



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

7 OCTOBER 2022

Spring heralds green shoots on housing supply



Urban Taskforce, this week, welcomed the latest new home planning approvals which showed strong growth in the month of August.

This is the best performance from the NSW planning system since October 2021.

The growth has come through a massive (and much needed) increase in apartment approvals (Multi-unit dwellings). This is great news for first home buyers in NSW.

Last 12 months in NSW - month by month approvals data			
	Multi-Unit Dwellings	Houses	Total
Aug-22	3,511	2,545	6,056
Jul-22	1,265	2,285	3,550
Jun-22	2,004	2,416	4,420
May-22	2,143	2,188	4,331
Apr-22	1,801	2,435	4,236
Mar-22	1,739	2,485	4,224
Feb-22	2,401	2,577	4,978
Jan-22	1,760	2,054	3,814
Dec-21	2,380	2,453	4,833
Nov-21	1,129	2,556	3,685
Oct-21	2,072	2,479	4,551
Sep-21	4,078	2,440	6,518

Source: ABS Seasonally adjusted data ID A418514J; A422172W Published 4 October 2022

The data above shows a very promising result for new home approvals in the month of August (highlighted in yellow).

However, the annual numbers across NSW for the 12 months to the end of August 2022 remain stubbornly low at just 55,196. Further, the August result followed a very poor month of July where only 3,550 new homes were approved.

To meet demand, the total number of approvals for new homes in NSW needs to be between 75,000 and 80,000 a year.

The data below shows that approvals for September and beyond will need keep the performance up or improve further if we are going to make up for the deficit in housing supply as well as meet demand from new immigrants arriving in Australia.

NSW Approvals	Total - all home types
12 months till Aug 2022	55,196
12 months till Aug 2021	62,490
12 months till Aug 2020	47,804
12 months till Aug 2019	55,545
12 months till Aug 2018	70,639
12 months till Aug 2017	70,616
12 months till Aug 2016	76,436
12 months till Aug 2015	66,744
12 months till Aug 2014	55,933
12 months till Aug 2013	44,595

At the recent Jobs and Skills Summit in Canberra, the federal government increased the annual permanent

migration intake from 160,000 to 195,000 and beyond that expand those numbers, as well as promote the return of temporary visas and foreign students. This influx of population growth will require housing and it takes approvals and time to deliver significant additional housing numbers.

We are still a long way behind, and a lot of work still needs to be done, but credit where credit is due – August was a good result.

The NSW Minister for Planning and Homes, Anthony Roberts, deserves high praise for his focus and commitment on housing supply and improving the performance of the planning system. Praise also for the DPE leadership team who have supported this change and are now delivering the beginnings of much needed focus on housing supply after years going backwards under previous public service and political leadership.

This is the first good news for housing supply in 12 months. The key now is to build positive momentum in the planning system to give millennials and key workers some hope of getting a foot on the home ownership ladder.

[Click here](#) to read the latest ABS Approvals data.

Government lists Warragamba Dam as Critical Infrastructure



Image: Water NSW

The proposal to raise the Warragamba Dam wall by 14 metres has been declared Critical State Significant Infrastructure (CSSI), as the Government has deemed the project “essential to NSW for economic and social reasons”.

In announcing the decision, Premier Dominic Perrottet said the proposal to raise the Dam wall would save lives, save properties and would help future-proof Western Sydney from flood risks.

The decision represents a repudiation of the one made in 2021 by former Planning Minister Rob Stokes when he declined to make the project a Critical State Significant Infrastructure (CSSI) project. Ironic ... given that for now at least, he's the Minister for Infrastructure (last week Rob Stokes announced his intention not to recontest the seat of Pittwater at the March 2023 State election).

The Government has said that raising the dam wall is now urgent following four major flood events in the catchment within the last 18 months and the recommendations of the 2022 Independent Flood Inquiry.

Now that the Minister who oversaw:

- The collapse in housing approvals,
- The crisis in housing supply
- The dramatic rise in housing prices, and
- The effecting blocking of the raising of the dam wall

... is leaving NSW politics, let's hope that DPE and the Government get on with the delivery of housing supply a bit faster, lest housing supply also become "critical infrastructure"!

Urban Taskforce welcomes the decision taken by Premier Perrottet, Minister Roberts and Minister Andrews. The resolution of the raising of the dam wall is good for supporting safe, flood free housing supply, safe evacuation and natural hazard resilience. The CSSI designation provides planning certainty.

