

STRATEGIC PLANNING

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# Affordable Rental Housing Strategy 2025

09 December 2025

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**Name of Strategy:** Randwick Affordable Rental Housing Strategy 2025

**Adoption by Council:** 9 December 2025

**Land to which the Strategy applies:** All land within the Randwick City Council Local Government Area (LGA).

This Strategy incorporates the two Council resolutions on this matter - the Ordinary Council Meeting on 17<sup>th</sup> June 2025 and the Ordinary Council meeting on 09 December 2025.

In accordance with these resolutions:

- Annual progress reports will be prepared to monitor implementation and provide updates for Council's consideration.
- A report is to be provided to Council reviewing the strategy within 24 months of adoption.



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# 1. Executive summary

Randwick City Council has a strong and long-standing commitment to planning, advocating for, and facilitating, the delivery of affordable housing within the local government area (LGA). Council remains dedicated to supporting the growth of both affordable and social housing to meet the needs of the community. In 2008, following research and investigations into the issue of declining housing affordability, Randwick City Council adopted the “*Affordable Housing Strategy and Action Plan 2008*”, being one of only a few councils to have such a plan. Since that time Council has introduced several Affordable Housing Contribution schemes that are delivering affordable rental dwellings and monetary contributions. Council has also continued to advocate and negotiate for increased affordable housing on new major developments with residential components.

Despite the positive changes achieved locally through these efforts, housing affordability has continued to decline nationwide in the years following Council’s Affordable Housing Strategy and is now affecting a larger portion of the community.

As at the 2021 ABS Census, 6.5% (3,355) of households in Randwick City LGA had an unmet need for affordable housing.

With housing costs rising faster than wages growth, households in housing stress often have to make difficult trade-offs including reducing spending on other essential items; working longer hours and/or multiple jobs; relocating to areas further away from places of employment, family or education; relocating to smaller or substandard housing; or sharing with extended family/friends.

This Strategy reflects the vision, directions and actions of the two “Vision 2040” strategic documents endorsed by Council in 2020: the Local Strategic Planning Statement 2020 (LSPS) and the Housing Strategy 2020.

The Strategy is the cumulation of extensive research and strategic analysis of current and emerging affordable housing issues affecting Randwick City. It outlines a new affordable housing framework for Randwick City, detailing the directions and action plans to address affordable housing at the local level. It recognises the broader need for all levels of government to support and complement these efforts through appropriate policy, financial and regulatory action to address the deepening housing challenges both in the local area and Greater Sydney.

This Strategy is primarily focused on affordable rental housing, as rental housing is an immediate need that provides stability and security whilst home ownership is generally a longer-term goal for many households.

The following priorities are presented in this Strategy:

1. Accelerate the delivery and retention of quality affordable and low-cost housing through the use of planning provisions
2. Provision of affordable rental housing led or supported by Council
3. Collaboration and advocacy with key government organisations for increased provision of affordable housing
4. Review and establish processes for the ongoing management of affordable housing

Each priority contains actions to ensure deliverables are outlined to meet the objectives of the priorities. The Strategy also contains an overall target for 7.5% of all dwellings in Randwick City to be social or affordable housing by 2036. Council resolved on 09 December, to review this

target, and adopt a higher target of 10% (7.5% public and social housing & 2.5% affordable housing) if viable.

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## 2. Purpose and Context

The purpose of the Affordable Housing Strategy is to provide Council with a decision-making framework for planning and delivering affordable housing over the next 10 years. It includes a range of priorities and actions based on analysis of supply and demand challenges within the Randwick LGA. It also takes into account state and federal government initiatives aimed at addressing housing affordability.

The existing Affordable Housing Strategy and Action Plan 2008 has provided Council with a robust and effective plan to implement affordable housing initiatives as outlined in the specific tasks contained in the Action Plan. The new Strategy builds on Council's past achievements as a leader in NSW in supporting affordable housing demonstrated through:

- **Prince Henry Development Control Plan (DCP) 2004** requirement for 1% of all dwellings on site to be provided as affordable housing, through a negotiated outcome between Council and Urban Growth NSW.
- **State Environmental Planning Policy No. 70 – Affordable Housing (Revised Schemes) 2002** whereby Randwick Council was one of the first Councils to be included in the state policy for the purposes of affordable housing in 2019.

