

Sydney Housing Completions Up But Much More Needed

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While it is impressive that for the year to date housing completions in the Sydney Metropolitan Area have reached record levels they are still well below what is needed says the Urban Taskforce.

"The October 12 month result for Sydney housing completions of 31,582 is the highest for some decades, however, it is still below what is required for Sydney's growth." Says Urban Taskforce CEO Chris Johnson "The government's own figures show that Sydney must average at least 36,000 new homes over the next 20 years. While the property market is booming we should be producing around 40,000 new homes per year, to offset the lean years when less housing is produced."

"Minister for Planning, Rob Stokes, refers to the housing shortfall for Sydney being approximately 100,000 homes, so to address this we need even more homes to ensure first home owners can access the property market, and provide a range of housing types at different price points for Sydney's growing population."

"While these current housing completion figures are impressive the Urban Taskforce is finding that many Sydney councils are being very slow and unresponsive in processing and approving proposed developments for a large numbers of new homes. We are receiving reports of excessively slow response times from the City of Parramatta Council, Ryde Council and Willoughby council on specific projects. Some of the slow-down in assessing development proposals may be related to the council amalgamation process, which will continue until at least September 2017, if not longer."

"The Department of Planning October update of the Housing Monitor for Metropolitan Sydney also presents the 4 year average of housing approvals and completions. A big concern is that over 4 years only 58 per cent of housing approvals have translated to actual completed homes on the ground. If these housing approvals had all been completed, then another 76,000 new homes would have been built. It is important that the NSW government examine why this shortfall is occurring. The Urban Taskforce believes that councils often add significant and onerous conditions to development approvals, including substantial levies and contributions that often make the projects financially unfeasible."

The Urban Taskforce is a property development industry group, representing Australia's most prominent property developers and equity financiers.

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