

24 February 2026

Cr Dylan Parker  
Mayor  
Randwick City Council  
Administration Building & Customer Service Centre  
30 Frances Street  
RANDWICK NSW 2031

Sent to: [council@randwick.nsw.gov.au](mailto:council@randwick.nsw.gov.au)

Dear Mayor Parker

## **Co-Living Housing (Student Housing): Trends and Planning Responses in Randwick City**

Urban Taskforce Australia notes with concern the item on today's Council agenda concerning co-living housing within the LGA.

The paper submitted to Council for today's meeting appears to take a position that student housing is bad and that it will have a detrimental effect on the Randwick community in certain areas of the Randwick LGA.

Cost-effective student housing in close proximity to the University of New South Wales addresses local housing needs for a portion of the community that might otherwise compete in the open market. It creates the benefits of agglomeration where the area becomes a renown and preferred location for high quality education services as well as co-located accommodation.

Co-living and student housing are being delivered because there is a market need for it. It reduces demand for other forms of housing and helps to take pressure off rents by adding to the overall housing stock.

These housing types are not provided as an alternative to building more social housing and stopping it won't make housing more affordable.

Levies and restrictions reduce feasibility and stop projects. In short, the only reason to oppose co-living housing would be if Council doesn't like students (and there is an element in this contained in the paper).

But students coming from outside Randwick Council's borders are not an enemy of the LGA. They bring with them employment opportunities, a youthful zing and a spark of life that appears not to exist among those that prepared this report.

Students contribute significantly to the local economy, helping to improve the fortunes of local businesses and ultimately adding to Council's coffers, a fact well noted by everyone from the Prime Minister down.

The Council paper seeking to curtail co-living housing will simply distort the market and drive costs up.

It won't lead to more social housing but will increase competition for local housing.

Urban Taskforce asserts that the "very low to moderate income households, seniors and people with a disability" that Council seeks to support will be worse off, as people looking for accommodation outbid them on rental properties.

It is very near sighted to think that placing barriers in the way of co-living developments will somehow help local residents by preserving the suburbs of Randwick LGA in an anti-development time warp.

It is for this reason, and for the comments listed below, that Urban Taskforce opposes the proposals outlined in the Council paper.

## **Responses to key planning issues**

### ***Dwelling supply***

Urban Taskforce agrees with Randwick Council officers. Housing is housing.

A student who cannot get accommodation in a co-living housing facility will compete in the rental market, placing pressure on rental housing prices generally.

The fact that a bureaucrat in Canberra responsible for the Housing Accord definitions completely failed to understand the way that the housing market works should not be a reason to effectively punish LGAs that are delivering dwellings that are having a positive impact on rents and supply.

Including co-living dwellings and student accommodation in housing delivery statistics recognises the importance of these developments and the degree to which they contribute to overall housing supply.

Urban Taskforce supports Council's position on including co-living (student housing) in the LGA housing targets and believe that this recommendation should be adopted.

### ***Dwelling diversity***

Council's "diverse housing objectives" should be a guide for the LGA generally, but it makes no sense to use them to overrule market forces altogether.

Student housing is delivered close to university campuses in order to facilitate the attendance of students.

Forcing diversity in housing for its own sake ignores the market drivers in the area and seeks to preserve outdated population mixes in a planning bubble.

The areas surrounding the University of New South Wales are ideally placed to deliver housing for students, and this should not be downplayed for the sake of unrealistic objectives.

Students contribute significantly to local communities, both financially and culturally, and this should be encouraged, rather than attempting to force industry to deliver housing that is not being sought by the market.

### ***Rental affordability***

The paper states that co-living accommodation charge "premium" weekly rent per room, and that this increases rental pressure for long-term residents.

If student accommodation is satisfying student rental needs, then the competition for other rental properties is reduced. Thus, this type of accommodation assists those that Councils seek to support.

Student accommodation is not being developed as an alternative to low-cost dwellings. Stopping student housing projects won't axiomatically increase affordable housing numbers.

Co-living is meeting a market need that would otherwise be satisfied by existing rental properties, increasing rents across the board due to greater competition for a small number of dwellings.

### ***Street activation***

Council argues that commercial street frontages are being taken up by "large entry lobbies, mail rooms, management offices, waiting areas and lift access points". This point seems somewhat exaggerated.

Shops, cafes, and restaurants, will always find a home where there is demand from local residents, including students. Perhaps Council should look to support local pubs, restaurants and cafes by encouraging their own staff to frequent those locations. This might garner an improved appreciation for the positive contribution that students make to local amenity.

Contrary to the paper's assertion that students are reluctant to support café's restaurants and bars in the area, perhaps that is a sign that the entire offering in these areas as they currently exist needs a refresh – the very opposite to what is proposed. Based on detailed fieldwork undertaken by Urban Taskforce, we assert that students drink coffee, beer, wine and cocktails. They even eat!!

Discussion with developers, rather than proscriptions against student housing, would be a more effective way to achieve the active street frontages sought by Council.

### ***Amenity and internal layout***

Co-living dwellings that don't achieve the requirements of residents will not be successful. Prescribing dwelling design is nothing other than social engineering by Council staff that have long since exited the market relevant to students.

Developers that deliver these products understand their market and seek to deliver what their customers want.

### ***Design quality***

If Council is serious about affordability, adding public domain improvements – widening of footpaths, street lighting, street furniture, high quality landscaping, green infrastructure and public art – will do the opposite.

These requirements, if implemented, will increase costs, and these costs are passed on to the consumer through higher sale prices or rental rates.

