

Housing Demand Analysis – Oakdale

March 2025 Update

Introduction

This housing demand analysis has been prepared to support the strategic justification for a Planning Proposal at Oakdale. The proposal seeks to rezone land within the existing to village to facilitate the provision of approximately 185 dwelling lots.

Population Projections

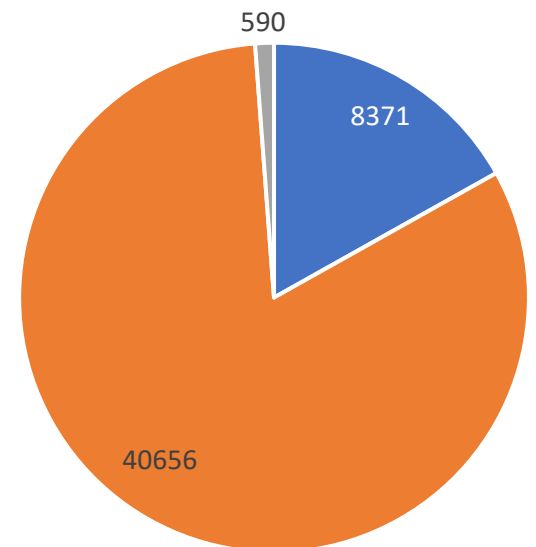
The subject site at Oakdale is located in the Wollondilly LGA.

According to the 2024 update to NSW Government population projections, over the 20 years 2021 to 2041 Wollondilly is projected to grow from 54,196 to 103,809 people, representing an increase of approximately 50,000 people.

As illustrated in Figure 1, the source of the population growth comes from:

- 82% from people moving within Australia. Of that 82% over half of those in the last 5 years have come from the South-West and Western parts of Sydney including Liverpool, Camden, Fairfield, Canterbury-Bankstown, Parramatta, Cumberland, Georges River and Bayside LGAs
- 17% natural increase. People who are born in the LGA
- 1% from international migration.

Source of Wollondilly's population growth over the next 20 years



■ Natural Change (Births minus deaths)
■ Domestic Migration (within Australia)
■ International Migration

Figure 1

Due to Wollondilly's highly dispersed settlement pattern, it is relevant to consider population projections at a smaller statistical area level than the entire LGA.

The Oaks – Oakdale is the relevant SA2 geography to which the State Government's 2022 NSW Common Planning Assumption Projections apply. This area is shown in Figure 2.