The focus now needs to be getting on with the job recommended by the Flood Inquiry of determining where it is safe and appropriate to develop areas for new housing given the impact of climate change and the recent experience of flooding.

Determining where it is safe to develop (areas that have not been impacted by the recent flood events) is urgent given the housing supply crisis. Getting the State and local government authorities to prioritise these areas, along with other flood free greenfield locations must also be done.

Urban Taskforce notes the need for Legislation to be passed in the Parliament for the Flood Reconstruction Authority and we strongly urge all political parties to support its passage.

Disappointingly, the New South Wales Opposition has pledged to oppose the raising of the dam wall if elected next year.

[Click here](#) to read the Government media release announcing the decision

[Click here](#) to read the Urban Taskforce submission to the Independent Inquiry into the NSW Flood Inquiry

NHFIC cost inflation report

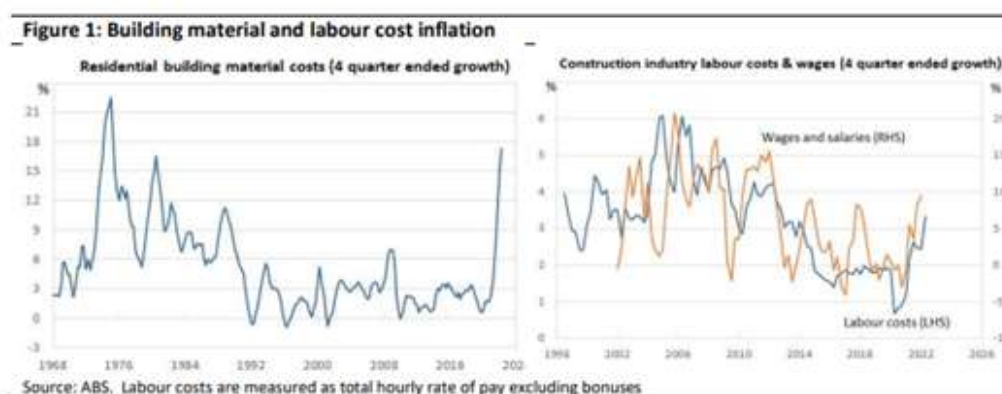


Image: NHFIC.

The latest publication from the National Housing Finance and Investment Corporation (NHFIC) reports that building material and labour cost inflation rose at its fastest pace in nearly 50 years over the 12 months to June 2022.

The NHFIC research analyses the demand and supply-driven components of building material cost inflation.

Some of the key findings include:

- The cost of structural timber, plywood and steel reinforcement have all increased by more than 25 per cent over the past year, with some products such as structural timber rising by more than 40 per cent
- 83 per cent of all residential building material cost inflation in 2021-22 has been due to supply constraints
- Building cost inflation in the prior fiscal year was strong, but considerably less than in 2021-22, with 75 per cent of total building cost inflation in 2020-21 due to demand pressures.

In better news the NHFIC suggests that global supply chains pressures have moderated over the last six months, with supply influences on construction costs likely to ease.

However, the NHFIC reiterated the development industry's concern that increasing labour costs are emerging as the primary issue for those in construction.

[Click here](#) to read the full report

Macquarie Park's reputation as a dull business park continues - DPE Place Strategy made



Despite the language change coming from those at the very top, shifting the culture further down in the planning system is as hard as turning around a truck on a mountain lane. The latest example of this is in the making of the Macquarie Park Place Strategy.

DPE has finalised the Place Strategy with a stubborn focus on the area being an “innovation precinct” with little regard for the scale of residential activation needed for it to become “world-class”.

Despite the area being serviced by significant infrastructure investment, the finalised Strategy only allows for a maximum of 7,650 homes.

Despite Urban Taskforce + Industry pleas for vision and mixed used development, the final strategy fails to realise the one-off opportunity to create a truly activated and vibrant mixed use precinct. A more flexible approach to land uses and, in particular, greater opportunities for residential may have meant that the precinct could turn itself around from having the character of a business park deserted after 5:30pm.

The outlay and delivery of major infrastructure to the area, in the form of the Metro with the three stations that service the precinct and the M2 Hills Motorway, means that the precinct had the capacity for much more growth. Growth in housing could have gone a long way in delivering much needed new homes for the District and supporting, the otherwise recalcitrant, Ryde Council in ever meeting its GCC targets.