This new Strategy will also address strategic objectives outlined in Council's documents that have been implemented since the adoption of the 2008 Strategy and Action Plan. These documents include:

- **Randwick City Council Local Strategic Planning Statement (LPSP) 2020** outlines a 20-year vision for land use planning in the Randwick LGA reflecting the community's aspirations for how Randwick City should grow and evolve, focusing on livability, sustainability, productivity and infrastructure needs. In relation to housing, the LSPS prioritises diversity of housing types, addresses housing supply gaps and supports the delivery of affordable housing.
- **Randwick Housing Strategy 2020** was part of the Vision 2020 community engagement program sets a staged approach to housing growth, focusing growth in and around town and strategic centres and supports planning mechanisms that require developers to contribute to affordable housing, especially in areas where development uplift is proposed.

This Strategy also considers the objectives of state government policies including:

- **A Metropolis of Three Cities 2018** that outlines an action to prepare an 'Affordable Rental Housing Target Scheme'
- **The Eastern City District Plan 2018** that sets the future strategic direction for the Eastern City District with objectives to provide more diverse and affordable housing and prepare a Housing Strategy to inform the Affordable Rental Housing Target Schemes for development precincts.

### 2.1. Existing Affordable Housing Framework

Since 2008 three key documents have set the framework for Affordable Housing provision in Randwick City. These are outlined below along with their respective intents:

*Affordable Housing Strategy + Action Plan 2008-2018*

- Affirm Council's support in the provision of affordable housing
- Describes actions Council will implement over 10 years to realise Directions
- Provide reference about current AH issues facing Randwick LGA

#### *Affordable Rental Housing Program + Procedures 2006*

- Outlines eligibility criteria and assessment for allocation of ARH
- Establishes how Council will manage ARH properties

#### *Council's Affordable Housing Policy 2018* (originally 2006, but reviewed in 2018)

- Key policy statement and five key principles as a basis for developing an Affordable Housing Strategy

In addition to the above key documents, Council has developed the *Procedures for staff: Randwick affordable rental housing units - Transfer of ownership to Council*.

This new Strategy sits alongside two simplified, supporting guidelines:

- Randwick Affordable Rental Housing Design Requirements – an attachment to the Strategy that outlines design requirements and design expectations for affordable housing delivered by developers, community housing providers and Council; and
- Affordable and Transitional Housing Policy Guidelines – contains guidelines for Council's dwellings, owned and leased as affordable housing, including explanations of the different types of affordable housing, the management of affordable housing units, eligibility criteria, and the application process. The guidelines sit outside of the Strategy and are made publicly available on Council's website to provide guidance to community, industry stakeholder and Council Staff.

## **2.2. Why is a new strategy required?**

A new affordable rental housing strategy for Randwick City needs to reflect the various housing, demographic and policy/legislative changes since the previous Strategy was adopted. These changes include:

- Demographic trends and population growth;
- Rising housing costs;
- Introduction of new State Environmental Planning Policies, Sydney Region and District Plans;
- Adoption of Council's Local Strategic Planning Statement, Housing Strategy, Affordable Housing Contribution Plans;
- Employment growth in the Health and Education precinct and;
- Reshaped housing needs as a result of COVID-19.

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## **3. What is affordable rental housing?**

Affordable rental housing is universally recognised as housing that is reasonably priced for households on very low to moderate incomes (Table 1) and costs no more than 30% of household income. This often caters to those employed in lower paid jobs within the health care, childcare, aged care, hospitality and retail industries.

Under the NSW Affordable Housing Ministerial Guidelines rent is to be discounted by at least 20% of market rent. Typically, CHPs apply a discounted market rent of around 25%. However,

CHPs can select different approaches to setting rent for affordable housing including income-based rents and must ensure affordable outcomes for households.

