



Urban Living Network covers news about new homes and apartment developments, retail trends, job locations, density related to railway stations, urban projects on city fringes, strata and planning reforms. We aim to provide real data on trends, housing supply and demographic change. ULN is essential reading for all those involved in urban living including politicians, councils, planners, architects, developers, financiers, legal firms, real estate agents and strata bodies.

**Tom Forrest**  
CEO - Urban Taskforce Australia

2 SEPTEMBER 2022

### Special Jobs Summit edition



Today the Home Affairs Minister, Clare O’Neil announced that the Federal Government would increase the number of permanent skilled migrants allowed into Australia will be lifted to 195,000.

This is great news for the economy and for the property construction sector – provided, that is, the

Commonwealth and States do something about cutting the red tape in the planning sector and support the housing growth necessary to house the influx of new immigrants.

In further welcome news, the Minister announced the extension of post study work rights for foreign graduates of Australian Universities by 2 years in areas of skill shortages.

The early signs are that the Urban Taskforce message has sunk through to the Commonwealth – but time will tell.

Both the Prime Minister and the Treasurer this morning acknowledged the links between housing and immigration.

### **ABC Interview with the Prime Minister**

*EPSTEIN: Can I just ask about, if you're doing better and bringing more people in? Where are they going to live? We've got to rent crisis already, if you do have more people coming, and I think a lot of people do appreciate and love having more people from overseas, but people can't afford to rent already. How do you fix that?*

*PRIME MINISTER: Well, you fix that by addressing the issue of housing supply and access. And that's part of the agenda as well. **One of the things I raised with the state premiers and have agreed to yesterday, is work to be done with the housing supply and affordability council that will establish looking at planning regs** looking as well, of how we mobilise funds. That's been part of the discourse that's occurred, not just at the summit, but in the lead up to the summit as well, is ways in which we can get superannuation funds to invest in housing supply, because superannuation funds, of course, look for a secure investment. They look for long term investment and housing is ideally suited to that.*

*Excerpt of transcript, ABC News Breakfast, Friday 2 September*

### **Comments of Jim Chalmers, Treasurer**

Treasurer Jim Chalmers also stated that the Federal Government will soon act on housing supply when commenting on this morning's announcement regarding the higher skilled migrant intake. Quoted in the SMH on-line, he said:

*"We've got labour and skill shortages right around Australia and we can't ignore them. But not in isolation from housing, and not as a substitute for training or for getting more people participating in the workforce".*

Later in the afternoon, Treasurer Jim Chalmers announced new measures to attract private finance and super fund input into a funding pool to support the delivery of affordable housing. Treasurer Chalmers said:

*"We will make it possible for \$575 million dollars in the national housing infrastructure facility to invest in affordable housing by attracting financing from super funds and other sources of private capital."*

But the heavy lifting on housing supply will always be done by the private sector and this requires the active buy-in from the States, a focus on cutting red tape in the delivery of planning approvals, and making housing supply the number one priority.

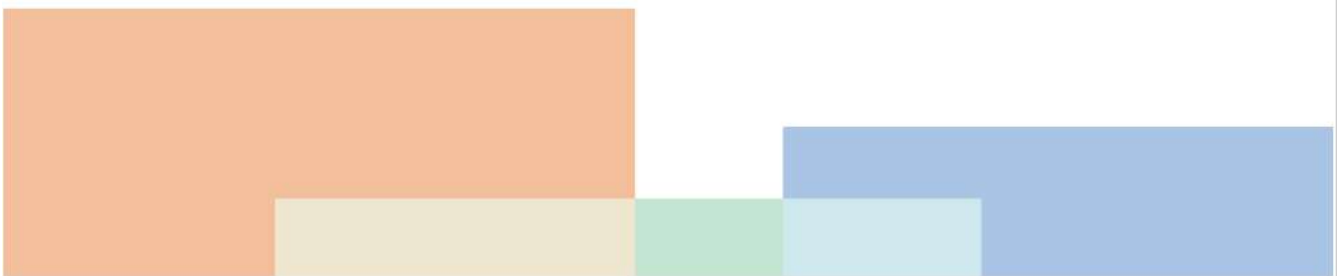
To read the Outcomes document from the Summit, [click here](#)



