

DRAFT SUBMISSION

National Housing and Homelessness Plan - Issues Paper

October 2023





Local Government NSW (LGNSW) is the peak body for local government in NSW, representing NSW general purpose councils and related entities. LGNSW facilitates the development of an effective community-based system of local government in the State.

OVERVIEW OF THE LOCAL GOVERNMENT SECTOR



Local government in NSW employs **55,000 people**



Local government in NSW is responsible for about **90% of the state's roads and bridges**



Local government in NSW looks after more than **\$177 billion** of community assets



NSW councils manage an estimated **4 million tonnes of waste** each year



Local government in NSW spends more than **\$2.2 billion** each year on caring for the environment



NSW councils own and manage more than **600 museums, galleries, theatres and art centres**



NSW has more than **350 council-run libraries** that attract tens of millions of visits each year



NSW has more than **400 public swimming and ocean pools**

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Opening

LGNSW welcomes the opportunity to provide its views to the Australian Government Department of Social Services (the Department) on the National Housing and Homelessness Plan Issues Paper. Across New South Wales and in other jurisdictions, the supply and availability of affordable housing is a critical issue facing local governments and their communities. While housing challenges vary, the lack of suitable housing impacts on the wellbeing and economic productivity of local communities.

The primary purpose of this submission is to highlight the issues councils face in helping to respond to the housing challenges in their communities and the importance of focusing on developing impactful responses that work in the local context.

This submission is informed by the policy positions of LGNSW and consultation with councils. Please note this submission is provided as a draft, pending endorsement by the LGNSW Board at its next meeting. We will advise of any amendments to the submission in due course.

Background

LGNSW welcomes the Australian Government's renewed focus on addressing the housing crisis including the decision to develop a National Housing and Homelessness Plan. The Plan is being developed as part of a broader housing reform agenda which also includes a National Housing Accord, establishment of the Housing Australia Future Fund and a National Housing Supply and Affordability Council as an independent statutory advisory body.

The purpose of the Plan is to set out a 10-year national vision, across the responsibilities of different levels of government to help guide future housing and homelessness policy. The Plan is being developed by state and territory governments to "help more Australians get safe and affordable housing by creating a shared vision to improve outcomes and help address homelessness".

LGNSW understands that the purpose of the National Housing and Homelessness Plan Issues Paper is to seek input from all stakeholders into what the Plan should cover and to identify short, medium and longer-term reforms needed to improve outcomes across the housing spectrum and address homelessness.

There are seven focus areas in the Issues Paper:

- Homelessness
- Homelessness Services
- Aboriginal and Torres Strait Islander Housing
- Social housing

- Housing costs, home ownership and the rental market in Australia
- Planning, zoning and development
- Climate change and housing security

The consultation process for the Issues Paper was extended to 20 October 2023. LGNSW acknowledges the efforts of the Department to hear the views of the local government sector through various engagement channels.

Part 1: Overview

The significant social and economic impacts of the shortage and costs of rental properties and affordable home ownership is well-documented in cities and towns across metropolitan, rural and regional New South Wales. The impacts on local governments and communities include housing stress for individuals and families, difficulty in attracting and housing key workers including councils' staff and an increase in homelessness.

Addressing the housing crisis is a key advocacy priority for LGNSW. This is a direct consequence of the unprecedented number of resolutions at the October 2022 annual conference calling for urgent action to address homelessness and the housing crisis.

Recognising that federal, state and territory governments are ultimately responsible for ensuring that all households have access to housing that meets their needs and that they are able to afford, LGNSW's advocacy on housing and homelessness includes calls for the Australian and New South Wales governments to:

- fund a significant increase in the supply of social and affordable housing
- implement the Housing First model across NSW along with homelessness prevention measures
- introduce taxation and financial incentives that support the delivery of affordable housing
- deliver secure tenure for people renting
- develop strategies to allow councils to manage the impacts of short-term rental platforms on the availability of long-term rental housing
- set clear targets to reduce housing disadvantage impacting Aboriginal people in NSW, and
- mandate minimum accessibility standards at the Liveable Housing Australia Design Guidelines Gold Level or higher.

Further detail and specific actions are set out in [LGNSW's Policy Platform](#).