In relation to income-based rents, the Ministerial Guideline’s seek to ensure households on very low and low incomes should not pay more than 25 - 30% of their gross income in rent.

To explain this further, if a typical two-bedroom apartment in Randwick rents for \$800 per week on the private market, an equivalent affordable rental property, if capped at no more than 75% of this market rate, means that eligible tenants would pay a maximum of \$600 per week. This reduction can make a significant difference for individuals and families struggling with housing affordability, ensuring they can access secure, well-located housing at a more sustainable cost. By keeping rents below market rates, affordable housing helps lower-income households avoid financial stress while remaining connected to their jobs, schools, and support networks within their local community.

Whilst capping rents at 74.9-80% may be effective for households on moderate incomes, for those on lower incomes, with Randwick City’s high land values, rent may still exceed 25-30% of household incomes. For example, for a single parent earning \$900 per week, market rent would consume nearly 80% of their income, leaving very little for essentials like food, transport, and medical expenses. With affordable housing capped at 74.9% of market rent, their rental costs would be reduced to around 58% of their income which, whilst an improvement, would likely still impact the household's ability to afford basic necessities and housing and financial security.

It is therefore recognised that capping rents at 30% of household income or 74.9% of market rent (whichever is less for the household) will ensure households can secure housing whilst meeting basic necessities. This is reflected in Council-endorsed, location-specific Affordable Housing Plans<sup>1</sup>. Figure 2 outlines scenarios of households that would be eligible for affordable housing.

**Table 1.** Household income eligibility limits for affordable rental housing in Sydney 2025/26

Household structure	Gross annual household income		
	Very low	Low	Moderate
Single adult	\$36,000	\$57,600	\$86,400
Each additional adult (18 years or over)	Add \$18,000 to the income limit	Add \$28,800 to the income limit	Add \$43,200 to the income limit
Each additional child (under 18 years)	Add \$10,800	Add \$17,300	Add \$25,900

Source: NSW Affordable Housing Ministerial Guidelines 2025/26 Income eligibility limits updated

### 3.1. Housing spectrum and why affordable housing matters?

To understand where affordable housing sits within the overall housing market, it is important to examine the relationship between the types of housing options within the housing spectrum, ranging from homelessness and crisis accommodation, social housing to affordable and private rental housing as well as affordable home ownership. A term commonly used for government led and owned housing is ‘public housing’ which refers to either social or affordable housing products delivered on government land and retained and managed by the government.