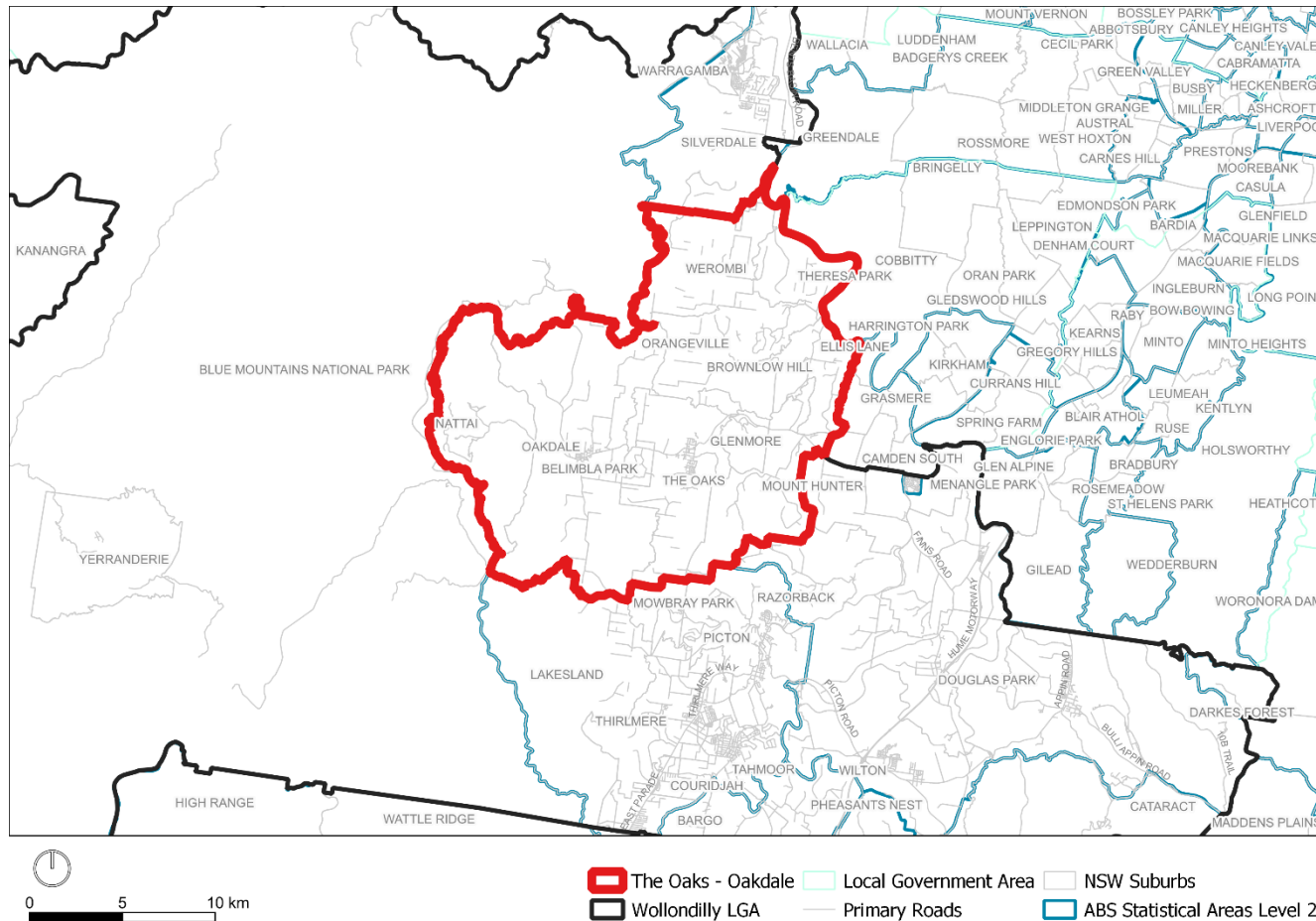


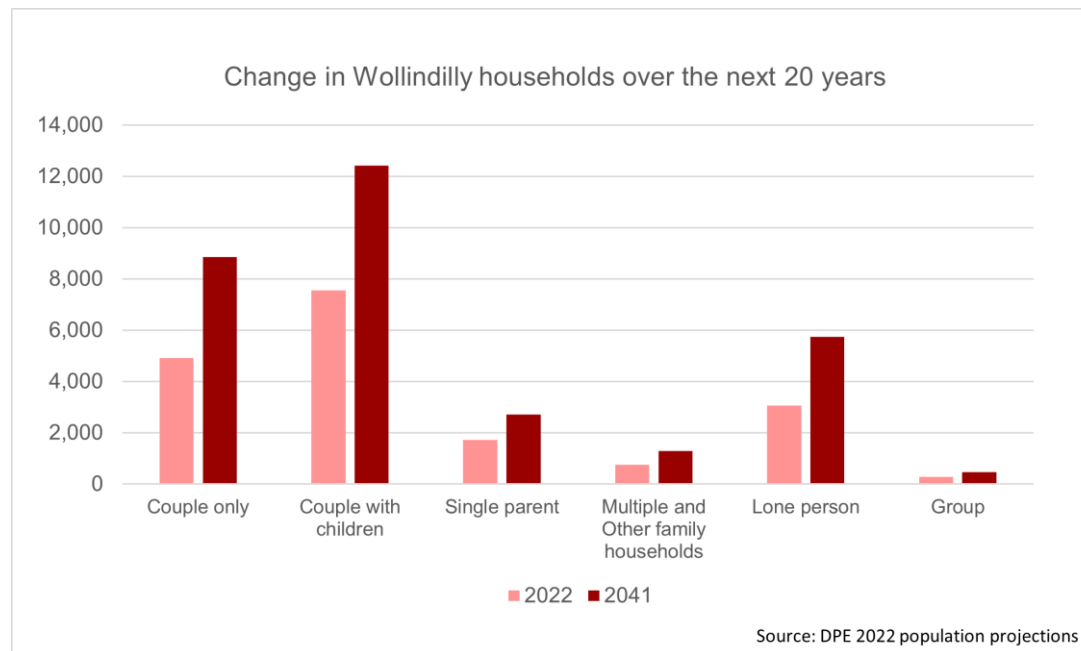
Figure 2 The Oaks-Oakdale SA2

Implied Dwelling Demand

The implied dwelling demand is the number of dwellings required to house the projected population. It is noted that this demand stems not only from population growth, but also from changes to household formation rates.

At the Wollondilly LGA level, as illustrated in Figure 1, population growth is projected to include:

- An 87% increase in lone person households,
- An 80% increase in couple only households, and
- a 64% increase in family households with a couple and children



At the SA2 level, the average household size within The Oaks – Oakdale SA2 is forecast to decrease from 2.87 in 2023 to 2.59 in 2041.