Despite a plethora of national and state inquiries and reviews over many years there has been very limited translation into effective strategies and actions to solve longstanding housing issues. Given the many factors at play in the housing accessibility and affordability problem, no single remedy will be sufficient to resolve the challenges it poses.

While councils understand they have a role to play in addressing housing and homelessness, as noted in the Issues Paper states and territories and the Commonwealth have responsibility for many of the direct levers and higher-level national policies¹ that will be needed to develop an effective response to the housing crisis. These include migration policy and economic settings at the national level and social housing delivery, state-based taxes and the planning system at state level.

Councils understand an adequate supply of overall housing is important, but too often, increasing supply in the private market is seen as the solution to what are complex housing issues. As a consequence, land use planning and development approval systems frequently become a focus of reforms. LGNSW urges the Australian and New South Wales governments to commit to genuine consideration of the full range of policy levers in a systematic way with a focus on solutions that will deliver a much needed step-change with meaningful outcomes.

A first and critical step is to address the significant unmet and future need for social and affordable housing. A commitment by the Australian and state and territory governments to fund more social housing would deliver enormous social, economic and health dividends. There have been numerous estimates about the size of the current social housing shortfall and future demand and unanimous appeals for greater investment in social housing from all sectors. City Futures Research Centre estimated that 950,000 social and affordable dwellings are needed by 2041 across Australia.² As local government is not equipped to take over the large-scale provision of social and affordable housing, this must be addressed by state and federal governments.

Where local government can play a role, it is often constrained by significant and ongoing financial challenges for councils, skills shortages and other policy constraints. In NSW, council responses to housing across the state are diverse, as they are shaped by the impact of national and state government actions and requirements at a local level and the nature of housing challenges in the locality. They are also affected by the financially constrained environment that councils operate in and the many other priorities they seek to respond to.

LGNSW continues to call for reforms at national and state level to address the financial sustainability of local government as it impacts the sector's capacity to deliver core services and respond to the impacts of the housing crisis. Housing-related reforms which impose additional costs or resourcing requirements on local government will not be feasible without additional funding.

¹ [National Housing and Homelessness Plan](#) - Issues Paper, p.5

² [City Futures Research Submission](#) to Senate Inquiry into The Worsening Rental Crisis in Australia, July 2023

For these reasons it is critical that local government is closely involved in developing responses to housing challenges. Unfortunately, reforms and policies in relation to housing are frequently developed by national and state governments without sufficient engagement with local government. This is a missed opportunity and also risks responses that may not work in varying local contexts, cannot be adequately resourced or have unintended consequences.

The Plan is an important opportunity to establish clear roles and responsibilities for responding to the housing crisis, improve inter-governmental coordination and strengthen relationships between all spheres of government and the private and not-for-profit housing sectors.

Recommendation 1: LGNSW recommends that the Australian and state and territory governments commit to addressing the shortfall in social and affordable housing under the National Housing and Homelessness Plan as a fundamental principle and first priority.

Recommendation 2: LGNSW recommends that the Australian and state and territory governments commit to genuine consideration of the full suite of policy levers including migration, financial, economic and taxation policy settings in the development of the National Housing and Homelessness Plan.

Recommendation 3: LGNSW recommends that the Australian government establish a framework for inter-governmental coordination between all spheres of government to support the development and implementation of the National Housing and Homelessness Plan.

Recommendation 4: LGNSW recommends that the proposed National Housing and Homelessness Plan be publicly exhibited together with supporting evidence (including modelling and key assumptions), allowing stakeholders and communities a realistic timeframe to understand and consider the implications.

Further specific comments and recommendations on each focus area are discussed in Part 2.

Part 2: Focus Areas

1. Homelessness

Councils invariably manage a large degree of homelessness through:

- their responsibility for maintaining public space
- planning decisions
- provision of community services/facilities
- advocacy
- management of community concerns and complaints about rough sleeping
- conducting outreach programs, and
- clean-ups and syringe disposal.

Councils acknowledge, and work with, a diverse cohort of people who are at an increased risk of homelessness. Councils need further support from the NSW and Commonwealth Governments to tackle the issue of homelessness in their communities.

LGNSW's Policy Platform³ calls for continued State and Commonwealth funding to supplement the contribution of NSW councils of approximately 60% towards the cost of community development roles within councils.