The finalised Place Strategy is light on detail, with DPE advising that future detailed neighbourhood master plans and future rezonings will include more specific details on height limits and open space requirements. DPE will be “partnering” with Council to prepare the neighbourhood masterplans.

In the meantime, a Ministerial Direction requires any future planning proposals for the precinct to be consistent with the place strategy and master plan.

[Click here](#) to view the final Place Strategy and supporting information.

[Click here](#) to view the Urban Taskforce submission to the draft Place Strategy.



Urban Taskforce Submission to the 2022 Commonwealth Productivity Commission – Productivity Inquiry



It's now established that housing supply is in serious crisis and this is driving down affordability. But now that the media is also paying attention to this reality, governments are focussed on what the housing crisis might mean for all Australians. The focus is two fold:

1. What are the consequences for the economic productivity of our nation?
2. What can we do about it, given the refusal of many in the planning system to acknowledge that there even is a problem?

With this in mind - Urban Taskforce welcomes the initiative of the Commonwealth Productivity Commission in examining opportunities for increases to the productivity of the nation.

The Urban Taskforce submission to the Inquiry makes 15 recommendations, focussing on the unshackling of housing supply. Our recommendations range from planning and tax system reforms to Commonwealth funding of regional infrastructure.

Urban Taskforce Australia Recommendations

1.	Urban Taskforce recommends the Commonwealth Productivity Commission notes the links between productivity, housing and Planning systems and reasserts the reform directions it recommended in its 2021 Information Paper, <i>Plan to Identify Planning and Zoning Reforms</i>
2.	Urban Taskforce recommends, that the Commonwealth Productivity Commission support the NSW Productivity Commission's recommendation for a more flexible planning approach to the use of dilapidated or under-utilised industrial lands in Sydney
3.	Urban Taskforce recommends the Commonwealth Productivity Commission should pro-actively re-affirm the work of the NSW Productivity Commission and its 2021 recommendations for boosting productivity through reform of the planning system in NSW and apply relevant lessons to other states through a pool of payments which are dependent upon achieving or over-achieving housing supply targets
4.	Urban Taskforce recommends that Commonwealth Productivity Commission, or the new National Housing Supply and Affordability Council (or an expanded NHFIC), should undertake quantitative research on the impact of regulation on housing supply in an Australian context. Reference source not found.
5.	<i>Urban Taskforce recommends that the Commonwealth lead a policy focus on Housing Supply across all market segments and actively highlight retrograde policy regulations like the current NSW regulatory prohibition of land lease developments and manufactured homes in Greater Sydney, that work against housing supply and housing affordability. The Commonwealth should actively promote and support this form of market housing solution to address the housing supply and affordability crisis</i>
6.	<i>Urban Taskforce recommends the Commonwealth establish a Local infrastructure fund (for Community, Green and Hard infrastructure) targeted at Councils to drive new housing supply above that which was planned through existing published strategies. This would (by design) result in commensurate reductions in local infrastructure fees and charges while ensuring that Councils and communities are motivated to over-achieve on housing supply and housing approvals</i>
7.	<i>Urban Taskforce recommends that the Commonwealth drive an immediate focus from the States to maximise and deliver State-led planning opportunities for new housing under current planning legislation</i>
8.	<i>Urban Taskforce recommends the Commonwealth use all means available to secure the removal of affordable housing levies and ensure Government bear the burden of regulatory failure and provide for GFA bonuses to encourage the delivery of affordable housing</i>
9.	<i>Urban Taskforce supports the Commonwealth's decision to open up access to NHFIC bond aggregator funding to the delivery of affordable housing by the private sector and encourages the Commonwealth to expand this model while working with the States to develop a fast-track planning assessment process for all development types where there is a shortage in supply which impacts on a disadvantaged group including seniors housing and housing for people with a disability</i>
10.	<i>Urban Taskforce supports the increased targets for permanent overseas immigration. Further, in light of the current shortage of housing supply across Australia, Urban Taskforce recommends that the Productivity Commission actively progress all available measures to promote housing supply in all sectors of the market</i>
11.	<i>Urban Taskforce recommends the Commonwealth amend the tax schedule to treat foreign investment in Build to Rent residential property in the same way as an investment into other classes of property where the asset is established for the purpose of deriving a long-term rental return (ie. Reduce the withholding tax rate from 30% to 15% and the tax on capital gains also be reduced from 30% to 15%)</i>
12.	<i>Urban Taskforce recommends the Commonwealth change the GST treatment of Build to Rent residential assets, NDIA compatible housing and seniors living, to allow the construction costs to be instantly off set on the provision that the asset is held for a minimum period as rent deriving asset</i>
13.	<i>Urban Taskforce recommends that the Commonwealth create a \$3Bn fund, similar to the Housing Acceleration Fund (HAF), to build regional infrastructure which directly supports regional housing supply where a shortage can be demonstrated</i>
14.	<i>The Urban Taskforce recommends that the Commonwealth government take the lead in discussions with the States to abolish Stamp Duty and replace it with a broad-based tax, which will stimulate housing market transactions and activity, and more fairly generate funds for new infrastructure that will enable growth and stimulate the economy</i>
15.	<i>The Urban Taskforce recommends the Commonwealth and States should reconsider their tax on foreign investors prepared to invest in property. This discriminatory taxation is anathema to resolving the housing supply and affordability crisis</i>

