

Shelter NSW submission on the rezoning proposal for Werrington Precinct

A secure home for all

20 August 2026



1. About Shelter NSW

Shelter NSW was founded in 1975 as a member-based organisation that today represents a diverse network of other organisations and individuals who share the vision of a sustainable housing system and a secure home for all. To advance our vision, we engage our members, experts, and partners and advocate for housing reforms aimed at reducing housing inequality.

Shelter NSW is a state-based organisation and the peak housing body in NSW. We are a non-profit organisation that conducts housing research and advocacy on behalf of households on ordinary incomes (low to moderate). We provide systemic advocacy and advice on policy and legislative matters for the whole NSW housing system. We are also part of a nationwide housing advocacy network across state and territory governments represented by National Shelter.

2. Key findings

Shelter's submission to the NSW Department of Planning, Housing and Infrastructure is in response to the proposed rezoning application for the Werrington site by Western Sydney University and Stockland Corporation.

The application is a proposal to amend the Penrith Local Environmental Plan 2010 to enable the redevelopment of almost 99 hectares of land across Werrington north and south, which is part of Western Sydney University campuses.

The proposal is for a mixed-use development:

- 1,500 homes, including around 500 apartments, 900 residential lots and 45 affordable homes,
- a local centre supporting over 1,000 ongoing jobs,
- approximately 12,000 square metres of retail, commercial and community floor space,
- a mix of low to mid-rise housing, with building heights ranging from 2 to 7 storeys,
- 18.4 hectares of public open space, including parks, recreation areas and green links,
- 12.5 hectares of conservation land to protect environmentally significant areas,
- community facilities, including the heritage-listed Frogmore House, and an investigation area for a future primary school.

Werrington: A Key Location to Deliver Affordable Housing

In principle, Shelter supports any opportunity to deliver much-needed affordable housing in well-serviced locations, with access to public transport, shops, services and essential amenities. The Werrington land offers all this with excellent transport connectivity. It's in proximity to future hubs such as St Marys, which feature a new Metro interchange providing direct north-south transit connectivity. In addition to this it's relationship to significant educational opportunities.

The link between the major redevelopment projects and the need for affordable dwellings

Urban economists and local councils estimate that a substantial portion of any new non-residential floor space or employment-generating development will directly translate into a need for more affordable rental units locally ¹.

For this reason, internationally, affordable housing schemes often tie commercial development directly with the influx of a new workforce to an increased demand for housing affordability. On the demand side, new commercial, industrial, or large retail hubs draw a workforce, and a high percentage of them will earn low-to-moderate incomes and cannot afford the median housing market rate near these hubs².

At an indirect level, every new primary job in an employment or retail centre will generate a secondary demand for local support services—such as childcare, food and beverage, cleaning, and maintenance—which are predominantly staffed by lower-income earners. Without a proportion of affordable homes, these developments can drive severe housing stress, long commutes, and labour shortages in the essential worker sectors³.

Recommendation

Western Sydney University should work with the Developer (Stockland) to ensure at least 10% of the housing supply is affordable (in perpetuity and rented at 30% of low to moderate household income).

¹ Sydney City Council. 30 March 2015. Employment Lands Affordable Housing Program.

