

Public Exhibition - Housing for All Discussion Paper

File No: X124612

Summary

Sydney is one of the world's most liveable cities. It is renowned for its natural beauty, healthcare, education, cultural diversity and economic competitiveness, as well as the high quality of life it offers many of its residents.

As in many comparable countries, Australian capital cities are in the midst of a housing affordability crisis for low- to medium-income earners. It's not a new crisis, but is a complex and deepening one, driven by a combination of short- to medium-term economic pressures and long-term structural problems, including sustained undersupply, tax and policy settings and population growth pressures.

The City of Sydney (City) has grown rapidly in the last 20 years. Since June 2004 over 46,000 private dwellings have been built in the local area, making us one of the fastest growing local government areas in NSW. More than 11,000 new non-private dwellings (dwellings with shared facilities) have also been built in this period, including student and co-living housing. This growth has been expertly planned in consultation with the community, achieving a high level of amenity and liveability supported by public transport, walking and bike connections, high-quality public domain, well-positioned open space and world-class community facilities.

In December 2025, the NSW Government released the draft Sydney Plan, a new region plan for Greater Sydney. The plan identifies significant growth in Sydney over the next 20 years – particularly in established areas like the City of Sydney – and requires councils to review their planning controls to do more to create new opportunities for additional housing supply.

If councils fail to meet this requirement, the NSW Government has said they will lead further interventions that override councils' planning powers, such as expanding ad-hoc rezonings encouraged under the NSW Government's Housing Delivery Authority.

As our population continues to grow, more housing is needed, including affordable rental housing and social housing for very-low-, low- and moderate-income households.

The City is best placed to work with community, industry, community housing providers, peak bodies, the finance sector and landowners to meet our housing needs and guide the city's development. We have repeatedly demonstrated this, delivering high-quality high-density urban renewal in places like Green Square, the Ashmore Estate, Erskineville and most recently Ultimo/Pymont.

The Housing for All Discussion Paper (discussion paper) has been prepared to guide a conversation with the community, housing providers, industry, peak bodies and government about where and how we can plan for more housing in the local area, where there is appropriate government investment in schools, hospitals and other essential infrastructure.

It does not establish council policy or commit to changing planning controls, rather it seeks responses to 3 important questions about housing:

- Where and how can we plan for more homes after we have done so much? We're asking for ideas on places that could be suitable for more well-located homes.
- What should the NSW Government do to support more homes? We're asking for feedback on the NSW Government developing public land and continuing to deliver better transport, including metro and light rail extensions to high density communities as road space for more drivers is challenging.
- How can housing better meet the diverse needs of our community? We're asking for ideas about the different types of housing we need for our diverse community, so that housing is available for people from a mix of cultural backgrounds, income levels, household types, lifestyles and stages of life.

The City will consult with the community and stakeholders, including the City's relevant Advisory Panels, and host public meeting(s) and/or webinars in accordance with the Engagement Approach set out in Attachment B. The feedback we receive from the discussion paper will help inform the City's next local strategic planning statement and housing strategy.

Recommendation

It is resolved that:

- (A) Council approve the Housing for All Discussion Paper, as shown at Attachment A to the subject report, for public exhibition;
- (B) Council note the public exhibition will be carried out in accordance with the Engagement Approach, as shown at Attachment B to the subject report;
- (C) authority be delegated to the Chief Executive Officer to make minor amendments to the Housing for All Discussion Paper prior to public exhibition to correct any drafting errors;
- (D) Council note the Lord Mayor has written to the NSW Premier and the Minister for Planning and Public Spaces requesting that the NSW Government does not declare any residential development as State Significant Development in areas the City is investigating for additional housing; and
- (E) Council note the Lord Mayor has written to the NSW Premier and the Minister for Planning and Public Spaces requesting that the NSW Government investigates their own sites in the local government area for more social, affordable and diverse housing.