# Jobs + Skills Summit

## Outcomes

1–2 September



**Increased migration predicated on increased housing stock – latest ABS figures show the trend is not good**

New South Wales	Houses	Multi-Unit dwellings	Total
12 months till July 2022	29,138	24,906	54,044
12 months till July 2021	30,817	30,086	60,903
12 months till July 2020	24,049	24,449	48,498
12 months till July 2019	28,329	28,194	56,523
12 months till July 2018	30,489	41,371	71,860
12 months till July 2017	29,667	42,976	72,643
12 months till July 2016	29,267	43,998	73,265
12 months till July 2015	26,617	39,625	66,242
12 months till July 2014	23,894	31,262	55,156
12 months till July 2013	19,739	23,508	43,247

Data drawn from [Building Approvals, Australia, July 2022](#) | Australian Bureau of Statistics ([abs.gov.au](#))

The Jobs and Skills Summit consensus on increased immigration is set to be undermined by the States' failure on housing approvals and supply. Urban Taskforce Australia welcomes the national consensus supporting increased skilled and general permanent migration.

ABS data released on Tuesday reveals the other side of the coin. There must be immediate focus on planning reform to drive increased housing supply because planning approvals are in free-fall.

The biggest drop off has been in apartment approvals in NSW and this remains disastrously low.

Higher levels of immigration are required to address labour supply and skill shortages – but we will struggle if there is not the appropriate housing in the market to house these workers.

**NSW APARTMENT APPROVALS**

The NSW Government is starting to turn the planning behemoth around with \$300 million in local infrastructure funding being allocated to those Councils driving housing supply. The Accelerated Infrastructure Funding will go to the councils where 94% of the expected population growth in NSW will occur.

The Commonwealth cannot sit back and say that planning and housing are matters for the States if they want the outcomes of the Jobs summit to actually work for the Australian economy. The Commonwealth has the financial muscle to stimulate improved Council performance on housing approvals through grants to improve local amenity and deliver local infrastructure.

To read the Urban Taskforce's media release, [click here](#).

**Homelessness**

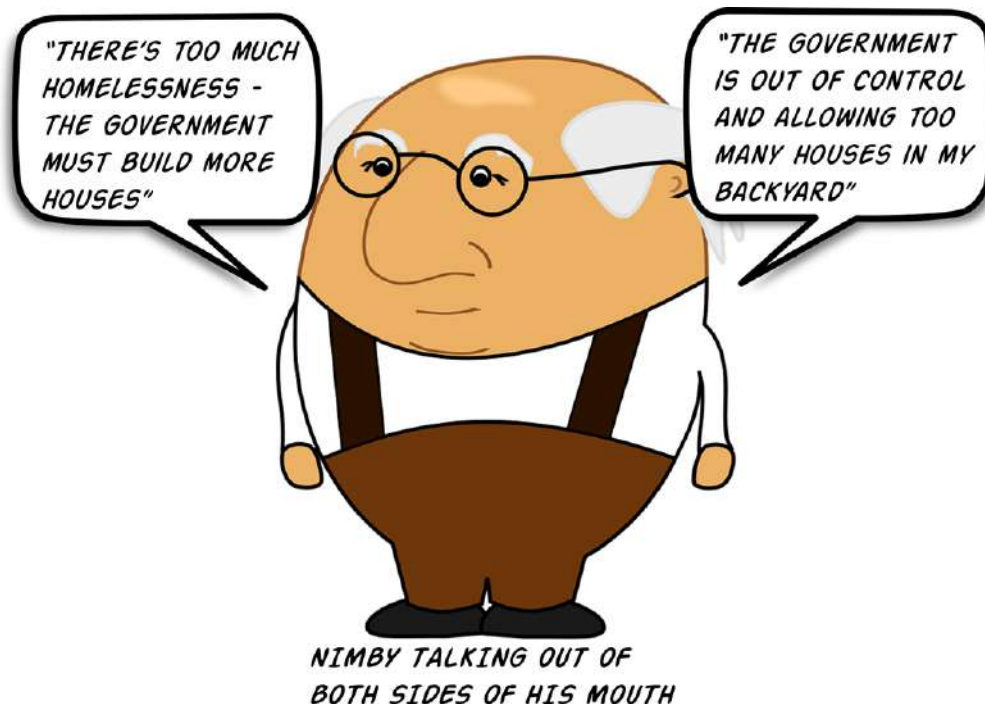
There is a spectrum of suffering as a result of the failure of the Planning system to provide for the housing needs of NSW.