If the costs are too high, the development becomes unfeasible.

### ***Transport and parking/visitor parking***

The paper appears to have been rushed in its development. There appear to be internal contradictions. Randwick LGA's DCP specifies a nil car parking requirement,

while the Housing SEPP requires co-living developments to have minimal parking provided.

At the same time, Council wants a certain level of visitor parking provided to manage on street parking.

Council's paper appears to oppose parking generally, but require it for visitors. Urban Taskforce is strongly of the view that local planning authorities should get out of the parking regulatory space. Let the market decide.

### **Community infrastructure**

Local infrastructure contributions and affordable housing contributions are costs to construction.

The proposed 5% affordable housing contribution is punitive and should be reduced in areas where it already exists. Applying an affordable housing contribution to a housing type that is, of its very nature, a more affordable type of housing is both counter intuitive and ironic.

Affordable housing levies, particularly when they are in-perpetuity and even worse when they are levied at this very high rate, serve to make housing supply unfeasible, preventing projects from going ahead.

If Council is concerned about housing for very low to moderate income households, seniors and people with a disability, adding to the cost of market housing construction through levies and charges is not the way to achieve it. They simply increase the costs for the vast majority while benefitting only a very small number.

### **Urban Taskforce Australia Response to the options**

#### **Option 1: Inclusion of student housing rooms in housing targets**

As noted above, **Urban Taskforce supports this recommendation.** All housing, including student accommodation, should be included in housing approvals statistics.

#### **Option 2: Seek exemption from the Co-Living provisions of the Housing SEPP**

It makes sense for purpose-built student accommodation to be developed around the University of New South Wales, allowing students to rent premises close to where they study.

The proposal to "exempt" land within the K2K Corridor, Randwick Junction, and WLHA from co-living provisions would therefore be counter-productive.

This quixotic effort of Council to maintain a façade of "diverse" housing in the local precinct when students are – and will continue to be – the main people seeking to live in the area, appears to be driven by a philosophical position, rather than a recognition of local need.

This will not lead to more housing for "more vulnerable members of the community", it will simply make development unfeasible.

Throwing barriers in the way of co-living developments, in the form of removed bonuses, restrictions on carparking, and requirements for minimum room sizes and

outdoor spaces, is not going to facilitate non-student housing, it will simply deter investment.

The rationale provided by Council – that students don't contribute to a cohesive community and that they are having a detrimental economic impact on local businesses – appears to suggest that increasing housing for very low to moderate income households, seniors and people with a disability will lead to an economic boom.

Clearly this is not the case, and it ignores the traditionally disproportionate contribution students have made to the patronage of cafes, restaurants, and pubs throughout the years.

By making development more difficult and costly, Council is not delivering for either its current or its future residents.

Urban Taskforce does not believe that Council should pursue this option.

### ***Option 3: Moratorium on co-living development***

In the face of a clear demand for student accommodation, Council officers appear to want to prevent it being met.

The result will be higher rents in non-student accommodation, as competition increases for existing housing.

Urban Taskforce believes that this would be a self-defeating proposal and agrees that Council should not pursue this option.

### ***Option 4: Incentivise residential flat buildings and shop top – Increased affordable housing contribution on Co-living***

Incentives are good and welcomed.

Proposals to reduce affordable housing requirements for residential developments or to offer floor space ratio and height incentives are therefore strongly supported.

Increasing affordable housing contribution rates for co-living developments would not be supported, as this will simply add to costs and threaten feasibility.

Restrictions on density and levies such as affordable housing work to disincentivise development. Initiatives to facilitate residential flat construction would go a long way to helping to improve housing supply in Randwick.

The benefit of the NSW Government's HDA is it seeks EOIs from the development community as the starting point for the process. The development sector encourages Council to seek the advice of the sector to develop an "on the ground" appreciation of project feasibility. Council should be consulting directly with those affected to identify what incentives might be needed.

### ***Option 5: DCP amendments***

Urban Taskforce does not support moves to place restrictions or design conditions on co-living developments.

These dwellings are built to service a market need, and customers will drive the design of these buildings.

Adding requirements such as bigger rooms, specific orientations, balconies, and the like will increase overall costs and reduce feasibility, without any attempt on the part of Council to determine whether these requirements are valued by the consumer.

Placing requirements for a range or room sizes to support a broader mix of occupants ignores the role of these developments in delivering housing for students.

## **Conclusion**

In this paper, Council staff have taken an actively oppositional stance to student accommodation that appears to be based more on philosophical viewpoints than on the reality of the housing crisis.

It seeks to obstruct co-living developments in the belief that this will lead to more low-cost housing for existing residents.

We assert that this is a false premise.

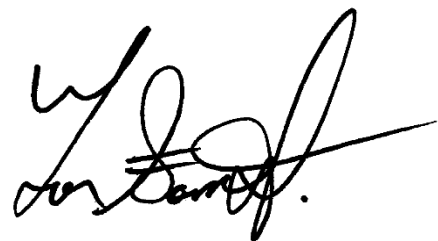
Rather than opposing or punishing those who are meeting a market need, Council should be focused on incentivising the types of developments it wants elsewhere.

This means increasing density and height limits, reducing (or preferably, removing) affordable housing levies, and reducing restrictions on what can be built and how it should be.

At the same time, the argument that student accommodation should be included in housing statistics, under the National Housing Accord, is well made.

Urban Council supports Council on this important point.

Yours sincerely

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

**Tom Forrest**  
Chief Executive Officer