While we are disappointed that governments have had more than enough material on offer to persuade them, Urban Taskforce is hopeful that the recommendations made will be taken on by local, State and Federal Governments so that housing supply can rapidly be boosted to meet demand.

[Click here](#) to read the Urban Taskforce submission to the Inquiry in full.

[Click here](#) for more information on the 2022 Commonwealth Productivity Commission – Productivity Inquiry.

Planning in NSW – latest Mills Oakley’s advice



Urban Taskforce core member Mills Oakley this week published two new pieces of advice to help industry navigate the labyrinth that is the NSW Planning System.

[New legal test when a competitive design process is required](#)

A new court decision will make it more difficult to revise development proposals following a mandatory architectural design competition.

Click [here](#) to read the advice in full.

[New rules for development on roads, drainage reserves and other local council land](#)

Also noteworthy is the NSW Government’s publication of new rules for development on local council land. This will affect development applications that seek approval for the carrying out of work within existing public roads, drainage reserves or public reserves.

[Click here](#) to read the Mills Oakley advice on both these matters in full.

Other News

New England North West Regional Plan Made

DPE has finalised the New England North west Regional Plan.

The Plan envisages an additional 8,500 homes being needed across the Region by 2041 with the

highest numbers needed in Tamworth, Armidale and Moree.

Around 8,500 additional homes will be needed across the region from 2021 to 2041.

[Click here](#) to read the final plan.

The draft Far West Regional Plan on public exhibition

The Far West Regional Plan applies to the 8 local government areas of Balranald, Bourke, Brewarrina, Broken Hill, Central Darling, Cobar, Walgett, Wentworth and the Unincorporated Area

The first Far West Regional Plan – which looked forward to 2036– was released in 2017. The Department of Planning and Environment reviews and updates regional plans every 5 years to make sure they are relevant for the next 20 years.

For more information, to book an online consultation or to make a submission [click here](#).

Submissions can be made until **21 November 2022**.

THIS
WEEK...

Council Watch



Parramatta Council's Update on Parramatta CBD Plans

Draft City Centre Development Control Plan

This Monday (10 October 2022), Parramatta Council is considering the Draft City Centre Development Control Plan (CC DCP) which supports the City Centre LEP. The agenda relating to the Draft CC DCP can be accessed via the [link](#) (refer to Item 13.2).

City Centre LEP (previously known as the CBD Planning Proposal)

The Parramatta CBD Planning Proposal AKA the [Parramatta Local Environmental Plan 2011 \(Amendment No 56\)](#) and its [supporting maps](#) take effect on 14 October 2022.

Parramatta City Centre Local Infrastructure Contributions Plan 2022

The Parramatta City Centre Local Infrastructure Contributions Plan 2022 has been approved by Council and the Department and will also take effect on 14 October 2022.

The contribution plan will be made available on Council's website on 14th October at:

<https://www.cityofparramatta.nsw.gov.au/development/planning/development-contributions>

Parramatta North Planning Study

We understand that information will be provided by the Council on 14th

October. Urban Taskforce will update its members accordingly.

Wollongong Council's Industrial Lands Review - Business Survey

Wollongong Council is reviewing the planning controls that apply to all industrial zoned land and uses and is engaging with stakeholder about their needs and ideas for improvement.