Homelessness sits at the most tragic end of this spectrum. It is a blight upon any civilised society.

The traditional knee jerk reaction is to call for more money to be poured into social housing. Social housing will always be a band-aid solution – it cannot address the systemic issues in housing. Government budgets are stretched by growing demands in the health and education.

In his recent contribution to Sourceable, CEO Tom Forrest points towards strategies that could harness the energies of the private sector in addressing this growing problem in Australia.

To read Tom Forrest's article, [click here](#)

**Sustainable Buildings SEPP**

The Sustainable Buildings SEPP was notified in the Government gazette on August 29.

The new SEPP, released after the Government backed down on the disastrous Design and Place SEPP will, amongst other things, require:

### Residential

- New homes and renovations costing more than \$500,000 to meet a 7-star energy efficiency rating from October 2023. The current minimum is a at 5.5 star.
- Materials Index to calculate embodied carbon emissions of building materials - (note this is a collection of data only, not targets); and
- Updated BASIX Tool to be integrated into the Planning Portal.
- N.B. homes in the North Coast climate zones + small apartment buildings up to 5 storeys are exempt

### Non residential

- Net zero statement (large commercial and some SSD)
- Post occupancy verification of energy and offsets - (large commercial)
- Post occupancy verification of water – minimum 3-star NABERS water rating (large commercial)
- Embodied emissions reporting (all non-residential development)

The Sustainable Buildings SEPP and Regulation amendments **will commence on 1 October 2023** to give the industry and assessors a year in which to prepare.

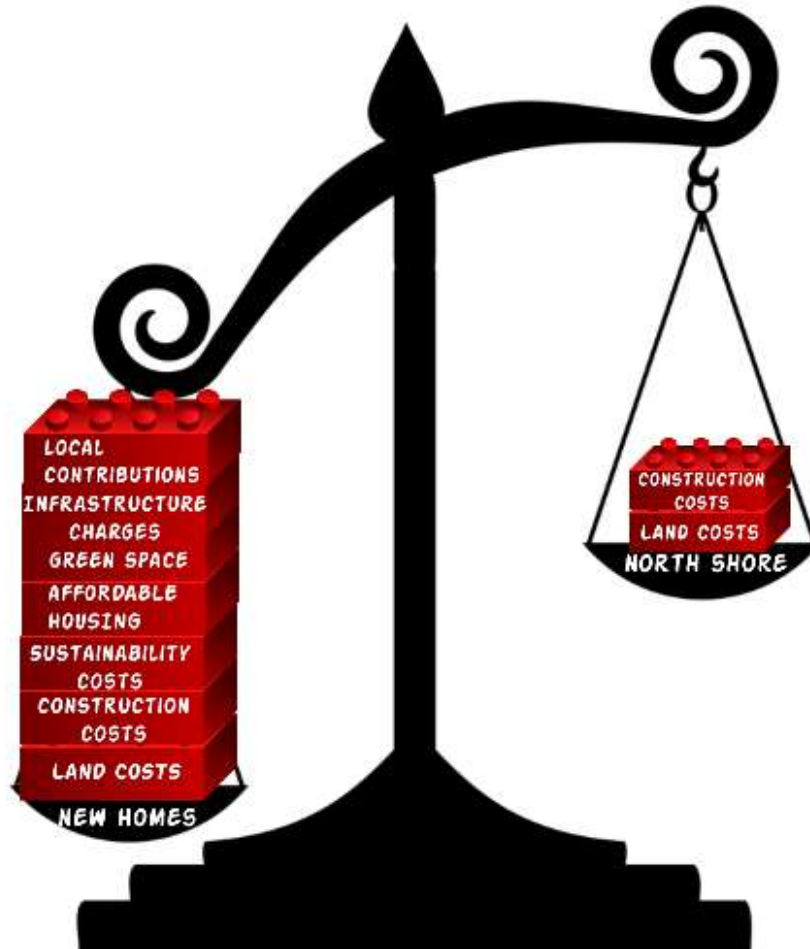
Savings and transitional provisions have been included so that the SEPP will not apply to development applications or modification applications that have already been submitted, but not yet determined by the commencement date.

