

Wednesday 17 June 2026

Attn: City of Sydney  
GPO Box 1591  
Sydney NSW 2001

Dear Ms Heather, and the City of Sydney Strategic Planning & Urban Development team,

**Subject: Shelter NSW submission to the ‘Housing for All’ Discussion Paper**

Shelter NSW appreciates the opportunity to make a submission to the City of Sydney ‘Housing for All’ discussion paper. Shelter NSW commends the City of Sydney (‘City’ or ‘Council’) for its strong advocacy for housing justice, tenants’ rights, and to end homelessness. From our perspective, the City is leading the way on affordable housing and setting an example for local governments across the country.

**Who are we?**

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. We are a member-based peak body; representing organisations and individuals committed to housing justice; from community housing providers (CHP), specialist homelessness services (SHS) and related peak bodies, to community groups, policy professionals, academics and social housing tenants.

**1. Scope of submission**

Shelter NSW is heartened by the commitment of Council to plan for a diverse, vibrant city accessible to all. We commend Council for identifying clearly the barriers and opportunities that the City must address to increase housing diversity, reduce homelessness and housing stress, and more broadly plan for housing that meets the needs of current and future residents and communities.

We note that Shelter NSW is directly involved with City of Sydney strategic planning and housing policy, in a strategic advisory capacity, through its participation in the ‘Housing for All’ Advisory Panel.

We broadly agree with the principles proposed by the City in the discussion paper, and support most of the actions being considered by Council, particularly in the systemic advocacy space. Shelter NSW notes that there are no specific actions outlined in the discussion paper, and that as such, our commentary will be limited and/or general. Where we have well defined, specific policy positions, we have outlined these in the submission.

## 2. Principles

Shelter NSW strongly supports the guiding principles outlined in this discussion paper, particularly the commitment to housing as a human right and the emphasis on diversity, equity and inclusion through a diversity of housing tenures and price points.

We broadly support principles 1.1 to 1.3 regarding diversity, 3.1 to 3.3 regarding high quality, well located housing, 2.2 regarding the need for new housing to be all electric, efficient, and net zero ready, and 5.3 regarding the need to use zoning flexibly to promote more housing diversity.

We welcome the focus on climate resilience, energy efficiency, and integration with green infrastructure, which are essential to delivering sustainable, future-ready communities. Equally important is the recognition that housing growth must be well-located, infrastructure-led and grounded in place-based planning that respects local character while meeting community needs.

We also support the clear preference for coordinated, strategic planning over ad hoc, developer-led only pathways, ensuring that development delivers adequate amounts of public value, including the delivery of genuinely affordable housing.

## 3. Where and how can the City plan for more homes?

Shelter NSW broadly supports the approach outlined by the City to plan for more homes in the LGA, including the principles and most of the sites identified. In particular, we support laneway activation and development, as well as park-side densification (e.g. Wentworth Park, Redfern Park), for the reasons highlighted in the discussion paper. We note, however, that development in the area is likely to produce gentrification and therefore displacement, and that the other actions identified in the discussion paper are essential to prevent and minimise this longer-term impact. Laneway development and parkside living, specifically, are likely to produce boutique, high-cost housing.

Shelter NSW would like to request further information regarding specific sites, in particular sites owned by the NSW Government or other Government entities currently used primarily as public/social housing. Council has identified several Government-owned sites for potential upzoning linked with

new housing delivery. The question is why some Government-owned sites have been included, and others excluded, even though they offer similar or more potential to meet Council's goals.

One example includes two sites in Woolloomooloo identified for up-zoning, one is the Mary McDonald Centre, and the other is a building that houses the local doctor, pharmacy and police station owned by Transport Asset Management on the corner of Cathedral and Bourke streets. However, the vacant land used for car parking and owned by Transport at the end of Junction Lane in Woolloomooloo is not included. This area consists of two large sites currently used for unregulated car parking.

There is also no mention of the Commonwealth owned Victoria Barracks site, which is signaled for disposal as part of the Defence Estate Assets Inquiry. [National Shelter's submission to this Inquiry](#) recommends that at least 10 to 15% of the land should be transferred or reserved for use by the State Housing Authority or a Community Housing Organisation to ensure the delivery of affordable housing in perpetuity. This could also include a requirement for veteran and senior veteran housing.

Council also raises opportunities to upzone existing public housing estate areas. Although the report states that the renewal of public housing must deliver more affordable and social housing as a priority, Shelter's concern is that any pre-emptive up-zoning may result in the sale of these Government sites without delivering substantial additional social and affordable housing. It seems that a better approach would be to meet with Homes NSW and local stakeholders, such as service providers, and community housing organisations, and negotiate with them directly to gain assurances prior to upzoning that these sites would remain in public ownership and deliver much-needed public and community housing.