Attachments

Attachment A. Housing for All Discussion Paper

Attachment B. Engagement Approach

Background

1. In March 2018, the NSW Government amended the Environmental Planning and Assessment Act 1979 (the Act) to embed strategic planning in the NSW planning framework. These changes require the NSW Government to prepare regional and district plans, and councils to prepare local strategic planning statements (planning statements) every 7 years.
2. In December 2025, the NSW Government published 3 strategic planning documents for public consultation:
 - (a) a discussion paper setting out a “New Approach to Strategic Planning”, that proposes: a more flexible approach to long-term planning; the removal of district plans; and, yet to be announced changes to how councils must prepare planning statements
 - (b) the draft Sydney Plan (draft Plan), that covers the 33 Local Government Areas (LGAs) that make up the Greater Sydney Region. It has a 20-year horizon (to 2045) and, once finalised in 2026, will replace the current Greater Sydney Region Plan and
 - (c) a draft Statewide Policy for Industrial Lands, that categorises all industrial and employment lands in the state and sets criteria for their long-term management.
3. The draft Plan relies on the 5-year dwelling targets set by the NSW Government for each council area in 2024, being 18,900 private dwellings to be completed (built) in the City of Sydney local area to June 2029.
4. While the City is already well placed to meet these targets as a planning and consent authority, the draft Plan sets a clear expectation that all councils should be doing everything they can to create even more opportunities for housing in their planning controls. Otherwise, they risk further NSW Government intervention to override councils' planning powers, such as expanding ad-hoc rezonings proposed under the NSW Government's Housing Delivery Authority.
5. Future growth must be accompanied by the right amount of supporting public infrastructure, such as sufficient power, water, sewer and drainage through to transport, education, medical facilities and open space. This will require investment by other levels of government to ensure liveable communities.
6. The Housing for All Discussion Paper (discussion paper) at Attachment A will guide a conversation with the community, housing providers, industry, peak bodies and government about where and how more housing can be planned in the local area. It asks:
 - (a) Where and how can we plan for more homes over time? We're asking for ideas on places that could be suitable for more homes.
 - (b) What should the NSW Government do to support more homes? We're asking for feedback on the NSW Government developing its land and delivering better transport, including metro and light rail extensions to high density communities.

- (c) How can housing better meet the diverse needs of our community? We're asking for ideas about the different types of housing we need for our diverse community, so that housing is available for people from a mix of cultural backgrounds, income levels, household types, lifestyles and stages of life.
- 7. The discussion paper will inform the preparation of a draft local strategic planning statement that is required by the Environmental Planning and Assessment Act 1979 (the Act) to be updated by February 2027, noting this timeframe is likely to change in response to the new approach to strategic planning set out by the NSW Government. A draft local housing strategy may also be prepared to support the draft planning statement.
- 8. The discussion paper responds to a Lord Mayoral Minute "Housing for All into the Future" on 15 December 2025, requesting staff "prepare a discussion paper to seek feedback on ideas and proposed changes to the Local Strategic Planning Statement (LSPS) and Housing Strategy, for Council's consideration; and as part of that work, develop an engagement plan for consultation on the discussion paper with the community, the Housing for All Advisory Panel and other relevant stakeholders."
- 9. This report recommends the public exhibition of the Housing for All Discussion Paper (discussion paper) at Attachment A and an Engagement Approach at Attachment B.

Key Implications

Strategic Alignment - Sustainable Sydney 2030-2050 Continuing the Vision

- 10. Sustainable Sydney 2030-2050 Continuing the Vision renews the communities' vision for the sustainable development of the city to 2050. It includes 10 strategic directions to guide the future of the city, as well as 10 targets against which to measure progress.
- 11. This plan is aligned with the Direction 10 - Housing for all - exploring opportunities to improve housing choice and diversity, including homes to rent and buy, at different price points and in a variety of types and tenures.

Financial Implications

- 12. While developer contributions and potential additional rate revenue may support new infrastructure as well as the maintenance of existing assets and increased service demands, they recover only a portion of Council's actual costs and often with a significant time lag. The additional infrastructure and service costs required to support potential further housing growth have not been incorporated into the City's long-term financial plan.
- 13. The costs associated with engagement and public consultation will be met from current budget allowances.

Risks

14. The discussion paper provides an opportunity to test new planning approaches with stakeholders. It does not commit Council to a course of action.
15. Seeking feedback through the discussion paper is within the risk appetite for reputation and image, as consultation with the community ahead of significant change is encouraged in accordance with 'Our approach to engaging the community'.
16. The public exhibition of the discussion paper aligns with the City's minimal tolerance for non-compliance with legal or regulatory requirements. It will support the timely preparation of the local strategic planning statement, which is required by the Act to be updated at least every 7 years.

Relevant Legislation

17. Environmental Planning and Assessment Act 1979.

Public Consultation

18. If approved, the discussion paper will be exhibited for at least 42 days. The Engagement approach – Housing discussion paper at Attachment B sets out approaches to collect feedback from the community, industry and government and includes:
 - (a) Sydney Your Say web page
 - (b) online and in-person feedback opportunities
 - (c) public meeting(s) and/or webinars
 - (d) posters at community centres
 - (e) media and marketing campaign to support the consultation
 - (f) City of Sydney advisory panel briefings, including the Design Advisory Panel and the Housing for All Advisory Panel.

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