The development standards within the SEPP will be reviewed in 2025 and then again, every three years.

Urban Taskforce believes the sustainability SEPP is a step in the right direction. However, this will only apply to new developments over a certain threshold. The big question is what to do with existing housing. Every household needs to play their part in addressing the challenges of a low carbon economy and net zero targets.

Once again – new homeowners are forced to step up, with additional costs, yet existing homeowners are left untouched. Just as it is with infrastructure contributions – future residents and future homeowners are left paying most of the bill.

# WHY HOME PRICES ARE SO HIGH



The Government needs to give serious attention to how retrofits are going to work. Moving towards a low carbon future needs to be responsibility of all.

For more detail on the new SEPP, [click here](#)

For an Overview of the new SEPP, [click here](#)

For FAQ's [click here](#)

The read the SEPP itself, [click here](#)

For consequential EP&A Regulation amendments, [click here](#)

## Building Ministers' meeting and outcomes

Last Friday saw the first Building Minister's Ministerial Council meeting since the change of Federal Government. NSW was represented by the new Minister for Fair Trading (which includes Building regulation and standards) Minister Victor Dominello.

The new Chair of this Ministerial Council meeting was Commonwealth Minister Ed Husic.

While some industry groups have immediately sought to lend their excited voice to support the outcomes, Urban Taskforce was, as ever, determined to drill down and understand all the implications for our members.

We are pleased to report the outcomes of the Building Minister's meeting is good news.

The changes to the sustainability standards (BASIC, NABERS and NatHERS) have been agreed. They will be phased in with reporting obligations (only) between now and October 2023. This will allow each State

jurisdiction to consider amendments or geo-specific adjustments to the application of the control from October 2023.

These changes will result in increased costs for many members and the beneficiaries are consumers, who will have lower costs for heating and cooling over time.

To read the communique, [click here](#)

## Urban Taskforce Conference



**HON. VICTOR DOMINELLO**  
Minister for Customer Service and Digital  
Government, Minister for Small Business,  
and Minister for Fair Trading



**DAVID CHANDLER OAM**  
NSW Building Commissioner  
Customer Service NSW

Event commences at 2pm on 16 September

Location - Heritage Ballroom, Fullerton Hotel, 1 Martin Place.

Two weeks to go!

Time is running out to get tickets to what should be an entertain and informative afternoon.

Hear directly from the Minister and the Building Commissioner as to what they see as the challenges facing the industry and how we overcome them.

There's a lot happening in this space right now.

This evening is a must for all in the industry.

To buy tickets, [click here](#)

For more information and tickets, contact Nicola at [events@urbantaskforce.com.au](mailto:events@urbantaskforce.com.au)

## Savills – Sydney New Apartment Sales – Q2 2022

Core member Savill's recently released their latest report on Sydney apartment sales.