### **Recommendation 1**

***Council should meet with Homes NSW and negotiate directly to gain assurances that, prior to upzoning, these sites would continue to deliver much-needed public and community housing.***

***Council should not exclude Commonwealth owned land, such as Victoria Barracks as part of its upgrading initiatives, with an assurance that at least 30% of the land identified for housing be transferred or reserved for use by the State Housing Authority or a CHP.***

## **4. What should the NSW Government do to support more homes?**

### **4.1 Mandate genuinely affordable housing (rent setting and term)**

Shelter NSW shares the concerns of the City of Sydney that rental affordable housing delivered by the planning system – notably under State Environmental Planning Policy (Housing) 2021, Affordable Housing in-fill provisions, which [Shelter NSW has conducted research about](#) – is not genuinely affordable to people living on lower incomes, is not retained long enough to be meaningful in the long term, and often replaces older, lower amenity housing that was **paradoxically more affordable**.

While setting rents for rental affordable housing at a discount to market rent, as mandated under the Ministerial Affordable Housing Guidelines, is an issue across the state, the gap between discount to market rents and what is truly affordable to lower incomes household is much, much greater in the City of Sydney LGA due to extremely high rental prices. As identified in the discussion paper:

For a single parent working part-time and on benefits, a discounted market rent (74.9%) on a 2-bedroom unit in our area [City of Sydney LGA] is \$824 per week. An income-based rent (30% gross income) is \$258 per week. The difference is \$565 per week.

It goes without saying that delivering ‘affordable’ housing that is not genuinely affordable to people living on lower incomes, for a very limited period of time (15 years), defeats its purpose. Furthermore, it risks weakening community and public support for affordable housing schemes and the development more broadly.

This is easily fixed. Shelter NSW commends the City for mandating that affordable housing delivered through use of City of Sydney affordable housing contributions and/or other programs must be delivered in perpetuity and with rents set at a maximum of 30% of occupants’ income.

Our recommendation is for the Minister for Housing and Homelessness to amend the Affordable Housing Ministerial Guidelines to ensure that rental affordable housing is defined only as being 30% of household income. We would also recommend that any reference to rental accommodation under the National Rental Affordability Scheme be removed from the Housing SEPP because NRAS will cease to exist as of June 30<sup>th</sup> 2026. We remain at the disposal of the City of Sydney should they like to conduct joint advocacy on this issue.

### **Recommendations 1 and 2**

***That Council advocate for the Housing SEPP (2021) infill affordable housing provisions be made as an equivalent cash contribution as opposed to a time-limited period at 20% below market rent.***

***Council lobby Homes NSW to amend the Affordable Housing Ministerial Guidelines to mandate income-based rent settings, as being 30% of household income, and for rental affordable housing to be managed as such in perpetuity.***

#### **4.2 The need for consistent, long term, strategic spatial planning informed by community**

Shelter NSW shares some of the concerns of the City regarding the centralisation of urban planning currently undertaken by NSW Government, which invariably offers, that increased supply alone will address housing affordability. Our view is that the better long-term response to such policy approaches, is one that is less centralised, and instead firmly rooted in proven local evidence and community driven, co-designed policy making. We also share the view of the City that without significant government intervention, the private market will not meet the needs of all current and future residents and community members.

Shelter NSW has some concerns with the establishment of the Housing Delivery Authority (HDA) and its expanded state significant development pathway, which enables major projects to bypass established local planning controls and community-informed master planning. This approach risks undermining strategic, place-based planning. The HDA model prioritises ad hoc, developer-led proposals over coordinated long-term planning, meaning new affordable housing may not be delivered in well-located areas with access to transport, services and infrastructure. While it may accelerate approvals in the short term, it does not necessarily address the structural challenges of affordable housing delivery and risks inflating land values without necessarily guaranteeing that homes are built; potentially worsening affordability and reducing the capacity to deliver genuinely affordable housing over time.

The existence of complex, multiple and sometimes competing planning pathways can sometime ***slow down housing delivery*** as developers seek to re-apply for SSD approvals in order to avoid AHC requirements imposed through council-driven planning pathways. This is the exact opposite of the intent of the HDA.

While we take no definitive position on what the best planning pathways are (usually deferring to the views of our peak peer experts, such as the Planning Institute of Australia) - other than that good planning requires adequate community input – Shelter NSW holds a firm view that there should be a clearly set expectation that most – if not all – development will contribute to the delivery of social and affordable housing.