Councils also support the Housing First model, which prescribes safe, long-term housing as the first priority for people experiencing homelessness, driven by a guiding principle that safe and secure housing should be quickly provided prior to, and not conditional upon, addressing other health and well-being issues.

LGNSW⁴ also calls on the NSW and Australian Governments to implement the Housing First model across NSW, with proactive outreach, crisis support and homelessness prevention measures including addressing co-morbidities.

Recommendation 5: LGNSW recommends that the Australian and NSW governments commit to implementing the Housing First model across NSW under the National Housing and Homelessness Plan.

Recommendation 6: LGNSW recommends that the Australian and NSW governments contribute funding towards the cost of community development roles that can assist in responding to homelessness.

³ [LGNSW Policy Platform - Position Statement 19](#)

⁴ [LGNSW Policy Platform - Position Statement 8.1](#)

2. Homelessness Services

Councils work closely with a range of housing and homelessness services, domestic violence agencies, police and specialist homelessness service providers that operate in their respective areas. Councils assist with case management of people at risk of becoming entrenched in public spaces.

Some councils choose to provide further support by working in partnership with not-for-profit organisations and community housing providers. Examples include providing funding a program to help house women with children escaping domestic violence (Woollahra Council) and providing council property for a women's crisis facility (Georges River Council)⁵.

Recommendation 7: LGNSW recommends that the Australian and NSW Government work with local government to identify opportunities for councils to help address homelessness in their communities and provide the requisite funding to support agreed strategies and actions.

3. Aboriginal and Torres Strait Islander Housing

As highlighted in the Issues Paper, Aboriginal and Torres Strait Islander peoples face more housing inequality compared to non-Indigenous Australians. The rate of home ownership is lower and for many Indigenous peoples overcrowding is an issue.

LGNSW⁶ calls on the NSW Government to work with councils and Aboriginal communities and organisations to set clear targets to reduce housing disadvantage Impacting Aboriginal people in NSW.

Recommendation 8: LGNSW recommends that the Australian and NSW Government work with councils and Aboriginal communities and organisations to set clear targets to reduce housing disadvantage impacting Aboriginal people in NSW in the National Housing and Homelessness Plan.

4. Social housing

The chronic undersupply of social housing has resulted in around 56,000 households on the NSW social housing waitlist who are waiting up to 10 or more years to be housed⁷. It is likely many more are in housing need as the lack of social housing supply or the

⁵ [LGNSW submission](#) to the NSW Legislative Assembly Committee on Community Services *Inquiry into options to improve access to existing and alternate accommodation to address the social housing shortage*. August 2021.

⁶ [Housing and Homelessness Position Statement \(Statement 8.4\)](#)

⁷ CHIA NSW State Budget 2023 Priorities

suitability of housing in certain areas can be a barrier to people applying for social housing.

While the proportion of people living in social housing in NSW is around 4.1 per cent this varies across the state with the amount of social housing in some local government areas falling short of the average and others well above.

Further, the distribution of social housing within local government areas is typically not well integrated. It is often concentrated in particular suburbs, creating pockets of social disadvantage. Both the shortfall and suburban concentrations result in an inequitable financial burden on councils as they create increased demand for local infrastructure and services. While strategies such as large-scale sale or redevelopment of public housing assets can reduce concentrations of disadvantage, if accompanied by significant losses of social housing it can fracture communities and reduce inclusiveness.

Local government supports investment in more social and affordable housing and councils have been calling for a broader set of measures to address the housing and homelessness crisis for some time.

LGNSW has been generally supportive of planning reforms to streamline the delivery of social housing in NSW. However ongoing council and community support will be contingent on seeing real increases in the supply of well-designed social housing that contributes to place making in local communities and where there is adequate infrastructure to support development. A clear and well-communicated strategy for social housing, developed in partnership with councils, is key to achieving this.

LGNSW⁸ calls on the NSW and Australian Governments to fund a significant increase the supply of social housing to address current shortfalls and keep pace with population growth. It also calls for minimum targets of 5-10 per cent social and affordable housing across NSW and at least 25 per cent on government-owned land.

LGNSW has welcomed the NSW Government's commitment to providing 30% social and affordable housing on public land.

Recommendation 9: LGNSW recommends that the NSW and Australian government commit to funding at least 5,000 new social housing dwellings per year in NSW over the 10-year period of the National Housing and Homelessness Plan.