The report shows a state of flux, with rising costs placing even more pressure on the feasibility of many projects.



**Rates achieved per square metre**

REGION	From	To
City	\$18,000	\$118,000
Eastern Suburbs	\$20,000	\$108,000
Lower North Shore	\$15,000	\$50,000
Upper North Shore	\$15,000	\$40,000
Northern Beaches	\$12,000	\$30,000
Inner West	\$12,000	\$18,000
Sutherland Shire	\$11,000	\$30,000
Greater Western Sydney	\$7,000	\$14,000

Source Savills Research, CoreLogic

*"While the revenue of many will be tested and balance sheets stretched, this moment in the cycle will highlight the better capitalised projects and teams from the rest, creating an opportunity for Tier 1 developers to outperform over the longer term with a stronger pipeline of feasible projects as we work through the current reset."*

Savills, August 2022

The full report can be read [here](#).

Urban Taskforce will be holding a Market Update from Savills on Thursday 8 September for core members.

Please contact Nicola at [events@urbantaskforce.com.au](mailto:events@urbantaskforce.com.au)

**DPE updates****(a) Planning Panel reforms**

DPE has briefed Urban Taskforce on planning panel reforms. The Minister is looking at reforms to the appointments to Local Planning Panels and Regional Planning Panels

Reform options include increasing the numbers on the panels, and well as increasing the randomness of experts appointed to sit on particular panels.

The Department is also exploring options to provide opportunities for proponents to have briefing sessions with panels in an information sharing exercise, subject to such briefings being appropriately minuted.

**(b) Clause 4.6 Standard Instrument Principle Local Environment Plan**

Clause 4.6 of an LEP is intended to provide flexibility to the consent authority to approve a development which exceeds a development standard.

Urban Taskforce has raised concerns with DPE over the actions of some Councils to effectively switch off the clause to force planning proposals.

**DPE expects a discussion paper to be released in the next few months as an attempt to bring back the traditional interpretation of Clause 4.6.**

There needs to be clear principles established to set out situations where Councils can exclude Clause 4.6.

Otherwise, we simply build in more uncertainty, costs and delay into an already faltering planning system.

Urban Taskforce will continue to push this issue in order to retain flexibility and ensure recalcitrant Councils do not misuse their powers.



## Urban Taskforce in the news

### Channel 9 news - Soulless North Sydney CBD

Channel 9 sought out the views of the Urban Taskforce on the North Sydney CBD. Unless there is a residential heart in the CBD, it will continue to be a soulless windswept centre which is dead after 5pm and through the weekend.

The North Sydney CBD needs people for it to come alive. Those people need to be there all the time – not just during office hours. That's why mixed-use development works. Just look at the contrast between the vitality of Central Park precinct and North Sydney at 10pm on a Friday night!

To watch the interview with CEO of Urban Taskforce, Tom Forrest [click here](#)

### Apartment construction figures dive on eve of Job Summit

The Urban Developer covers the reaction, including Urban Taskforce's, to an alarming collapse in apartment builds across the nation in July. We need migration to boost productivity, but this workforce will be largely looking to apartments for accommodation.

[Click here](#) to read more

### Urban Taskforce backs NSW Building Commissioner David Chandler

While others were relatively quiet, Urban Taskforce publicly backed David Chandler when he resigned and called on the NSW Government to do everything it could to retain David Chandler.

Sourceable covers the reaction of stakeholders, including Urban Taskforce.

