

Shelter NSW submission on Draft Westmead South Precinct Rezoning Proposal

16 September 2026



Shelter NSW welcomes the opportunity to provide feedback to the NSW Department of Planning, Housing and Infrastructure on the Draft Westmead South Precinct Rezoning Proposal.

Who we are

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.

Shelter was founded in 1975 as a member-based organisation and today we represent a diverse network of individuals and other organisations 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. We are also part of a nationwide housing advocacy network across state and territory governments represented by National Shelter.

Development Proposal Overview

The Draft Westmead South Precinct Rezoning Proposal seeks to amend the planning controls in the Cumberland Local Environmental Plan 2021 to deliver a mix of housing options close to key transport nodes. The draft proposal includes:

- Up to 13,000 new homes with 3-5% dedicated to affordable housing.
- The delivery of diverse housing types, including high-rise buildings of up to 38 storeys near the Metro Station.

Housing Need in Cumberland

Census data for Cumberland, as shown in Table A, provides insights into the socio-economic status and the housing market. The data is confined to housing tenure for low-income households. It shows that the Cumberland LGA has a high percentage of low-income earners who rent¹.

¹ Cumberland City Council. ID profile. <https://profile.id.com.au/cumberland/housing-rental>

In the 2021 census, Cumberland Local Government Area (LGA) had 45.8% of households who owned their home, but a higher percentage of renters (49.9%). The LGA does have a high percentage of social housing (19.4%), which plays an important role in accommodating low-income households. However, low-paid key workers are not eligible for social housing and have limited access to affordable rental options. This group will need access to affordable rental options as part of this substantial redevelopment plan.

Table A

Housing tenure export  reset 							
Cumberland City Council - Low income households		2021			2016		Change
Tenure type	Number	%	Greater Sydney	Number	%	Greater Sydney	2016 to 2021
Fully owned	5,168	31.4	41.5	5,367	29.1	37.7	-199
Mortgage	2,364	14.4	12.4	3,041	16.5	14.6	-677
Renting - Total	8,213	49.9	40.9	9,186	49.8	42.6	-973
Renting - Social housing	3,200	19.4	16.1	3,150	17.1	15.7	+50
Renting - Private	4,961	30.2	24.6	5,919	32.1	26.2	-958
Renting - Not stated	52	0.3	0.2	119	0.6	0.7	-67
Other tenure type	452	2.7	3.7	206	1.1	1.8	+246
Not stated	256	1.6	1.5	662	3.6	3.3	-406
Total low income households	16,453	100.0	100.0	18,464	100.0	100.0	-2,011

Source: Australian Bureau of Statistics, [Census of Population and Housing 2016 and 2021](#). Compiled and presented by [.id](#) (informed decisions).
Please refer to specific data notes for more information

Affordable housing is a fundamental component of social infrastructure

Shelter NSW is concerned that the ‘Social Infrastructure and Community Needs Assessment for the Westmead South State Led Rezoning (March 2026)’, undertaken by Cred Consulting for the NSW Government, ignores a fundamental component of community infrastructure: access to affordable housing ².

² NSW Government. (March 2026) Social Infrastructure and Community Needs Assessment Westmead South State-Led Rezoning Social Infrastructure and Community Needs Assessment Final Report

Like roads, schools, parks and hospitals, affordable housing provides the essential framework required for a society to function efficiently and equitably. When housing is treated as infrastructure rather than as a commodity, it recognises the long-term public benefit and social impact mitigation response in a housing market that is already very unaffordable.

Treating **affordable housing as infrastructure** rather than a commodity shifts the focus from short-term financial profit to long-term public benefit. Viewed through this lens, housing becomes a foundational community asset—much like roads, public schools, and hospitals—that is essential for economic stability and social equity. In a highly unaffordable market, this structural shift helps mitigate systemic crises in several key ways:

- **Economic Multiplier Effect:** Safe, affordable housing reduces public spending on emergency healthcare, social services, and corrections. It also allows low- and very-low-income workers to live closer to their jobs, lowering commute times, reducing traffic congestion, and stabilising the local workforce.
- **Social Impact Mitigation:** Stable housing is directly linked to better educational outcomes for children, improved physical and mental health for families, and lower rates of homelessness.
- **Market Stabilisation:** When government or non-profit entities invest in housing as public infrastructure, it creates a permanent inventory of price-protected homes. This dampens the volatile boom-and-bust cycles driven by speculative real estate investment.

By prioritising social returns over private capital gains, the infrastructure model re-frames housing as an essential framework required for a healthy, functioning society.

At a household economic level, it increases the level of disposable income: When lower-income households spend less than 30% of their income on rent or mortgages, they have more money to spend on local businesses, goods, and services. It supports workforce retention, as essential workers can live near the communities they serve, reducing staffing shortages.

Recommendation

- The Government acknowledge affordable housing as essential social infrastructure.

Westmead South Precinct Transport Oriented Development Infrastructure - an Opportunity to Deliver much-needed Affordable Housing

Shelter NSW recognised the benefits of Transport Oriented Development as it provided an opportunity to deliver much-needed housing in proximity to transport, infrastructure, jobs and services. As transportation is usually the second-largest expense after housing costs, delivering affordable housing near major transport hubs provides significant social benefits.