There should be no possibility for developers to evade affordable housing contributions through State-led pathways, and there should be a statewide minimum mandated level of affordable housing contributions.

***Recommendation 3 – Council should lobby the NSW Government to mandate a statewide affordable housing contribution ‘floor’ through the State Environmental Planning Policy (Housing) 2021 (NSW) (Housing SEPP)***

#### **4.3 Compensation for loss of existing affordable housing**

Low-cost private market housing, such as older apartments and traditional boarding houses, provides housing that is often affordable and generally well located – albeit often of low amenity – to long-term inner-city residents living on lower incomes.

Traditional boarding houses, in particular, have a number of specific characteristics compared to the rest of the private rental market:

- They house people on very low incomes, who tend to be single, older, men, migrants, and people exiting homelessness and/or at severe risk.
- Are typically located in well-serviced inner-city areas, close to jobs, transport, and services.
- Provide flexible, short-term and low-cost accommodation.

In short, those dwellings are not only a rare affordable housing offering; they also allow people who are often marginalised and vulnerable to remain close to opportunities and support networks.

Redevelopment of older, low-cost private market housing tends to lead to an affordability ‘net loss’, even when it includes new ‘affordable’ rental housing dwellings, because the new dwellings delivered are more expensive (often including the new ‘affordable’ ones, as discussed above).

Shelter NSW agrees with Council’s views that existing stock of traditional boarding houses should be protected as far as practicable while more affordable and adequate housing options for people on lower incomes (i.e. social and affordable housing, including boarding houses, managed by public housing authorities and/or community housing providers) are developed. We would support a policy to be implemented by Council to ensure that any redevelopment of older, low-cost private market housing does not lead to unacceptable net losses of affordable housing and other negative impacts and/or this loss is adequately compensated. We note that this has been tested in the Land and Environment Court, with Council’s decision to refuse a development application based on unacceptable loss of affordable rental boarding house accommodation, as part of s 4.15

considerations of the impact of a development under the *Environmental Planning and Assessment Act 1979* (NSW).

Shelter NSW also recommends that the Housing SEPP be amended to require ‘protection’ of traditional boarding houses in areas where they contribute significantly to the supply of low-cost private market housing (left to councils to determine) and/or for adequate contributions to be levied to compensate for their loss when they are redeveloped/undergo an change of use.

***Recommendation 4 - NSW Government to amend the Housing SEPP to allow councils to protect traditional boarding houses and/or levy adequate compensation***

Another policy response that must be investigated is the acquisition and/or redevelopment of older stock, including traditional boarding houses (that often barely provide accommodation of an adequate standard) by state government and/or CHPs so that boarding houses can be retained and brought to a decent standard at the same time. Obviously, this would require funding from the NSW Government, but could also be partially funded by a levy on Short Term Rental Accommodation (STRA) operating within the City of Sydney, for example.

We would also support policies and programs put in place to support any residents displaced by redevelopment of traditional boarding houses to ensure that they can stay in the area or are assisted to relocate to a place of their choosing.

## **5. How can housing meet the diverse needs of the community?**

Shelter NSW strongly supports the commitment of the City to diverse, affordable housing meeting the needs of all current and future residents and community members. We commend the City for having one of the most inclusive approaches to diverse housing of the entire state of New South Wales. We also acknowledge the need for NSW Government to do more, including by changing the affordable housing definition, as detailed in the sections above, and investing in a long term, steady pipeline of new and upgraded social housing, including public, community, and affordable housing. We strongly support the goal for a substantial proportion of total housing stock to be non-market housing, providing this essential service to those the market has failed.

### **5.1 Language**

Language should acknowledge that the private rental market, and ownership, almost by definition (given that free markets require scarcity and/or competition) are **not** available to all, because of

wealth and income inequality, as well as discrimination. We would welcome City documents including the continuum to be amended to state that the private rental market and home ownership are available **to those who are able to pay market value and/or rent**. The impact of discrimination on private rental market access must also be acknowledged. Rather than semantics, this is an important statement to make because it underpins the legitimacy of government action to respond to market failures, and leads to possible actions and change, for example the standardisation of tenancy application forms.

## 5.2 Social housing

Shelter NSW strongly agrees with the City that there is a need for more and upgraded social housing in the LGA and beyond. We share the concerns of the City that state and federal governments need clearer plans, including targets, to grow and upgrade social housing stock rapidly.

Shelter NSW will continue to advocate for an ambitious, coordinated approach that includes leading local governments - such as The City of Sydney - with the NSW and Australian Government to create a pipeline delivering social housing at scale and over the long term.

