan and new affordable housing dwellings.

Please contact Shelter NSW Senior Policy Officer, Thomas Chailloux, on 0490 030 809 or thomas@shelternsw.org.au should you wish to discuss our comments further.

Sincerely,

Thomas Chailloux on behalf of Shelter NSW