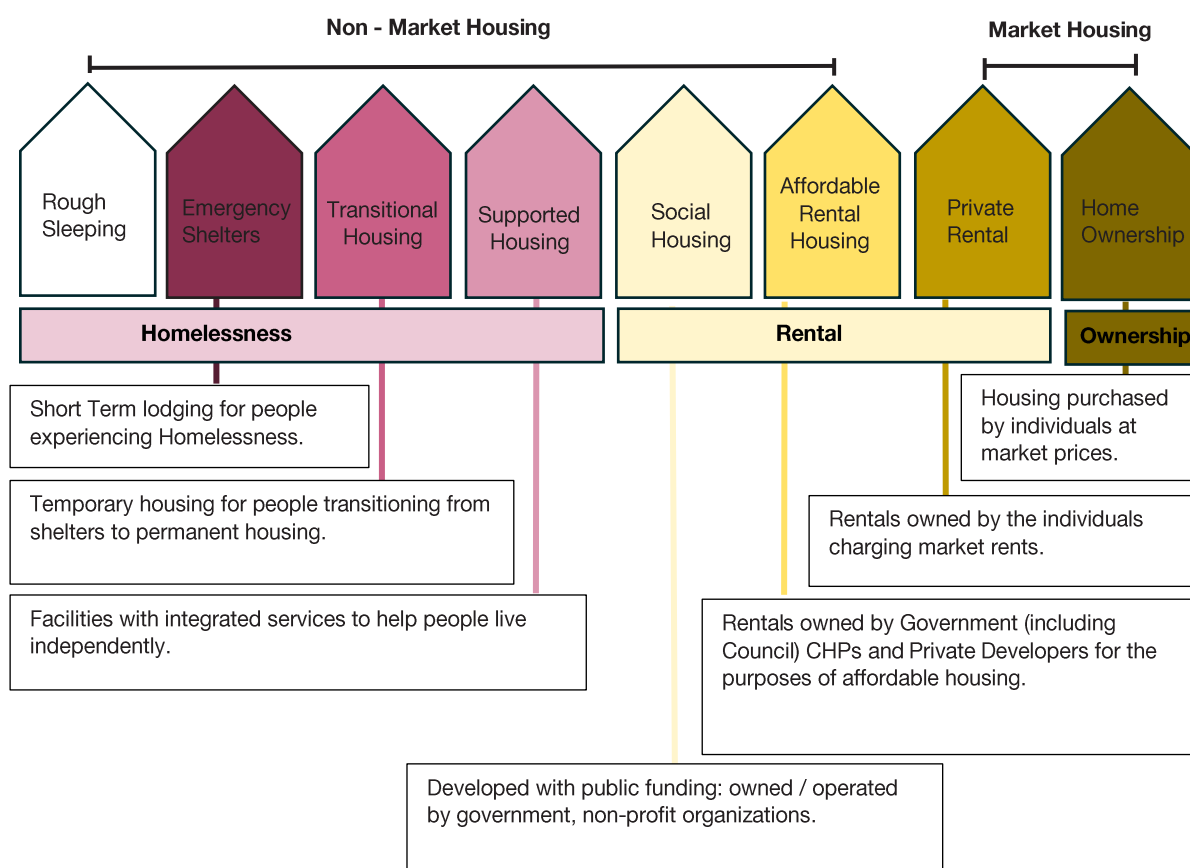
<sup>1</sup> K2K Affordable Housing Plan 2019, HIAs Affordable Housing Plan 2023, prepared by Randwick City Council

In particular, as shown in Figure 1, Social Housing and Affordable Rental Housing play an important role in providing stable accommodation for low- and moderate-income households. Social Housing, often government-subsidised, supports those in severe housing need, while Affordable Rental Housing bridges the gap between market rentals and subsidised housing. These housing solutions contribute to social inclusion, economic stability, and community resilience, ensuring equitable access to safe and secure housing options.

Social housing is typically restricted to households only on ‘very low’ incomes and those on income support, whereas further along the housing spectrum, affordable rental housing, is associated with those employed and on “very low” to “moderate” incomes.

In the past, the issue of housing affordability was often associated with very low-income and low and moderate households and those on income support. However, the current reality is that with reduced housing affordability many households on moderate-incomes and above, irrespective of whether they are looking to rent or purchase a house, find housing to be unaffordable, particularly in inner city areas such as Randwick.

**Figure 1: The housing spectrum**



Source: Adapted from Australian Government, Affordable Housing Working Group: Issues Paper by Department of Treasury 2016



### 3.2. Who is affordable housing for?

The lack of affordable housing for households can result in households having a reduced quality of life due to trade-offs that need to be made such as increased commuting distances, poor quality housing or inability to pay for essential living costs. The following scenarios provide examples of individuals and household types who would qualify for affordable rental housing in Randwick City. The scenarios consider the household's composition, income and their connection to the area.

#### Janet (37)

Janet is a teacher at Randwick Public School and is a single parent to two children aged 8 and 10. Janet's current income is \$1,837 a week. She rents a two-bedroom apartment in Randwick which is walking distance to the primary school where her two children attend.

The cost of the apartment at the market rent rate would be \$900 weekly. This would leave her and her two children \$937 per week to pay for essentials and other costs.

Janet would be eligible for affordable housing as she meets the income criteria. Her family is classified as a moderate income family.

#### Vince (29)

Vince is completing a Master Degree at the University of New South Wales. He works part-time as a youth support officer at the one of the local youth refuges. He also receives a student assistance payment from the Government. He has a weekly combined income of \$937.

Vince lives in a studio in Kingsford. He likes living there as it is close to the University and also to his work. Without affordable housing the weekly rent would cost Vince \$400. This would leave him with \$537 for other essential costs.

