

21 April 2021

The Hon. Robert Stokes MLA  
Minister for Planning and Public Spaces  
GPO Box 5341  
SYDNEY NSW 2001

cc. Katie Stevenson Minister Stokes' CoS  
cc. Marcus Ray DPIE

Dear Minister

## **State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004 – issues and suggested improvements**

I write to raise concerns with the State Environmental Planning Policy - Housing for Seniors or People with a Disability (Housing for Seniors SEPP) and to provide some suggestions as to how the SEPP can be improved for the aims and intentions of the policy to be realised.

NSW has an ageing population that is expected to continue to increase over the next decade. By June 2021, it is estimated that around 1.9 million of the population of NSW will be aged 60 years and over. This number is expected to grow to around 2.4 million, or nearly 1 in 4 of the population of NSW by 2031.

It is imperative that the NSW Planning System facilitates the delivery of homes to accommodate the changing needs of our aging population. This need was identified in the most recent NSW Intergenerational Report:

*“Housing and infrastructure investments need to accommodate broader societal needs. For example, appropriate housing will be required for older and retired Australians wishing to downsize in their local suburb ...This will not only free up existing housing stock but also provide for the desired lifestyle changes and contribute to wellbeing.”<sup>1</sup>*

The supply of housing options for older residents is already not keeping up with demand, with “product availability” (or lack thereof) identified as “a significant impediment to seniors’ downsizing.”<sup>2</sup>

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<sup>1</sup> NSW Treasury, Budget Paper no. 5 Intergenerational Report, NSW Budget 2016-17

<sup>2</sup> Judd, B. et. Al. in Annand K, Lacey W, & Webb E. (2015) Seniors downsizing on their own terms: Overcoming planning, legal and policy impediments to the creation of alternative retirement communities. National Seniors Productive Ageing Centre

At its inception the policy (formally known as SEPP 5) was introduced to support the supply of housing to meet the growing demand from older people and people with a disability, but amendments over time have limited the commerciality of development under the SEPP.

Most recently this was evident in the Government's amending of the SEPP to exclude any land covered by the Metropolitan Rural Lands overlay. This amendment effectively enabled the prohibition of Seniors Housing from the entire Blue Mountains LGA, approximately 70% of the Hills Shire LGA as well as swathes of land across another 11 council areas.

Urban Taskforce members are reporting, particularly in the context of rising land prices and recent amendments, the Housing for Seniors SEPP is facilitating very limited opportunities for feasible development. Under the SEPP, Housing for Seniors is generally only commercially feasible in the top/luxury end of this market. Opportunities for affordable Seniors Housing in Sydney under the SEPP are virtually non-existent.

If Government is genuine about meeting the demand for affordable Seniors' Housing, policy makers should be looking for more, not less, areas and opportunities to facilitate this housing type. In this regard, the Urban Taskforce provides the following practical suggestions for consideration:

### **1. Allow Site Compatibility Certificates for Seniors Housing to be appealable**

A similar regime to what is being established for planning proposals should be applied to Site Compatibility Certificates (SCCs). The need for such a process is in recognition of the lack of exposure to, and experience in, determining SCCs by Regional Planning Panels. The capacity to appeal a decision on a SCC would allow for the strategic consideration of the merits of an application in the context of the aims of the SEPP.

### **2. Rationalise the SCC process**

The unfortunate reality of current processes and practices by Regional Planning Panels is that the SCC application requirements and process for Housing for Seniors, mirrors that of the development application. Not only is this a duplication of process, but it also goes against the original intent of the SCC - to determine whether a proposed development site is generally suitable with the surrounding land uses.

Further, Regional Planning Panels are considering the merits of the development on two separate occasions. An application for Seniors Housing should only go before the Regional Planning Panel once.

### **3. Review and remove unnecessary prohibitions and restrictions**

Currently Housing for Seniors is not only effectively prohibited on land affected by the Metropolitan Land Rural Overlay, but also prohibited in entire catchment areas. For example, in the Wollondilly LGA and sections of the Southern Highlands – the SEPP does not apply due to being in a water catchment area. This is far too broad and excludes entire areas that are not at risk of flooding or materially impacting water quality. Further, Urban Taskforce members advise that it is these types of areas to which there is a demand for older people seeking an affordable lifestyle change.

### **4. Broadly free-up provisions and increase incentives**

In the recently exhibited Exhibition of Intended Effect for the Housing Diversity SEPP, the Government appeared to be open to further exploration of the “Vertical Villages” provision of the SEPP. Urban Taskforce members report that the current incentives are commercially insufficient on the types of sites to which the incentives were intended. Current incentives should be increased, and additional incentives explored, so as to allow the industry to deliver seniors housing on well-located infill sites. This would allow for inner urban areas to also remain an option for older people to down-size.

Further, the permissibility of seniors housing should be automatically mandated (i.e., not requiring a SCC) to R2 Residential where it immediately adjoins sites zoned SP2 – Infrastructure, particularly those hosting schools or hospitals. Seniors housing next to schools and hospitals recognises many of these sites’ accessibility to transport and other local infrastructure and services, as well as a range of health and well-being co-location opportunities.

Additionally, the Greater Sydney Commission’s review of the “retain and manage” advice for industrial land should consider whether these sites are appropriate for accommodating seniors housing as part of a mixed use development.

I look forward to your response. The Urban Taskforce is keen to work with Government in identifying further opportunities to meet the housing needs of our growing and changing population. Please feel free to call me any time to discuss these suggestions.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Tom Forrest', written in a cursive style.

**Tom Forrest**  
Chief Executive Officer