

## MEDIA RELEASE

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### **Housing Design Survey misses the key point – the impact on price!**

Urban Taskforce today questioned the purpose of a new survey which purports to inform the final design of a new “Design and Place” State Environmental Planning Policy (SEPP).

The early work on this new SEPP completely failed to consider the additional costs associated with its new guidelines. This drew unanimous condemnation from all peak industry groups.

As a result of the universal industry condemnation of the first “exposure draft” of the new SEPP, the Minister instructed the Department of Planning to undertake a feasibility analysis (regulatory impact statement including an analysis of the costs associated with the new rules). Deloitte has been appointed to undertake this work. Urban Taskforce has participated in working groups which are only now examining the cost and yield impact of the changes.

Urban Taskforce is disappointed that the new survey is utopian in its aspiration. The survey seeks the views of recipients on the design of their home, the attributes of their home and the character of their neighbourhood. But all of this is done without any real focus on the cost of change, the price of the improvements.

Urban Taskforce calls on the Government to ensure that those who are currently frozen out of the housing market are included in this survey and that affordability is prominent in that discussion. Urban Taskforce called for the survey to include explicit questions of affordability and housing.

When choosing a home to live in, the reality is that the vast majority of new home buyers start from the position of “what can I afford”. Choices of location, housing type, design, size, amenity (local parks, public transport, access to schools and health care, views, access to neighbourhood centres, green space etc) all have an impact on price. The best and brightest of our young are being pushed out of the housing market of Greater Sydney.

The survey as it stands is virtually a push-poll. If you ask people if they would prefer a Toyota Yaris or a BMW M3, without any reference to price, the answer will not be surprising.

Decisions on the size of a new apartment will be weighed up against the price and the location.

If price is not at the front of mind, it is easy to develop a SEPP which ignores the impact on affordability. This is what happened with the first round of the SEPP which so roundly condemned.

Before you ask about people’s preference for design, tell them the price change that will result.

There is a housing supply and affordability crisis in NSW. Surely any new SEPP must consider the impact on price as a core part of the process?

The comments above can be attributed to Tom Forrest, CEO, Urban Taskforce.

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

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