To read more, [click here](#)

***"...Urban Taskforce has consistently supported the work and professionalism of David Chandler..."***

### Sustainable Buildings SEPP

2SM and syndicated across regional radio stations covered Urban Taskforce's reaction to the Sustainable Buildings SEPP

*Government has announced plans which would require new homes to meet a seven-star efficiency rating from October next year. Renovations over \$50,000 will also need to reach the target.*

***But Urban Taskforce CEO Tom Forrest says it could drive up prices..."***

***"... It's all very well to say that things will be more sustainable and there'll be savings going forward, but it means upfront costs will increase for housing supply and that will be borne by the consumers."***

***"Now we don't want a situation where this stifles housing supply and ironically, forces people to stay in less sustainable dwellings for longer periods of time..."***

**– 2SM transcript from Afternoons with Brent Buttitude – Monday 29 August**

## Council Watch



### Mosman Council

Members will be interested, particularly in light of the bad news from the ABS on apartment approvals, to read following analysis on Mosman Council's DA Assessment and Approval of Medium Density DA's, over the past 3 years. The devil is in the detail....

Some of the key findings include:

- Over the past 3 years there have been 14 determinations for apartment buildings in the Mosman LGA
- Of the 14 determinations, 8 have been refused by Council and a further 5 have been lodged with the L&E Court under a Deemed Refusal (6 have actually been lodged, however one of these was subsequently refused by Council), i.e. 13 of the above 14 applications have been lodged with the L&E Court
- Of the 13 applications made to the L&E Court, not a single case was dismissed by the Court i.e. every DA was either approved by the Court, or by way of s.34 conference
- The average approval time for developments that were determined by Council, before being lodged with the L & E Court was 481 days
- For determined applications that were lodged with the L&E Court under a Deemed Refusal, the average approval time decreased to 341 days
- On average, it has taken applications that have not been lodged with the L&E Court over 40% longer to obtain an approval, compared to the applications that have been lodged with the L&E Court under a Deemed Refusal

Council's track record of being unwilling to approve any residential flat buildings based on the first development application, without having to go to the Land & Environment Court, has resulted in a significant strangle hold on new apartments approvals, with an average of only 25 dwellings being determined each year over the last three years, in an LGA of 28,329 people, where 34.9% of residents are over the age of 55.

This choke point in the local housing supply comes at a time where there is a substantial increase in demand from local residents for age appropriate downsizer apartments, that will allow local residents to age in place. Mosman Council's actions are diametrically opposed to the wants and needs of their residents.

The submission of DA's for only 25 apartments per year further supports recent comments by the Urban Taskforce that the Lower North Shore is not pulling its weight in providing for the future housing needs of NSW.

### North Sydney Council - Holt St Cremorne

In this long running saga, North Sydney Council, after initially slapping an Interim Heritage Order on 2 houses .... then its Order being thrown out of the Land and Environment Court, .... then appealing the judgement....

Now we are informed that Council has discontinued their Appeal a few days after a meeting between Council and the developer Helm. Their appeal rights ended last Friday.

Helm are hopeful of receiving DA approval by the end of the month.

### Inner West Council

Last week we reported Inner West Council had identified three areas that could accommodate additional housing – one of which was Dulwich Station and surrounds. This precinct is service by light rail and heavy rail which will be converted to metro – 14 minutes from the CBD and a train every 4 hours.

Similar moves are afoot in Marrickville South which is again the site of a new metro station development.

Like Pavlov's dog, we hear the local Greens are predictably beating the drums of self interested protest. They love the transport options, but don't want to share it with anyone.

The property sector hopes that common sense prevails and that other Councillors stand up to the blatant NIMBYism of the Greens Party.

## Members News

# URBAN TASKFORCE MEMBER NEWS

.... **Richard Scheinberg** is understood to be behind developer Mogul Stud, whose \$52-million commercial office building calls for three floors of office space, a gymnasium and a childcare centre on Mount Carmel Drive, Box Hill... [Read more](#).... - The Urban Developer, August 29

... **Lendlease's** \$1.2 billion office tower above the Victoria Cross metro station will set a high bar for the revival of the North Sydney precinct... [Read more](#)... - SMH, August 29

"....To be known as **Toga Central**, the development will include a 45-storey hotel and office tower above the former Parcels Post building, "stitching together the site's significant historic character with its wider, future-focused precinct"... [Read more](#) - ArchitectureAU, August 30

10/24/22, 1:54 PM

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