Recommendation 10: LGNSW recommends that the National Housing and Homelessness Plan includes a commitment to work in partnership with local government to plan for and deliver new social housing.

5. Housing costs, home ownership and the rental market in Australia

⁸ [LGNSW Policy Platform – Position Statement 8.1](#)

Many of the policy levers to increase the supply of affordable and social housing are outside the planning system and most policy-settings relating to the drivers of housing demand rest with the Australian and state and territory governments. These arguably have greater impact on housing prices and affordability than traditional housing policy and planning responses.

Financial, taxation and other policy levers

The National Housing and Homelessness Plan must consider all key policy levers. This includes policies in relation to:

- migration and population growth
- commodification of housing as a financial investment
- interest rates and credit availability, and
- taxation settings.

LGNSW⁹ calls on the Australian and NSW Governments to utilise taxation and other financial incentives that support the delivery of affordable housing to address the housing crisis.

While local government has more limited scope in relation to financial levers, councils have identified a range of opportunities for reform to influence the use and uptake of land for housing. For example, where land banking occurs (land that has been rezoned for residential development but not developed within a reasonable timeframe) allowing councils to rate the land as residential could help bring forward housing to the market.

Shortages of long-term private rental housing

Councils in many locations are concerned about the limited supply of private rental housing and the impact this has on local people being able to afford to stay in their community. These shortages are impacting local businesses and employers find it hard to attract and retain staff because they are unable to find suitable accommodation.

The introduction of build-to-rent provisions in NSW has the potential to increase the supply of private rental housing over the medium to long term. However, under these provisions, after 15 years the owner can subdivide and sell these dwellings. Further there is no requirement for any portion of dwellings to be let at an affordable rent. Councils consider this to be a missed opportunity to increase the supply of affordable private rental accommodation.

LGNSW¹⁰ calls on the NSW and Australian Governments to address the rental affordability crisis in NSW by developing strategies to provide secure tenure rental housing and removing barriers and incentivising owners to put existing housing into the long-term rental market.

⁹ [LGNSW Policy Platform – Position Statement 8.1](#)

¹⁰ [LGNSW Policy Position – Position Statement 8.2](#)

Impact of Short-term Rental Accommodation

A particular concern of many councils is the impact of the growth of short-term rental accommodation (STRA) on local housing markets. Many councils have observed a decline in the availability of long-term rental, increased dwelling prices and loss of amenity and community. LGNSW does not support the NSW Government's blanket approach regulating short-term rental accommodation which sets an annual 180-day limit for non-hosted STRA¹¹.

LGNSW¹² calls for the NSW Government to enable councils to determine the amount of STRA accommodation allowed based on local circumstances.

The recent decision by the NSW Government to approve a reduced 60-day annual cap for Byron Shire Council demonstrates that STRA does disrupt local housing markets and the need for a more nuanced policy approach tailored to the needs of each local area. While it is acknowledged that reducing the amount of housing used as STRA won't solve longstanding housing issues, it can help boost supply of long-term rental in some areas. Further review and investigation of the impacts of STRA is needed, as we have witnessed occurring in many overseas jurisdictions.

Councils are also of the view that appropriate charges and levies are important components of effective regulation of STRA.

LGNSW¹³ calls for adequate regulation of tourist and short-term accommodation by instituting a booking tax for online accommodation brokers using residential zoned and rated land, with funds raised to be distributed to councils to fund public infrastructure to support tourism and allowing councils to apply business rates to serviced apartments that provide tourist accommodation on a commercial basis.

Caravan Parks and Manufactured Homes

In certain locations caravan parks and manufactured homes are important forms of affordable rental housing. LGNSW understands there are around 500 land lease communities including caravan parks and manufactured home estates in NSW accommodating about 34,000 residents. The needs of these residents should be considered when developing reforms to provide more affordable private rental and security of tenure under the Plan.

Concerningly, the housing crisis is resulting in some traditional caravan parks and other moveable dwellings evolving from tourist accommodation into permanent housing. Residents convert caravans to permanent dwellings by removing wheels and adding unapproved structures. This has implications for health and safety, housing security and planning and presents a growing set of regulatory challenges for councils. In

¹¹ <https://www.planning.nsw.gov.au/policy-and-legislation/housing/short-term-rental-accommodation>

¹² [LGNSW Policy Platform – Position Statement 8.3](#)

¹³ [LGNSW Policy Platform – Position Statement 2.7](#)

coastal areas many parks are located within floodplains. Planning provisions in NSW for the regulation of caravan parks and manufactured homes in NSW require urgent review.