² *ibid*

³ *ibid*

The need to deliver Affordable Housing in Western Sydney

Tokenistic commitments to the delivery of affordable housing targets are evident across Western Sydney. A key example is Bradfield City, the Aerotropolis, and the Western Parkland region plans. Although affordable housing was identified as one of the key sustainability goals in the Bradfield City Centre Master Plan with a commitment to a 10% affordable housing target, this obligation is not consistently reflected across the planning instruments. The Bradfield Masterplan underscore the importance of affordable housing in Bradfield's for its long-term success; however, there is little detail on how it will be delivered⁴. Under clause 'Affordable Housing' of the State Environmental Planning Policy (Precincts—Western Parkland City) 2021⁵, it states that at least 5% of the gross floor area (GFA) of any resulting building must be allocated for affordable housing purposes. Evidence that what was the original commitment of 10% is now 5%. Jennifer Westcott, who is the chancellor at Western Sydney Uni and also the chair of the Bradfield Development Authority, should know better than most how important it is to deliver an adequate percentage of affordable housing. Western Sydney has historically been more affordable, but this is slowly changing in line with major redevelopment projects and new infrastructure. This is why it is important to capture some of the planning benefits at this stage before it is too late. Shelter argues that Werrington, which is 99 hectares of land, provides the ideal requirement for a 10% affordable housing requirement in line with the original Bradfield Authorities commitment.

Recommendation

Shelter argues that a 10% affordable housing requirement should be implemented in perpetuity, backed up by site-specific financial modelling which is detailed enough to show viability of this contribution down to dwelling typology, class of building, and numbers of bedrooms.

Penrith Council Affordable Rental Housing Contribution Scheme.

Penrith Council's Existing Affordable Rental Housing Contribution Scheme aims to generate affordable housing within the Penrith LGA⁶. Currently the scheme applies to Glenmore Park, Orchid Hills North, and Saint Mary's Town Centre. However, Council intends to expand the scheme to include major rezoning and redevelopment opportunities.

⁴ Bradfield City Centre Master Plan https://shared-drupal-s3fs.s3.ap-southeast-2.amazonaws.com/master-test/fapub_pdf/NSW+Planning+Portal+Documents/Bradfield+City+Centre+Master+Plan.pdf

⁵ Source: <https://legislation.nsw.gov.au/view/html/inforce/current/epi-2021-0728>

⁶ Orchid Hill North, Glenmore Park (stage 3) and Saint Marys town Centre. Affordable rental housing. contribution scheme. Penrith city Council June 2025 Atlas Urban Economics

Council had Atlas Economics undertake a detailed economic analysis of potential redevelopment opportunities within the Penrith Local Government Area (LGA) that could also deliver an affordable housing contribution. It's clear from this work that an affordable housing contribution can be delivered. The Bradfield Development Authority has a minimal 10% affordable housing target⁷. Shelter NSW advocates for a 10% affordable housing contribution rate on any major rezoning linked with significant planning benefits such as height and floor space ratios (FSR), which is the case for the development. So, with 1,500 housing units, the rezoning proposal should deliver 75 affordable homes, not 45 as indicated in the Department report.

Recommendation

Shelter NSW recommends that a minimum of 10% of dwellings delivered at the Werrington site should be affordable housing. This is in line with the Bradfield Development Authority's 10% affordable housing target and Penrith Council Affordable Rental Housing Contribution Schemes. The dwellings that are delivered should be representative of the total dwelling mix that is otherwise on the site (i.e. not just one and two-bedroom apartments).

The link between the development and the need for affordable dwellings

Urban economists and local councils estimate that a substantial portion of any new non-residential floor space or employment-generating development will directly translate into a need for more affordable rental units locally⁸.

For this reason, internationally, affordable housing schemes often tie commercial development directly with the influx of a new workforce to an increased demand for housing affordability. On the demand side, new commercial, industrial, or large retail hubs draw a workforce, and a high percentage of them will earn low-to-moderate incomes and cannot afford the median housing market rate near these hubs⁹.

At an indirect level, every new primary job in an employment or retail centre will generate a secondary demand for local support services—such as childcare, food and beverage, cleaning, and maintenance—which are predominantly staffed by lower-income earners. Without a

⁷ Bradfield Development Authority. <https://www.nsw.gov.au/departments-and-agencies/bradfield-development-authority>.

⁸ Sydney City Council. 30 March 2015. Employment Lands Affordable Housing Program.

⁹ *ibid*

proportion of affordable homes, these developments can drive severe housing stress, long commutes, and labour shortages in the essential worker sectors¹⁰.