Vince is eligible for affordable housing as he meets the low income criteria.

#### Ben (52)

Ben has a full-time job as a labourer in Matraville. His weekly income is \$1350. Ben enjoys living close to work and his aging parents who live in Little Bay.

Ben rents a studio in Matraville where he pays \$550 a week rent. This leaves him with \$800 to spend on other essential living costs.

Ben qualifies for affordable housing as he classified as earning a moderate income.

#### Lina (71) and Graham (68)

Lina and Graham are pensioners with a combined weekly income of \$789. They have lived in Maroubra for over 30 years and have developed a strong connection to the area. Lina and Graham enjoy living in the area as their children and grandchildren also live in the Randwick Local Government Area. Lina and Graham love spending time in Heffron Park with their family and volunteer at the local library.

Lina and Graham rent a one bedroom apartment in Maroubra for \$530 a week. This leaves them \$259 per week for all remaining expenses.

Lina and Graham are eligible for affordable housing as they are classified as a very low income household.

#### Ian (41) and Elizabeth (40)

Ian and Elizabeth live with their three young children in Clovelly. The family really enjoys the local area and spends lots of time at Centennial Park, Coogee Beach and visiting other family and friends in the area.

Ian works as a part-time lecturer at the University of New South Wales and has a weekly income of \$1458. Elizabeth works as a nurse at the Sydney Children's Hospital and has a weekly income of \$1770. All three children are in high school.

Without the assistance of affordable housing, the weekly rent for their 3 bedroom apartment in would cost \$1600. This leaves them \$1628 for essentials.

Ian and Elizabeth are classified as a moderate income family and satisfy the criteria for affordable housing.

**Figure 2:** affordable housing eligibility examples

## 4. Population, housing profile and need

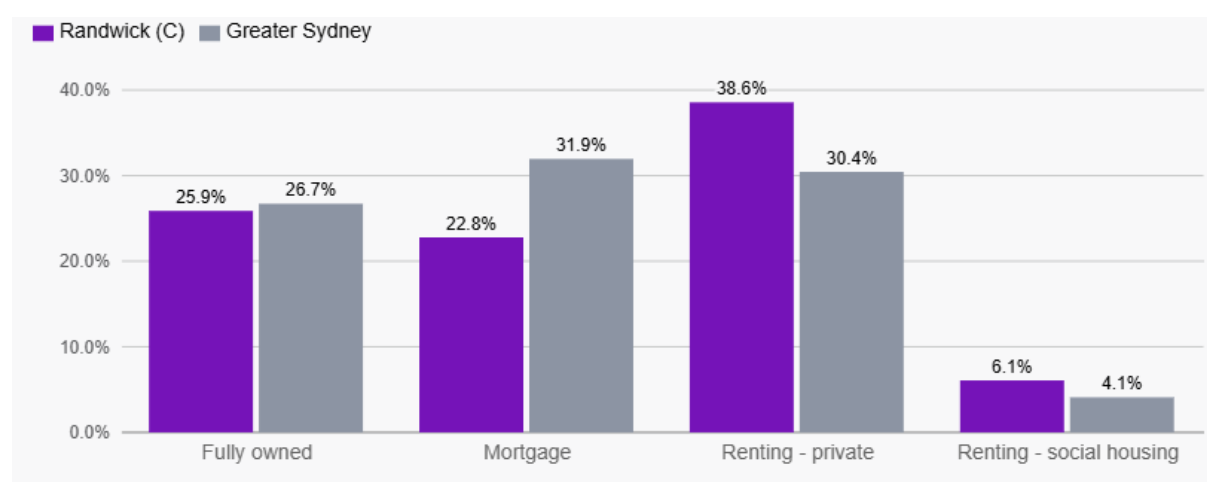
The Randwick LGA covers an area of approximately 37km<sup>2</sup>, extending from Centennial Park in the north to La Perouse in the South. The LGA has high amenity and is a sought-after place to live, with good proximity to the Sydney Central Business District, local employment opportunities and a range of excellent services and facilities. It is estimated that the Randwick LGA currently has a population of 144,598 people.<sup>2</sup> It is expected that the population will increase to 154,745 people by 2041, which represents 7% growth.<sup>3</sup>