The following table contains the annual projected population and the corresponding implied dwelling demand for the SA2 up to 2041.

Table 1: The Oaks-Oakdale yearly population and dwelling forecasts (Source: DPE 2022 Population Projections; DPHI 2024 Population Projections)

Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041
Population (2022 Projections)	9870	9898	9928	9955	9987	10018	10050	10085	10112	10122	10134	10145	10156	10168	10180	10192	10204	10217	10230
Implied No. dwellings	3444	3482	3518	3552	3587	3623	3660	3697	3731	3758	3786	3809	3833	3856	3877	3898	3918	3935	3953
Assumed household size	2.87	2.84	2.82	2.80	2.78	2.77	2.75	2.73	2.71	2.69	2.68	2.66	2.65	2.64	2.63	2.61	2.60	2.60	2.59
Population (2024 Projections)	10233	10400	10455	10543	10579	10601	10621	10643	10666	10691	10714	10737	10758	10778	10798	10816	10833	10851	10868
Implied No. dwellings	3571	3659	3705	3762	3800	3834	3868	3902	3935	3969	4003	4031	4060	4087	4112	4137	4160	4179	4200

Based on the latest official projections, there would be demand for an additional **541** dwellings within The Oaks – Oakdale between now and 2041.

Housing Supply and Prior LEP amendments

As at February 2025, based on aerial photography by Nearmap, there were approximately 36 vacant residential-zoned lots in The Oaks and Oakdale. Based on dwelling demand projections, this equates to less than one year of land supply.

This leaves a deficit of 505 required dwellings within the SA2 to 2041. Given the rural village character of this part of the Wollondilly LGA and the corresponding zoning and minimum lot sizes, as well as bushfire constraints, opportunities for infill development are somewhat limited.

Over the past decade, housing to accommodate local growth within The Oaks-Oakdale SA2 has been facilitated by three amendments to Wollondilly LEP 2011. These LEP amendments, including the total number of lots delivered by each and the number of lots remaining to be developed, are listed in Table 2.

Table 2: LEP Amendments: The Oaks – Oakdale (Source: NSW Planning Portal; Nearmap aerial imagery January 2023)

Address	Residential lots facilitated by rezoning	Date LEP amendment finalised	No. Lots undeveloped* as at January 2023	% developed as at January 2023
1550 Burraborang Road, Oakdale	121	11/03/2016	29	76
35 Egans Road, Oakdale	34	19/01/2014	2	94
24 Hardwicke St and 800 Montpelier Dr, The Oaks	151	09/03/2012	3	98
Total	306		34	89

*Does not include lots where a dwelling was under construction.

Undeveloped lots within the subdivisions listed in Table 2 form all but 2 of the estimated 36 undeveloped residential-zoned lots within the SA2.

It is noted that there are no current planning proposals under assessment that would supply additional housing land within The Oaks – Oakdale SA2 once lots facilitated by the LEP amendments listed above are fully developed.

Wollondilly Local Housing Strategy

The Wollondilly Local Housing Strategy (LHS) contains table 16 (below) which forecasts the need for 174 dwellings between 2025 and 2041 within the collector district known as Oakdale – Nattai – National Park. Collector districts in the LHS are shown in Figure 4.

Table 16: Average number of dwellings forecasted per annum by collector district

	0 to 5 yrs (2021 to 2025)	6 to 10 yrs (2026 to 2030)	11 to 15 yrs (2031 to 2035)	16 to 21 yrs (2036 to 2041)	Average per annum over the next 20 yrs
Appin - Cataract - Darkes Forest	30	2	2	2	9
Bargo - Yanderra - Pheasants Nest	17	16	13	13	15
Buxton - Couridjah	2	2	2	2	2
Camden Park - Mount Hunter - Cawdor	2	2	2	2	2
Douglas Park - Wilton	275	575	638	608	524
Menangle - Razorback	11	13	16	16	14
Oakdale - Nattai - National Park	9	11	11	11	11
Orangeville - Werombi & District	10	12	15	15	13
Picton - Mowbray Park - Maldon	38	39	43	43	41
Tahmoor	35	42	39	29	36
The Oaks - Belimba Park - Glenmore	18	7	6	6	9
Thirlmere - Lakesland	53	43	24	19	35
Wallacia - Warragamba - Silverdale	23	35	43	35	34

Source: .id

It is noted that, compared to The Oaks-Oakdale SA2, the Oakdale – Nattai – National Park collector district covers a geographically smaller area which excludes The Oaks and thus has a much smaller current population.

