

**Submission  
No 89**

## **OPTIONS FOR ESSENTIAL WORKER HOUSING IN NEW SOUTH WALES**

**Organisation:** Wingecarribee Shire Council

**Date Received:** 24 September 2024

**NSW Legislative Assembly Select Committee on Essential Worker Housing  
Submission from Wingecarribee Shire Council**

Wingecarribee Shire is located in an area that is generally referred to as the NSW Southern Highlands. It is a location of typically above average house prices and with rental accommodation in short supply. This situation creates a significant lack of housing opportunities for residents in the middle to low income bracket and, as a consequence, the service sectors, such as hospitality, retail, aged care, administration and transport have difficulty attracting and retaining staff. From Council's perspective, the issue is not so much the work these people do, but the lack of accommodation which enables them to live and work locally.

It is recommended therefore, that the focus on improving access to Affordable Housing should be on already established delivery mechanisms which meet the needs of a defined demographic, regardless of whether or not residents are considered 'essential'.

There are already some 169 registered **Community Housing Providers** (CHPs) across NSW which oversee more than 54,000 properties. These CHPs manage affordable rental housing and play a major role in providing homes for those on very low to moderate incomes. To enhance this effectiveness, the NSW Government recently (May 2024) launched a pilot program to assist 20 CHPs to navigate the planning system to support the delivery of more than 3,600 affordable homes over the next five years. This concierge program is intended to assist CHPs to build planning capability and efficiently work with the planning system to achieve their goals.

We encourage **targeted investment in social and affordable housing in Wingecarribee Shire**, whether led by **CHPs** or **Homes NSW** (former Land and Housing Corporation). There are immense opportunities to renew the housing stock and introduce medium density typologies in Moss Vale, Bowral and Mittagong, near services and amenities. The perception of Wingecarribee Shire / NSW Southern Highlands as a generally affluent region has resulted in decades of underinvestment in social and affordable housing.

Despite recent policy reform efforts, it is considered by Council that this response must be part of a suite of such efforts as it alone will not provide sufficient housing to address the systemic shortage in affordable housing. One effort which has proven successful within NSW is the implementation of an **Affordable Housing Bonus Scheme for infill development**. This offers the opportunity to achieve height and density increases of 20-30% in return for 10-15% of the homes being designated as Affordable Housing and transferred to a CHP to be managed for a minimum 15-year period.

Given that market forces predominantly determine the type and price of housing, Council is exploring mechanisms to incentivise this process through the provision of a net public benefit through Voluntary Planning Agreements with developers utilising established and successful Affordable Housing models.

However, none of Council's efforts can succeed unless land can be made available for residential development in the first place. Within Wingecarribee Shire, the supply of land for any form of housing is totally dependent on the extent that the necessary servicing infrastructure can be provided. Much of the Shire is within the Sydney Drinking Water Catchment and is unsewered land. Before any meaningful contribution can be made to

housing supply, trunk sewer and water services must be in place to meet consumer expectation and to protect Sydney's drinking water supply. Very little housing can occur without such services.

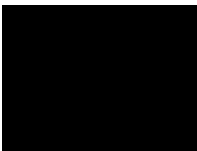
Council is the local water and sewer authority and, without state government support, it does not have the capacity to deliver potential housing supply identified within our Local Housing Strategy. This is the case regardless of whether housing is to be through new living areas or through infill development.

Council would strongly urge the Committee to emphasise that the fundamental essential requirement for any urban development is **servicing infrastructure** and explore options for supporting regional areas to meet **affordable housing expectations**.

Council appreciates the opportunity to make a submission to the Committee and looks forward to the final report and recommendations.

This submission reflects Council Professional Officers' advice, given all Councils are in caretaker mode, and is based on recent representations made to the NSW Government and relevant State Agencies. For further information please contact Susan Stannard, Coordinator Strategic Policy, [REDACTED]

Yours sincerely



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