



Ms Emily Scott
General Manager
Waverley Council
PO Box 9
BONDI JUNCTION NSW 1355

Via email: info@waverley.nsw.gov.au

Dear Ms Scott

Planning proposal PP-2021-3131 to amend Waverley Local Environmental Plan 2012

I am writing in response to the planning proposal you have forwarded to the Minister under section 3.34(1) of the *Environmental Planning and Assessment Act 1979* to amend the Waverley Local Environmental Plan (LEP) 2012 to introduce an affordable housing contributions clause that will implement the Waverley Affordable Housing Contributions Scheme 2020 (AHCS).

I commend Council's strong commitment to addressing the needs of the local community for affordable housing. The Department has undertaken a detailed assessment of the proposed affordable housing contribution levies for the Waverley local government area (LGA). The intent of the planning proposal to increase the amount of affordable housing in the LGA is fully acknowledged and supported.

While the Department supports the provision of affordable housing in Waverley, we request that additional information be provided to support the proposal. The AHCS has not provided adequate feasibility analysis and is not consistent with the approach to meeting the affordable housing targets set out in the Greater Cities Commission's *Greater Sydney Region Plan* and the Department's *Guideline for Developing an Affordable Housing Contribution Scheme*. The AHCS is also inconsistent with the requirements and advisory notes as part of the Department's approval of the *Waverley Local Housing Strategy* (LHS).

As delegate of the Minister for Planning and Homes, I have determined that the planning proposal should be revised in accordance with the conditions of the enclosed Gateway determination. The conditions require adequate economic justification and feasibility testing to demonstrate the viability of the proposed 1% contribution rate imposed on all new residential apartment development across the Waverley LGA, and further information to support the revised proposal.

Further, the proposed 10% affordable housing contribution for sites benefiting from uplift is not supported as it is not based on feasibility testing of specific sites or areas identified for uplift. Council is advised to amend the AHCS and planning proposal to include an objective or discussion that an affordable housing contribution may be applied to any future and separate planning proposals that seeks uplift on a site, with the corresponding rate to be feasibility tested and determined at the site-specific planning proposal stage.

The revised planning proposal and AHCS are to be submitted within **six months** of the Gateway determination. If the above are not resubmitted and considered adequate by the above timeframe, it will be deemed as withdrawn.

As Council is aware, the Department's approval of the Local Housing Strategy requires Council to bring forward proponent-led and/or Council-led planning proposals for centres capable of accommodating additional residential uplift by or before 2024 to implement Council's *Our Liveable Places Centres Strategy*. This may present an opportunity for a precinct-based affordable housing contribution scheme to be implemented. I encourage Council to investigate this option, and this could form a future amendment to the AHCS.

The Department is committed to providing support and working with Council to prepare the revised proposal and AHCS.

Should you need this support or have any enquiries about this matter, I have arranged for Mr Simon Ip, Manager Place and Infrastructure to assist you. Mr Ip can be contacted on 8289 6714.

Yours sincerely



Amanda Harvey
Executive Director, Metro East and South
Planning and Land Use Strategy
9 January 2023