The NSW Government Transport Oriented Development Program (December 2023) states that it will ensure the delivery of affordable housing close to new transport infrastructure, jobs, recreational amenities, and services. The Government states that it will aim to achieve the maximum benefit from the transport sites, including through the use of planning benefits to deliver opportunities for affordable housing. The proposed rezoning will profit from the new Westmead Metro Station and, in the future, it will further benefit from the East West Rail Link connecting to the Western Sydney International Airport and surrounds³. So, the Westmead South Precinct proposal provides a clear opportunity to deliver much-needed affordable homes linked with land use planning benefits and transport infrastructure.

Recommendation

- That the Government support, at the very minimum, a 5% affordable housing contribution requirement in perpetuity as the site benefits from access to new and future transport infrastructure, along with upzoning, height and FSR benefits.

Westmead: A Significant Health, Innovation, and Education Precinct

The Westmead precinct is home to significant health and innovation facilities, and the area is rapidly evolving into NSW's premier health, research, and education district. These medical and educational facilities partner with international institutions on collaborative

³ NSW State Government. Transport Oriented Development Program. December 2023.
<https://www.planning.nsw.gov.au/sites/default/files/2023-12/transport-oriented-development-program.pdf>

projects. The Westmead precinct is positioned in the heart of Western Sydney, close to the Parramatta CBD.

Nevertheless, as identified in the research by Lucy Fokkema – a case study of precinct partner perspectives in Westmead Health and Innovation District - the precinct faces a critical urban challenge. That is securing enough affordable housing to support the diverse workforce and researchers that keep it running, such as medical studies.

Fokkema's research points out that, while access to housing affordability is generally treated as an independent policy area in health innovation hubs, there is growing recognition that access to a diverse range of low-to-moderate accommodation for research assistants, PhD students and start-ups is ignored as an essential component in supporting successful innovations and research work.

Recommendation

- In response to the growing recognition that access to a diverse range of low-to-moderate accommodation for research assistants is an essential component in supporting successful innovations and research work, the Government should support, at the very minimum, a 5% affordable housing contribution requirement in perpetuity.

Supply of Affordable Housing in Perpetuity Set At 30% Of Household Income

Shelter NSW congratulates the commitment in the 'Explanation of Intended Effect, Westmead South Precinct Rezoning Proposal (August 2026)', to contribute to the provision of affordable housing in perpetuity as a mandatory requirement for all new residential development within the Precinct. However, Shelter NSW notes that development feasibility studies are generally conservative by nature and they commonly adopt cautious assumptions regarding developer profit and risk margins.

As identified in the Cumberland Council Local Housing Strategy 2020, the Greater Sydney Region Plan and the Central City District Plan included an affordable rental housing target of 5-10% of new residential floor space. Council also recognised the need for more affordable housing and has already shown its commitment by endorsing the Cumberland Interim Affordable Housing Policy, which requires a 5% affordable rental housing target to be met in new projects.

Given the exceptional uplift and profit generated through the Westmead rezoning proposal and the site's relationship to new transport infrastructure, Shelter NSW considers there is scope for a more ambitious approach to value capture. In our view, a minimum affordable housing contribution of 5 per cent should be pursued⁴.

Recommendations

- That the Government support, at the very minimum, a 5% affordable housing contribution requirement in perpetuity as the site benefits from access to new and future transport infrastructure, along with upzoning, height and FSR benefits.
- That any variation from the 5% minimum requirement be backed up by independent economic modelling regarding the affordable housing contribution rates.
- Affordable housing should be set at the bottom 30% of income generally considered to be the bottom two quintiles of all income types (30/40 rule).
- Any rental affordable housing should be provided in perpetuity.

Thank you for reviewing our submission

Thanks to the Department for its commitment to developing and implementing an affordable housing contributions scheme in one of the least affordable housing markets. We look forward to continuing to work with you to support the long-term supply of genuinely affordable housing. Should you wish to discuss this submission further, please contact admin@shelternsw.org.au.

References

Cumberland Affordable Housing Study: Preliminary Background Report. May 2019. Judith Stubbs.

Cumberland City Council Draft Housing Needs Analysis. February 2020. Prepared By Planning and Mediation Advisory Services for Cumberland City Council.

Cumberland City Council. ID profile. <https://profile.id.com.au/cumberland/housing-rental>

⁴ Phibbs, P. Murray, C. An assessment of the Infill Affordable Housing density bonus value. August 2025. Research For Shelter NSW.

Cred Consulting. (March 2026) 'Social Infrastructure and Community Needs Assessment for the Westmead South State-Led Rezoning. Undertaken for the NSW Government.

Explanation of Intended Effect. Westmead South Precinct Rezoning Proposal. August 2026.

Fokkema, Lucy. (May 2023) Exploring the role of affordable housing in successful health-focused innovation districts: A case study of precinct partner perspectives in Westmead Health and Innovation District (Practitioner in Residence Program, Halloran Research Trust)

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