



SUPPLEMENTARY BUSINESS PAPER

(Late Item Memo – Item 8)

GENERAL MEETING

**Wednesday 8 July 2020
at 6:30PM**



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ITEM 8 **PL15/20 - Local Housing Strategy***Additional information with **NO CHANGE** to Recommendation*

Correspondence from the Department of Planning, Industry and Environment (DPIE) has been received concerning Council's Accelerated LEP Review program and funding agreement.

The letter (copy attached) questions Council's capacity to meet the 6-10-year housing targets set by the Greater Sydney Commission and seeks the following prior to issuing the final payment owing under the Accelerated LEP Review:

- Submission of Council's draft Local Housing Strategy by September; and
- Submission of a Planning Proposal for additional housing for gateway determination by September.

Since receipt of the letter, Council officers have clarified with DPIE's Deputy Secretary, Place and Infrastructure that:

- Council's draft Housing Strategy is being presented to Council for endorsement for exhibition at the 8 July 2020 meeting. Subject to Council endorsement, a copy will be provided to DPIE immediately after the meeting;
- As demonstrated in Council's Local Strategic Planning Statement and the draft Housing Strategy, there is no projected housing supply gap for the 6-10-year target due to the proposed development of government land at Cherrybrook Station and the Hornsby Town Centre Review which is currently underway; and
- The Planning Proposal for the Hornsby Town Centre Review will meet the requirements for the submission of a planning proposal for additional housing.

Discussions with the Deputy Secretary concluded with the agreement that, in response to the DPIE letter, a copy of Council's draft Local Housing Strategy would be provided along with the details of the status of the Hornsby Town Centre Review and the number of dwellings anticipated.

Separately, since the finalisation of the business paper, a typographic error has been found in the table on page 4 of Directors Report PL15/20. The medium-term housing target (indicative draft) range should read 3,800 – 4,200 dwellings, as per the table on page 9 of the draft Housing Strategy which is attached to the report.

RECOMMENDATION

THAT:

1. The draft Hornsby Shire Housing Strategy 2020 attached to Director's Report No. PL15/20 be placed on public exhibition for a period of 28 days (subsequent to the finalisation of formatting and design in accordance with Council's style guide).
2. A copy of the draft Strategy be provided to the Department of Planning, Industry and Environment.
3. Following exhibition, a report on submissions be presented to Council for its consideration.

KATHERINE VICKERY
Manager - Strategic Landuse Planning
Planning and Compliance Division

JAMES FARRINGTON
Director - Planning and Compliance
Planning and Compliance Division

Attachments:

1.  Letter from DPIE

File Reference: F2020/00096
Document Number: D07947999



Planning,
Industry &
Environment

IRF20/2398

Mr Steven Head
General Manager
Hornsby Shire Council

Via email: shead@hornsby.nsw.gov.au


Dear Mr Head

I am writing to you about council's Accelerated LEP Review Program funding. Firstly, I would like to commend council for its progress in completing its Local Strategic Planning Statement (LSPS) and demonstrating that it is on track to submit its Local Environmental Plan (LEP) to the Department for finalisation by 30 June.

In its discussions with the Minister for Planning and Public Spaces regarding requests for additional time for councils funded under this program, the Department undertook a review of the progress and obligations for each of the funded councils.

Based on this review Hornsby Shire Council is tracking to complete expenditure of grant funds and submit its LEP for finalisation to the Department by 30 June. Part of this review also considered each council's performance in achieving the 6-10 year housing targets set by the Greater Sydney Commission (GSC). The review showed that Council is not tracking to meet the lower target benchmark unless there is additional capacity generated through further amendments to Hornsby LEP 2013.

As explained in the Department's letter of response to you dated 27 June 2019 (as attached), there was an expectation under the program that the preparation and completion of Council's Local Housing Strategy (LHS) should not be delayed and should inform the LSPS and a subsequent LEP amendment. This strategy is a critical next step in demonstrating how each local government area can achieve the Greater Sydney Commission's (GSC's) 6-10 year housing targets. At this time the Council's Local Housing Strategy appears to be delayed.

While Council is on track to fulfil its Milestone 5 requirement to submit its LEP to the Department and expend grant monies by 30 June as per the funding agreement, it is yet to fulfil the requirement to complete and exhibit its draft LHS.

Based on the Department's analysis identifying council is not expected to meet its 6-10 year minimum housing target and the importance of the LHS to assist in delivering this outcome, the Department will be withholding the last Milestone payment under the program until council submits its LHS by or before 30 September 2020.

The Department would also expect Council to complete and submit with the LHS a further LEP to implement the LHS. This additional LEP is to be submitted for a gateway determination with the draft LHS in September, to enable a finalised LEP to be submitted to the Department for plan making by 31 March 2021. The additional LEP must seek to address the shortage of housing supply as compared to the Greater Sydney Commissions (GSC) 6-10-year housing targets and the current housing pipeline of supply and completions.

The Department will work with Council in the preparation of a further LEP for housing, including a commitment to issue a Gateway determination for this LEP in two weeks subject to the planning proposal being considered adequate.

Should the benchmark to submit the LHS by 31 September and a commitment to enable a final LEP by March 2021 not be achieved, the Department will not provide the remaining grant funds and will instead redirect these to undertake and its other strategic planning priorities.

I have asked that Mr Chris Kennedy from the Department contact you to work with you to amend the funding agreement to reflect the above. Ms Amanda Harvey, Executive Director Local Strategies and Plan Making, will be in touch on how the Department can support Council to achieve the additional requirements for a further LEP.

Yours sincerely



Brett Whitworth
Deputy Secretary
Place and Infrastructure, Greater Sydney

19 June 2020

Attachment: DPIE Letter to Hornsby Council dated 27 June 2019



**Planning &
Environment**

IRF19/4282

Mr Dan Starreveld
Principal Strategic Planner
Hornsby Shire Council
PO Box 37
HORNSBY NSW 1630

Dear Mr Starreveld

Thank you for submitting your quarterly report as part of the Accelerated LEP Review Program. The Department has reviewed the report along with the request to vary the timing for the completion of several studies including the Hornsby Town Centre Review (HTCR) and Local Housing Strategy (LHS).

The purpose of the LHS is to determine what the housing needs (both number and diversity) are for the community over time based on an analysis of the demographics of the area (existing and future), current housing stock, capacity under existing controls for a variety of housing types and rate of take up of different housing types. While it is acknowledged that there are several matters requiring clarification this should not limit council's ability to complete the housing strategy. The analysis should then be used to inform planning for the LGA using a number of potential housing scenarios across the LGA and not just that of the Hornsby Town Centre.

Therefore, the department does not support the request to delay the completion of the strategy. This should be done in time to inform the final LSPS and subsequent planning proposal.

If you have any more questions, please contact Mr Chris Kennedy, Senior Planning Officer, Regions Coordination, at the Department of Planning, Industry and Environment on 8275 1372.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'J. Horn', with the date '27/06/2019' written below it.

Jeffrey Horn
Director, Regions Coordination

CC: Ann-Maree Caruthers, Director Parramatta