LGNSW¹⁴ calls on the NSW and Australian Governments to ensure housing security for residents of caravan parks and manufactured home estates.

Diverse and alternative forms of housing and construction

Many councils have identified the need for a greater diversity of housing, particularly in regional areas. While council planning controls play an important role, some councils note that developers have not taken up opportunities for greater density available under local planning provisions. Feasibility, lower land values, shortage of appropriate skills in the development industry and a lack of sophistication by smaller investors have been identified as some of the barriers.

An important aspect of housing diversity is increasing the supply of accessible housing. LGNSW supports the inclusion of livable housing design requirements for Class 1a buildings in the National Construction Code but is disappointed that the NSW Government did not choose to apply the mandatory provisions in NSW.

LGNSW¹⁵ calls for improved housing accessibility and liveability through:

- An agreed legislated definition of accessibility incorporating universal design principles.
- Mandated minimum accessibility standards at the Liveable Housing Australia (LHA) Design Guidelines Gold Level (Option 3) or an equivalent standard at this level or higher.
- Linking and alignment of state and federal housing, ageing and disability strategies.

Councils have also raised the potential for alternative forms of housing and construction methods to reduce the cost of housing. This could include what is referred to as “tiny homes” where appropriate in a local planning context and new and innovative building techniques such as pre-fabricated modular building and 3D printing technology. There are often legislative barriers to introducing new approaches.

LGNSW¹⁶ calls on the NSW Government to help councils facilitate social and affordable housing in their local areas by removing legislative barriers to the provision of affordable housing such as use of council land for social and affordable housing, new and innovative methods of construction and other forms of housing (such as tiny homes).

¹⁴ [LGNSW Policy Platform – Position Statement 8.2](#)

¹⁵ [LGNSW Policy Platform – Position Statement 8.5](#)

¹⁶ [LGNSW Policy Platform – Position Statement 8.3](#)

Recommendation 11: LGNSW recommends the National Housing and Homelessness Plan include strategies to improve long-term security for tenants in the private rental market, including an improved policy framework to allow councils to develop local provisions to manage the impacts of short-term rental accommodation.

Recommendation 12: LGNSW recommends that the NSW Government prioritise a review of planning and regulatory provisions governing manufactured homes and caravan parks in NSW.

Recommendation 13: LGNSW recommends the Australian and NSW Governments support councils to improve planning frameworks and develop other incentives to encourage diverse forms of housing and alternative forms of construction to help reduce the cost of housing.

Recommendation 14: LGNSW recommends the Australian and NSW Governments work with the development industry to expand the skills base and models for more diverse forms of housing, particularly in regional areas.

6. Planning, zoning and development

Strategies to increase housing supply by streamlining the planning system often become the sole focus of policy responses to a lack of affordably priced housing. While an adequate supply of housing is important, simply releasing more land or increasing development potential for housing to put downward pressure on housing markets has not been effective. High levels of supply have not translated into more affordable housing. Planning approvals have routinely exceeded dwelling construction, and developers regularly reduce the rate at which they supply housing even when they hold surplus approvals.¹⁷

Limitations of reliance on planning system changes

A better resourced planning system could make small improvements to average development assessment times. Yet, this would have a barely perceptible effect on the overall rate of housing development.

Councils do not control the number of applications they receive, whether approvals will be acted upon and completed, or if the finished housing product will be released to the market. These are decisions of the private market. When councils zone land to meet the needs of growing populations landowners and developers should be required, either through incentives or penalties, to bring the land to the market within reasonable timeframes.

Councils in NSW support genuine and sensible efforts to streamline regulation and contribute to increasing housing supply and diversity right across the state. However, the recent decision by the NSW government to focus on the number of development

¹⁷ [The Australian housing supply myth](#), Cameron Murray 2019.

applications that are withdrawn by private property developers from the planning system highlights the limitations of an over-reliance on planning system changes. The extent to which this is a significant barrier to delivering more housing is questionable.

Addressing issues with the NSW Planning Portal, which is having a direct impact on efficiencies in the planning system, and in some cases adding to assessment timeframes, should be a high priority.