Recommendation

Western Sydney University should work with the Developer (Stockland) to ensure at least 10% of the housing supply is affordable (in perpetuity and rented at 30% of low to moderate household income).

Public Land Assets – Should deliver public benefits

One key issue for consideration regarding the Werrington rezoning and future development proposal is that Western Sydney University is strictly selling off a public asset through a joint venture arrangement with Stockland Developers. The Werrington site was a public land asset given to Western Sydney University almost 30 years ago as part of a decision by the NSW State Government to decentralise higher educational opportunities into western Sydney. This development proposal does not preserve the land for public education or any other form of public good. Instead, the rezoning and development proposal includes 12,000 square metres of retail, commercial and community floor space, the development of 1,500 housing units, with only 45 affordable dwellings. This project flies in the face of its original goal, which was to deliver educational benefit to Western Sydney. In addition, has taken a public asset, undertaken a project, and the only public good is the 45 affordable dwellings.

Recommendation

Shelter argues that this is technically the redevelopment of what was a major public land holding. As such, a 10% affordable housing requirement should remain. Determining how the affordable housing should be delivered would be achieved through independent, peer-reviewed, and dynamic financial modelling is undertaken specific to the site. The dwellings that are delivered should be representative of the total dwelling mix that is otherwise on the site and, as such, indistinguishable in type, location, quality, and amenity.

The Need for Universities to Support the Delivery of Affordable Student Housing

General rental vacancies near universities are lower, pricing out low-income and domestic students, and as a result, university students face escalating rental costs. Purpose-Built Student

¹⁰ ibid

Accommodation (PBSA) that prioritises higher-cost accommodation does not alleviate the problem. All these factors result in severe shortages of low-cost accommodation for students.

Universities should be required to provide accommodation for low-income students. By doing this, it ensures equal access to higher education, improves academic success, and reduces systemic financial barriers. When institutions don't offer affordable or at least subsidised housing options, they fail to prevent disadvantaged students from completing their degrees. In addition, the delivery of affordable student accommodation provides an important safety net for students who face insecure housing or are couch-surfing due to unaffordable rental markets.

As rising living costs push students to the financial brink, higher education institutions must pivot from treating accommodation as an optional luxury to supporting its delivery as a core component of educational infrastructure. Universities have a social responsibility to mandate the delivery of affordable student housing in order to alleviate broader rental crises. By providing affordable student accommodation, Universities also support educational equity and a collaborative education environment.

Recommendation

Western Sydney University should work with the Developer (Stockland) to support the delivery of an affordable student accommodation model outside of any other Affordable housing contribution.

3. Summary

The evidence indicated that major redevelopment projects like Werrington point to the need for affordable housing to be delivered in connection with the planning benefits being traded as part of the development proposal. But proposed rates of affordable housing contributions in the draft Scheme are very modest and will only deliver a limited number of affordable rental housing dwellings.

Shelter NSW appreciates the opportunity to comment on the rezoning proposal of Werrington Precinct. We hope that the comments and insights we have provided will bring application value. If you wish to discuss our submission in more detail, please contact admin@sheltersnsw.org.au.

4. Reference

Phibbs, Peter & Murray Cameron (October 2025) Density Deals: The unequal value of the In-fill Affordable Housing density bonus. Shelter NSW.

Shelter Submission. Draft Western Sydney Regional Affordable Rental Housing Contribution Scheme. A secure home for all 7 April 2025

[Affordable Rental Housing Contribution Scheme Map – Glenmore Park Stage 3](#)

[Affordable Rental Housing Contribution Scheme Map – Orchard Hills North](#)

[Penrith Local Environmental Plan 2010 \(Amendment No 41\) \(2023-290\).](#)

[Penrith Local Environmental Plan 2010 - Part 7, Clause 7.31 Affordable Housing Contributions](#)

[Affordable Rental Housing Contribution Implementation Policy](#)