Oakdale is the only urban land within the Oakdale – Nattai – National Park collector district and, as at February 2025, only approximately 32 undeveloped lots were remaining within the village. According to the forecast in the Wollondilly LHS, the remaining supply of dwelling lots would be exhausted in 2028.

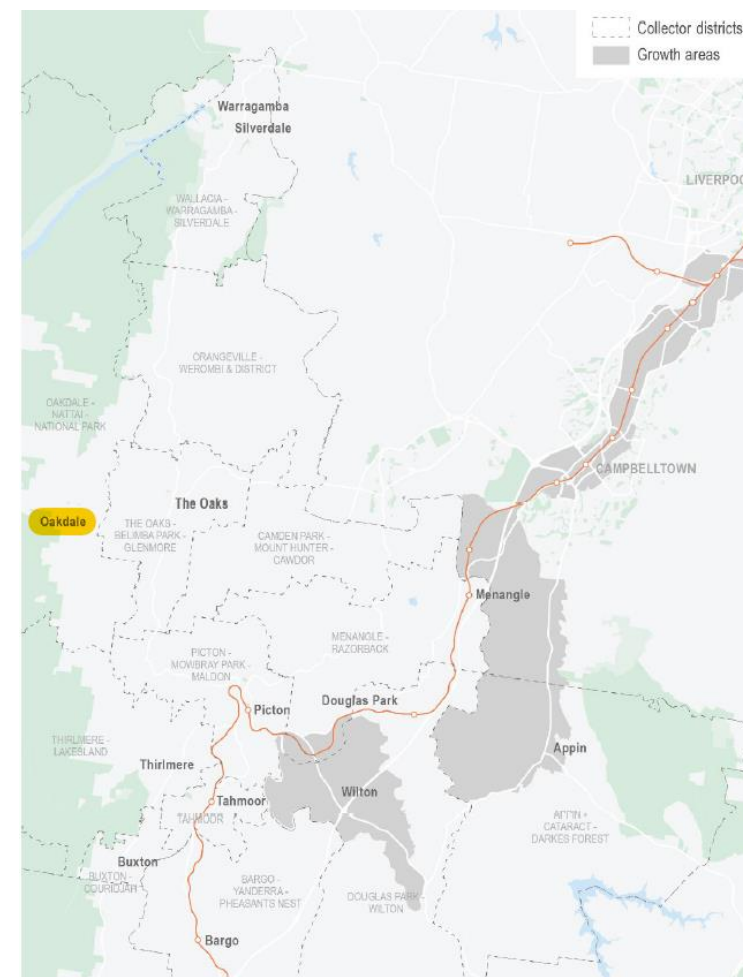


Figure 3: Wollondilly collector districts (Source: Wollondilly LHS)

Conclusion

In considering local growth projections for Oakdale, it is apparent that the remaining supply of approximately 32 dwelling lots will, at best, be exhausted in 2028 based on figures within Council's Local Housing Strategy.

If demand from the broader area corresponding with The Oaks-Oakdale SA2 is included, this supply may be exhausted even sooner, with forecasts indicating current housing supply would be taken up by the end of 2026.

Given that infill development opportunities within the villages of The Oaks and Oakdale are limited, more residential-zoned land will be required to cater to a predicted shortfall within the SA2 of approximately 500 dwellings by 2041.

In the absence of any new housing supply currently within the pipeline, the lead time associated with bringing land to market within the area will be 4 – 5 years, including:

- completion of a planning proposal / LEP amendment,
- preparation and endorsement of a voluntary planning agreement,
- preparation and approval of a subdivision application
- approval and construction of subdivision works
- registration and sale of housing lots

It is therefore appropriate that Council and the Department of Planning, Housing and Infrastructure give consideration to the proposed rezoning of additional land for residential development at Oakdale at the current time.

This analysis is relevant in terms of Planning Priority W17 and Objective 29 of the Western City District Plan which concerns 'Better managing rural areas'. Objective 29 states that 'Environmental social and economic values in rural areas are protected and enhanced' and the related discussion addresses the impacts of urban development on rural areas and the role of nominated urban investigation areas as the place where future urban development will be located. Urban development includes demand for housing created by domestic and international migration, which Figure 1 shows accounts for 83% of housing demand in the Wollondilly LGA.

Importantly, the discussion which follows Objective 29 acknowledges the ongoing role of rural town and villages catering for local growth. It states: '*Ongoing planning and management of rural towns and villages will need to respond to local demand for growth, the character of the town or village and the surrounding landscape and rural activities.*'

The analysis demonstrates that the planning proposal is unequivocally directed towards catering for the demand for housing that will be generated within the local area, and it will not play a role in meeting regional or district scale demand for residential growth.