Improvements to the planning system should not come at the expense of councils' role in strategic planning, which is undertaken in close consultation with their communities. Certainty about housing growth and built-form outcomes established by councils in their strategic plans is critical. Where local and State governments have already developed planning controls and infrastructure commitments in partnership with the community through detailed studies and master-planning for infill higher density precincts, these should prevail.

While some degree of flexibility to respond to change is important, continual ad-hoc proposals and blanket state-level policies that override local plans as we have seen for more than a decade in NSW, risk harming the social licence for all development and will only serve to increase speculation and land banking by private developers.

Opportunities for councils to support affordable housing

Policy reforms to boost housing supply, increase housing diversity and provide more affordable housing will have more chance of success and community acceptance if they include measures that will enable a legacy of 'good growth' and 'density done well'. In NSW, local government is seeking to work in partnership with the state government to include measures that can help councils deliver positive long term urban change for their communities.

LGNSW recently wrote to the NSW Minister for Planning outlining suggestions for how councils can help deliver more affordable housing and sought his commitment to:

- consult with councils on any proposed initiatives to respond to Housing Accord targets as well as any other planning reforms, and
- support a policy reform framework that includes measures to deliver positive long term urban change - 'density done well' - in partnership with local government.

Planning incentives for affordable housing

The NSW Government is introducing planning reforms that offer generous density bonuses to private property developers in exchange for providing temporary affordable housing. The reforms provide for 30 per cent residential floor area and 30 per cent height bonuses for development projects that include 15 per cent of affordable housing for 15 years.¹⁸

¹⁸ [Housing SEPP | Planning \(nsw.gov.au\)](https://www.nsw.gov.au/housing/sepp/planning)

Local government in NSW maintains that permanent height and density bonuses should not be awarded for temporary affordable housing. Given the acute housing crisis, the social benefit provided from a 15-year provision of affordable housing is inadequate and any affordable housing delivered in exchange for such generous bonuses should be provided in perpetuity.

Delivering long-term and sustainable affordable housing, through affordable housing contribution schemes developed by councils, has the potential to deliver a far greater supply of affordable housing. A substantial body of work already exists in NSW which looks at increasing the delivery of affordable housing through affordable housing schemes.¹⁹ Currently, a barrier to this is the overly complex framework for developing these schemes.

An opportunity exists for all spheres of government to focus efforts on a transition towards the introduction of inclusionary zoning and planning which would support permanent affordable, social and specialist housing.²⁰ In NSW, the starting point is to improve and expedite the development of affordable housing contribution schemes.

LGNSW²¹ calls for the NSW Government to improve processes for the timely approval of affordable housing contribution schemes developed by councils under the NSW Government's Housing State Environmental Planning Policy (Housing SEPP).

Recommendation 15: LGNSW recommends that strategies and policies developed under the National Housing and Homelessness Plan leave a legacy of 'density done well' by delivering safe, well-designed housing with access to the services and facilities people need.

Recommendation 16: LGNSW recommends that the National Housing and Homelessness Plan recognise the critical role of inclusionary zoning in delivering a long-term supply of affordable housing and the NSW Government address barriers with the current approach to developing affordable housing contribution schemes and expedite the timely approval of these schemes.

7. Climate change and housing security

Local governments and their communities are on the frontline when dealing with the risks and impacts of climate change. Councils are responsible for \$160 billion worth of assets. Reducing emissions can lower operating costs associated with these assets. The effects of climate change also have the potential to damage council assets, cause serious disruptions to the delivery of council services, generate unbudgeted financial impacts and affect the wellbeing of the community.

The inclusion of climate change and housing security as a consideration in the National Housing and Homelessness Plan is critical to providing a strategic framework for all

¹⁹ [Diverse and Affordable Housing - Southern Sydney Regional Organisation of Councils \(nsw.gov.au\)](https://www.southernregion.org.au/~/media/1152023/04/14/Diverse%20and%20Affordable%20Housing%20-%20Southern%20Sydney%20Regional%20Organisation%20of%20Councils%20(nsw.gov.au).pdf)

²⁰ [StGeorgeHousing-PolicyPositioningPaper-2023.pdf \(sgch.com.au\)](https://www.sgch.com.au/~/media/1152023/04/14/StGeorgeHousing-PolicyPositioningPaper-2023.pdf), p 20

²¹ [Housing and Homelessness Policy Statement \(Statement 8.3\)](https://www.lgnsw.com.au/~/media/1152023/04/14/Housing%20and%20Homelessness%20Policy%20Statement%20(Statement%208.3).pdf)

spheres of government to ensure future housing is resilient to the impacts of extreme weather events and other impacts of climate change.

