

17 March 2026

Ms Soodeh Mohammadi
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Burwood Council
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Sent to: council@burwood.nsw.gov.au
cc. Tommaso.Briscese@burwood.nsw.gov.au
cc. John.faker@burwood.nsw.gov.au

Dear Ms Mohammadi

Draft Burwood Planning Agreement Policy 2025

I write to raise some concerns about the draft Planning Agreement Policy, which have been brought to my attention by Urban Taskforce Australia members.

The draft Policy details a lucrative value capture program in which Council proposes to receive either:

- 50% of any increase in residual land value; or
- \$1,795 for every additional square metre above the development standards,

from any new residential developments within its growth centres of Burwood North, Burwood Town Centre, and Strathfield Town Centre, applying whichever methodology is bound delivers higher revenue.

This is in addition to section 7.11 and 7.12 infrastructure contributions¹ and comes on top of HPC payments that must also be made to the NSW Government.

Urban Taskforce Australia members advise that this would potentially kill off many of the projects being planned for the area.

If we assume that an average apartment is 100 sqm (taking in common areas like hallways, lobbies, and facilities), developers would effectively be charged a **minimum** of \$179,500 per new apartment delivered in addition to the development standards.

If a development goes from 60 to 80 apartments, this would be shared to add \$44,875 per apartment, for all apartments sold, just for the "value capture" contribution alone. An increase from 60 apartments to 100 apartments would see the contribution (and therefore the price) for all apartments sold increase by \$71,800 each.

Elsewhere in the Burwood LGA, the policy would still be costly, equating to \$102,320 per new 100sqm apartment (\$25,580 if shared across each apartment in an 80-unit development, \$40,928 for a 100-unit development).

That cost per apartment comes **before** HPC, developer contributions, affordable housing levies, and a myriad of other statutory fees, charges, and costs, which could add another \$40-60,000 to the cost, significantly undermining affordability.

¹ "Land value capture is distinguishable from development contribution mechanisms under section 7.11 and section 7.12 of the EP&A Act", page 9.

These figures are not sustainable.

The proposed changes threaten the feasibility of new development in an area that has been earmarked by the State Government for density. They have the potential to undermine reforms for which Burwood Council has been lauded by Urban Taskforce.

They also appear to contradict some of the principles outlined in section 8 of the policy.

The likely revenue raised through value capture within this policy will clearly exceed infrastructure needs, given that most proposed projects have already been addressed within ss.7.11 and 7.12 contributions plans. This suggests that value capture is the primary purpose of the agreements.

Further, the principles state that VPA funds must be used for the purposes for which they were collected but provides only vague statements about directing funds towards public purposes and talks about pooling contributions.

While we assume that individual agreements will be more specific about the purposes of collected funds, the proposal to capture value effectively grants Council the power to charge large amounts to new developments in order to fund pet projects.

Ultimately, this policy will add to the cost of housing in Burwood and will make many development projects unfeasible.

It threatens the rezoning initiatives underway for Burwood North and raises questions about whether the 18,300 new homes predicted for the new precinct could ever be delivered.

Burwood Council has been known to always be reasonable in finding a balance between what is affordable for the developer and what is necessary in terms of providing infrastructure augmentation for the community. On this occasion, it appears that Council officers have got the balance wrong.

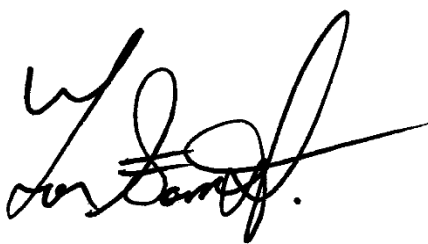
Council is, quite rightly, at the forefront of housing supply in New South Wales, and its proactive and development-friendly attitude has won it many plaudits.

This draft policy could set back urban renewal and housing affordability in Burwood by years.

Urban Taskforce Australia therefore urges Burwood Council to reconsider and scale back the value capture calculations in the draft Policy to avoid undermining development within the LGA.

Should you wish to discuss any aspect of this submission further, please contact our Policy, Planning, and Research Analyst, Paul Waterhouse, on 0411-875-366 or via email paul@urbantaskforce.com.au

Yours sincerely

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

Tom Forrest
Chief Executive Officer