The information Council collects from the [survey](#) will be used to inform their Industrial Lands Review.

Feedback can be given via:

- Completing the online [survey](#)
- Dropping a pin and [commenting on the map](#) of industrial precincts
- Emailing engagement@wollongong.nsw.gov.au ([External link](#))
- Phoning 02 4227 7111
- Writing to The Engagement Team, Wollongong City Council, Locked Bag 8821 WOLLONGONG DC NSW 2500

The last day for feedback is **Friday 28 October 2022**

Maitland Council exhibits draft Housing and Rural Lands Strategies

In response to growing pressures on rural lands, population growth and demographic changes in the LGA Maitland City Council has on public exhibition the:

- Draft Maitland Local Housing Strategy 2041, and
- Draft Rural Land Strategy

The draft Housing Strategy responds to the need for an additional 25,200 new dwellings between 2021 and 2041 across Maitland.

To see the summarised or full documents or to have your say, visit <https://www.maitland.nsw.gov.au/maitland-your-say/engagements/draft-maitland-rural-lands-strategy-2041>

The exhibition closes **Friday, October 28**.

Federation Council – drop-in sessions – Growth Management Strategy

Federation Council is preparing a Growth Management Strategy to plan and manage growth and development in Federation Council area over the next 25 years.

To support the strategy development, Council will be hosting a series of drop-in sessions that provide an opportunity to engage and provide feedback in the development of the Draft.

[Click here](#) for further information.

Urban Taskforce in the news

[Urban Taskforce chief executive Tom Forrest argues Double Bay is a perfect location for regeneration, 5 October 2022 – The Daily Telegraph](#)

October 5, 2022

Urban Taskforce chief executive Tom Forrest argues Double Bay is a perfect location for regeneration.

"The people of Double Bay like to compare their lifestyle with that of the Cote d'Azur, but maintain highly inefficient low-level residential development," Forrest says.

[Click here](#) to read the full article, please note – this article may be protected by a paywall

[First good news for housing supply, 4 October 2022 – Australian Property Journal](#)

October 5, 2022

"This is the first good news for housing supply in 12 months," said Tom Forrest, CEO of Urban Taskforce Australia, adding it was "great news for first home buyers in NSW". Annual numbers across the state remain low at 55,196, but August was the best performance from the NSW planning system since October 2021, Forrest said.

[Click here](#) to read the full article on the Australian Property Journal website

[West takes aim at north and east. 7 October 2022 - Mosman Daily](#)

Urban Taskforce chief executive Tom Forrest said Western Sydney was being forced to bear the brunt of the state's crippling housing shortage. "The targets reflect a bias showing all the population growth going to Western Sydney. The idea that the people of Pittwater should not have a significant increase in housing density but Blacktown and the Hills have to accommodate massive growth is unfair," he said, "You have rich NIMBY Boomers sitting on their assets saying they want to keep their area as it is. They want the most minimum development or even no development."

[Click here](#) to read the full article on the Mosman Daily

Members News

URBAN TASKFORCE MEMBER NEWS

Please note, some of the links noted in the following text may be protected by a Paywall.

Payce and Deicorp lodge plans for the first phase of their six-building, 24-storey "mega-project" ... [Read more](#)
... - *The Urban Developer*, 3rd October

DKO announces seven Associate promotions across their studios in Melbourne, Sydney and Brisbane ... [Read more](#) ... - *Architecture and Design*, 30th September

Crown Group relodges plans for its \$500-million, four towers, riverside development in Brisbane ... [Read more](#) ... - *The Urban Developer*, 4th October

Scott Carver's designs for the Australian War Memorial's New Southern shortlisted at the 2022 World Architecture Festival ... [Read more](#) - *Architecture and Design*, 4th October

*Plans designed by **FJMT** are lodged for Callista on Park - the last stage of **Sekisui House's** West Village project ... [Read more](#) ... - The Urban Developer, 5th October*

*"Fabcot, the development arm of supermarket giant **Woolworths**, has gone back to the drawing board to increase the size of their Kangaroo Point, Brisbane, mixed-use development" ... [Read more](#) ...- Urban.com.au, 5th October*

*Plans for **Capital Corporation's** Club Bondi Junction RSL revealed ... [read more](#) ... - Architecture and Design, 5th October*

*Architects appointed for **Billbergia's** new mixed-use development at Rhodes ... [read more](#) ... - Urban.com.au, 4th October*

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