Councils in NSW consider there is an opportunity to implement stronger sustainability measures in NSW than are currently in place.

LGNSW²² calls for policies and plans that:

- enhance holistic sustainability outcomes in housing by requiring consideration of housing design (including site selection), construction and operation over its lifetime minimising economic harm and considering economic and social sustainability
- ensure developments and precincts alleviate the urban heat island effect
- apply (or allow councils to apply) higher Building Sustainability Index (BASIX) targets and include other sustainability outcomes to improve housing stock resilience
- enable innovative approaches to community and public transport
- improve provisions to ensure the resilience of housing stock under future climate scenarios.

Recommendation 17: LGNSW recommends that the Australian and NSW governments work collaboratively with local government and other stakeholders to improve the sustainability of housing and help all households to manage the impacts of climate change.

²² [LGNSW Policy Platform – Position Statements 8.6 and 10.6](#)

Conclusion

LGNSW welcomes the Australian Government's renewed focus on housing and its commitment to consulting on the development of a National Housing and Homelessness Plan.

Across NSW, local government seeks to work constructively with the Australian and NSW Governments to develop holistic and sustainable responses to housing and homelessness issues.

An urgent priority which councils have long been advocating for is a significant increase in funding to address the shortfall in social housing right across the state, and a genuine commitment to utilising the full range of policy levers to respond to housing challenges.

Recommendations

Recommendation 1: LGNSW recommends that the Australian and state and territory governments commit to addressing the shortfall in social and affordable housing under the National Housing and Homelessness Plan as a fundamental principle and first priority.

Recommendation 2: LGNSW recommends that the Australian and state and territory governments commit to genuine consideration of the full suite of policy levers including migration, financial, economic and taxation policy settings in the development of the National Housing and Homelessness Plan.

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Recommendation 6: LGNSW recommends that the Australian and NSW governments contribute funding towards the cost of community development roles that can assist in responding to homelessness.

Recommendation 7: LGNSW recommends that the Australian and NSW Government work with local government to identify opportunities for councils to help address homelessness in their communities and provide the requisite funding to support agreed strategies and actions.

Recommendation 8: LGNSW recommends that the Australian and NSW Government work with councils and Aboriginal communities and organisations to set clear targets to reduce housing disadvantage impacting Aboriginal people in NSW in the National Housing and Homelessness Plan.

Recommendation 9: LGNSW recommends that the NSW and Australian government commit to funding at least 5,000 new social housing dwellings per year in NSW over the 10-year period of the National Housing and Homelessness Plan.

Recommendation 10: LGNSW recommends that the National Housing and Homelessness Plan includes a commitment to work in partnership with local government to plan for and deliver new social housing.

Recommendation 11: LGNSW recommends the National Housing and Homelessness Plan include strategies to improve long-term security for tenants in the private rental market, including an improved policy framework to allow councils to develop local provisions to manage the impacts of short-term rental accommodation.

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Recommendation 13: LGNSW recommends the Australian and NSW Governments support councils to improve planning frameworks and develop other incentives to encourage diverse forms of housing and alternative forms of construction to help reduce the cost of housing.

Recommendation 14: LGNSW recommends the Australian and NSW Governments work with the development industry to expand the skills base and models for more diverse forms of housing, particularly in regional areas.

Recommendation 15: LGNSW recommends that strategies and policies developed under the National Housing and Homelessness Plan leave a legacy of 'density done well' by delivering safe, well-designed housing with access to the services and facilities people need.

Recommendation 16: LGNSW recommends that the National Housing and Homelessness Plan recognise the critical role of inclusionary zoning in delivering a long-term supply of affordable housing and the NSW Government address barriers with the current approach to developing affordable housing contribution schemes and expedite the timely approval of these schemes.

Recommendation 17: LGNSW recommends that the Australian and NSW governments work collaboratively with local government and other stakeholders to improve the sustainability of housing and help all households to manage the impacts of climate change.