## 5.3 People who rent their home

From a Shelter NSW perspective, **Area 5 – Housing for renters** is one of the most critical components of the discussion paper, and the City of Sydney’s advocacy in this space is both welcome and necessary. The paper correctly identifies that renters now comprise a substantial and growing share of the inner-city population, and that the current regulatory framework does not adequately protect housing security, affordability, or quality.

Shelter NSW strongly supports the City’s call for improved renter protections, better quality standards, and stronger regulation of the private rental market, and we stand ready to advocate to NSW Government for law reform alongside the City. We note and emphasise our shared serious concern with recent changes to the evidentiary requirements around so-called “renovictions”. The [weakening of requirements for landlords to substantiate renovation-based evictions](#) risks both misuse of eviction grounds, displacement of long-term tenants, and loss of relatively affordable rental stock.

This risk is especially acute – though not limited to - rapidly gentrifying inner-city areas such as Surry Hills, Redfern, Glebe, and Pyrmont, where older, lower-cost rental dwellings are most vulnerable to upgrade-driven displacement.

We note the [recent inquiry into the Residential Tenancies Amendment \(Protection of Personal Information\) Bill 2025](#), and encourage the City to continue advocating for a range of measures to provide people who rent their home better protections. This should include a standardised application form and processes to keep pets that put the onus on landlords to demonstrate adequate reasons for any refusal to keep an appropriate companion animal at the premises.

Shelter NSW will also continue to drive conversation around better regulation of rent increases, noting that currently, in NSW, only the frequency of increases is regulated, rather than the quantum. Better regulation of rent increases could have particularly salient benefits in markets with high price points for rental properties such as those in the City of Sydney LGA.

#### **5.4 Apartment living**

Shelter NSW supports the City of Sydney's focus on improving apartment living, recognising that higher-density housing will continue to make up the majority of new supply in the local area. However, this must deliver for a broader range of households, not just higher-income renters or smaller households. We note the impact of changing consumer preferences (e.g. many professionals now look to convert spare bedrooms into offices for remote work purposes), in particular decreasing household sizes, on demand.

In this context, we strongly support the City's DCP requirement for a proportion of three-bedroom apartments, which is critical to enabling families, shared households, and longer-term renters to remain in the inner city. Without this, apartment development risks reinforcing exclusion and forcing diverse households out of well-located areas. We note that Shelter NSW has been driving important conversations in this space, for example [facilitated by Dr Michael Zanardo](#), another member of the Housing for All Advisory Panel.

Apartment growth must be not only suitable for families, but also accompanied by mandatory affordable housing requirements, strong design and amenity standards across all typologies including co-living, and minimum energy efficiency standards to reduce ongoing living costs for renters. In renewal areas such as Waterloo, Redfern, and Pyrmont, it is also essential that new apartment development does not come at the expense of existing residents and instead delivers a net increase in genuinely affordable housing.

#### **5.5 Adaptability and accessibility provisions**

Shelter NSW supports the City of Sydney's current requirement for adaptable housing - under AS 4299 Adaptable Housing Standard - as set out in the residential provisions of the Sydney Development

Control Plan 2012. Under these controls, a minimum of 15% of dwellings in residential flat buildings of 30 or more units must be designed as adaptable housing and distributed throughout the development. This provides an important foundation for accessibility in new development.

However, the current approach relies on future modification and does not guarantee usable housing outcomes for many residents. The City should move toward adopting the Liveable Housing Design (LHD) Guidelines Silver Level as a baseline requirement across all new dwellings, and increasing the proportion of homes built to higher accessibility standards. This requirement should also be applied more broadly across development types, particularly in the context of the NSW Government's decision not to adopt the National Construction Code updates requiring LHD Silver Level accessibility in new housing. Such a shift would ensure that new housing is accessible from the outset and better reflects the needs of an ageing population and people with disability.

### **5.6 Housing for people in need of support and alternative housing models**

Shelter NSW supports the City of Sydney's focus on housing for people with additional and complex needs and welcomes the recognition that a functioning housing system must include targeted responses for those who cannot access or sustain housing in the private market. We strongly support the Foyer model as an evidence-based approach to assisting young people experiencing or at risk of homelessness and note positively the City's grants to CHPs and SHS (including Shelter NSW members) to deliver this. The Common Ground Model offers similar, proven and targeted supported accommodation. There is a clear need to expand this approach across the local area, and the City should continue to support such alternative housing models by committing a portion of affordable housing contribution scheme (AHCS) funding toward supported housing outcomes of these types.

At the same time, while the discussion paper's interest in alternative housing models is noted, Shelter NSW would caution against placing significant reliance on all these approaches. Models such as community land trusts and other alternative tenures are important, but currently tend to operate on a limited scale and often primarily benefit households with higher financial, social or educational capital than people who are marginalised and/or disadvantaged, which is an important consideration.

However, the City's current approach to support projects that assist cohorts that face greater barriers in the private rental market and/or require accommodation close to services and community, namely the student housing co-op in Newtown, Stucco, and the trans-owned All Nations Housing Co-Operative, deserves to be commended. We encourage the City to continue to explore alternative typologies such as housing co-operatives where they satisfy the specific needs of marginalised communities, particularly on underutilised land. The vacant International House at the University of

Sydney is an example of one site where this typology could fulfil this criteria and help satisfy a need for local, affordable student housing.

It must be noted that these projects are not a substitute for investment in social housing and properly funded supported housing. However, we recognise that the City (and others) are compelled to explore such alternative avenues because successive state and federal governments have fallen short in terms of maintaining an adequate housing safety net.

Developing more supported housing should be a 'business-as-usual' part of urban and social services planning, through identifying well-located government and renewal sites, ensuring that supported housing - linked with support services – is developed as the city grows. Supported housing should prioritise people experiencing homelessness, those exiting institutions, and others with complex or additional needs, with long-term funding certainty and integration with health and social services.

### **5.7 'Build to rent' in the City of Sydney**

Build-to-rent housing is a housing typology worthy of exploration within the City of Sydney LGA, particularly due to the high-proportion of renters and higher-income households. However, build-to-rent housing in isolation should not be viewed as a single solution to the housing crisis. As noted, the current build-to-rent typology typically offers a premium product, appropriate for higher-income households who would otherwise have the means to rent via the private rental market, making it appropriate for younger professionals seeking high-amenity rental accommodation close to their place of work.

While it is important that the City takes steps to ensure that it has an adequate supply of explicit rental housing stock, the build-to-rent market currently tends to be supplied with dwellings from well-established developers and/or private capital financiers who already have access to tax concessions. For this reason, we encourage the City of Sydney to focus its advocacy on genuine non-market housing solutions that can provide stable accommodation for its residents on lower incomes.

### **5.8 Striking a balance between communities and tourism with short-term rentals**

Short-term rental accommodation (STRA) is increasingly becoming a concern within the City of Sydney. While not the sole driver of the housing crisis, the high demand for the high-amenity suburbs of the LGA for the purpose of tourist/visitor accommodation, and the current lack of regulation and oversight specific to tourist accommodation, incentivises landlords and 'innovative' property investors to remove entire homes from the long-term rental market in favour of higher yields via

platforms like Airbnb and Stayz. The former working-class suburb of Millers Point provides a striking example, as former public housing cottages are rented out at over \$1000 for a weekend.<sup>1</sup>

Shelter NSW commends the City's proactive approach to STRA regulation, commissioning research on the impact of STRA on the local housing market, as well as pursuing further regulation at a local and state level. Shelter NSW has previously supported the City in its efforts to introduce a more stringent day and density cap and expresses its in-principle support for the recently announced investigation into the potential ban of non-primary residence STRA.

Shelter NSW acknowledges [the recent report from Inside Airbnb and Housing Justice Data Lab](#) which recommends four key components to effective regulation: primary residence requirement, mandatory registration systems, platform accountability and platform data sharing. These components require changes to state legislation. Shelter NSW affirms its support for the City of Sydney in advocating to NSW Government for changes in the current regulatory framework, and advocates for NSW Government to release its findings into [its review into STRA regulation](#), which concluded more than two years ago. Given the recent proliferation of STRA in the City of Sydney LGA, Shelter NSW is disappointed this key policy document and its findings are yet to be released, and strongly encourages the State government to make publicly available this important work.

### **Thank you for your consideration**

Shelter NSW commends the City of Sydney once again for its commitment to action on planning for housing in the future, ending homelessness, and creating a vibrant city accessible to all. Please contact Thomas Chailloux, Senior Policy Officer, should you like to discuss this submission further ([thomas@shelternsw.org.au](mailto:thomas@shelternsw.org.au), [admin@shelternsw.org.au](mailto:admin@shelternsw.org.au) or 0490 030 809).

Sincerely,

Thomas Chailloux  
Senior Policy Officer  
Shelter NSW

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<sup>1</sup> See: Airbnb, 'Listing No 20701793 — Short-Term Rental Listing, Millers Point (Sydney)' (Web Page, viewed 7 May 2026) <<https://www.airbnb.com.au/rooms/20701793>>; Airbnb, 'Listing No 1350628596259768177 — Short-Term Rental Listing, Millers Point (Sydney)' (Web Page, viewed 7 May 2026) <<https://www.airbnb.com.au/rooms/1350628596259768177>>.