**Table 2. Population trends**

	Land area	Population		
	km <sup>2</sup>	2021	2041	Change
<b>Randwick LGA</b>	36.3	135,219	154,745	19,566

Source: NSW Department of Planning Population Projections, 2024

At the 2021 Census, in the Randwick LGA, 48.7% of households were purchasing or fully owned their home, whilst 38.6% were renting privately, and 6.1% were in social housing (now indicated to be at 6.8%<sup>4</sup>). When benchmarked against Greater Sydney, the LGA has both higher rates of households renting privately and living in social housing with only 30% of households across Greater Sydney in private rental accommodation and 4.1% in social housing.



**Figure 3.** Tenure types in the Randwick LGA benchmarked against the tenure types for Greater Sydney based off the 2021 Census (Source: .id community, Randwick City Council Housing Monitor 2024).

Currently in the Randwick LGA there are over 4,000 social housing dwellings, representing almost to 7% of total housing dwellings within the LGA. This is above the 4% average across

<sup>2</sup> Randwick City Council community profile, .idcommunity - <https://profile.id.com.au/randwick>

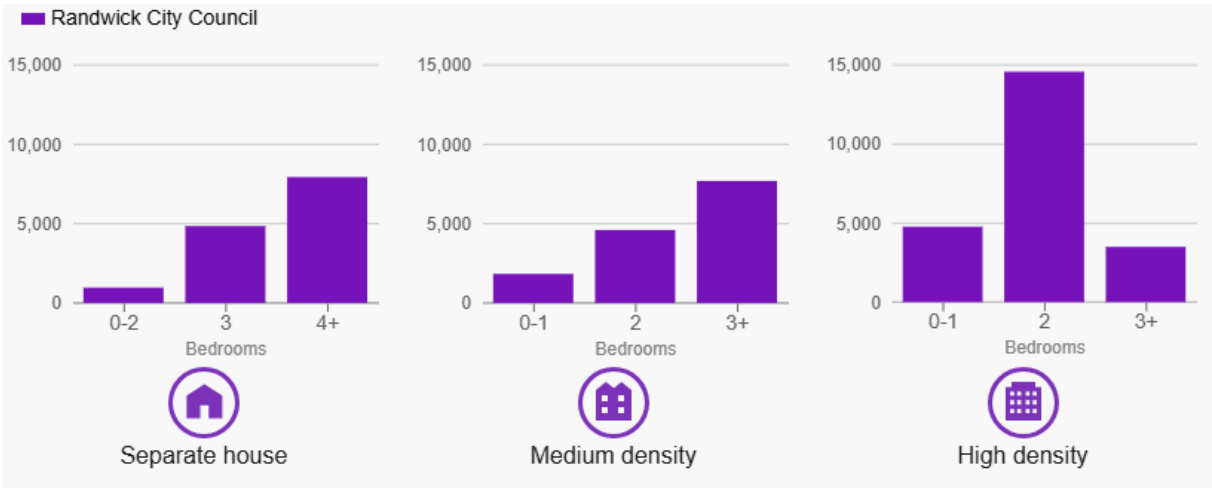
<sup>3</sup> NSW Department of Planning Population Projections, 2024 accessed 03 April 2025 <https://www.planning.nsw.gov.au/data-and-insights/population-projections/explore-the-data>

<sup>4</sup> NSW Government Local Area analysis – Randwick <https://www.nsw.gov.au/departments-and-agencies/homes-nsw/social-housing-resources/local-area-analysis-randwick>



NSW<sup>5</sup>. Of these, the majority are owned by Homes NSW and Community Housing Providers (including St George Community Housing).

As demonstrated in Figure 4, the type of housing that Randwick City residents are currently living in is quite diverse with the highest proportion of households living in 2-bedroom apartments in high density developments. The data also highlights there is a large number of households living in separate houses that are 4 bedrooms or greater as well as households in attached dwellings and low-rise apartments that are 3 bedrooms or greater.

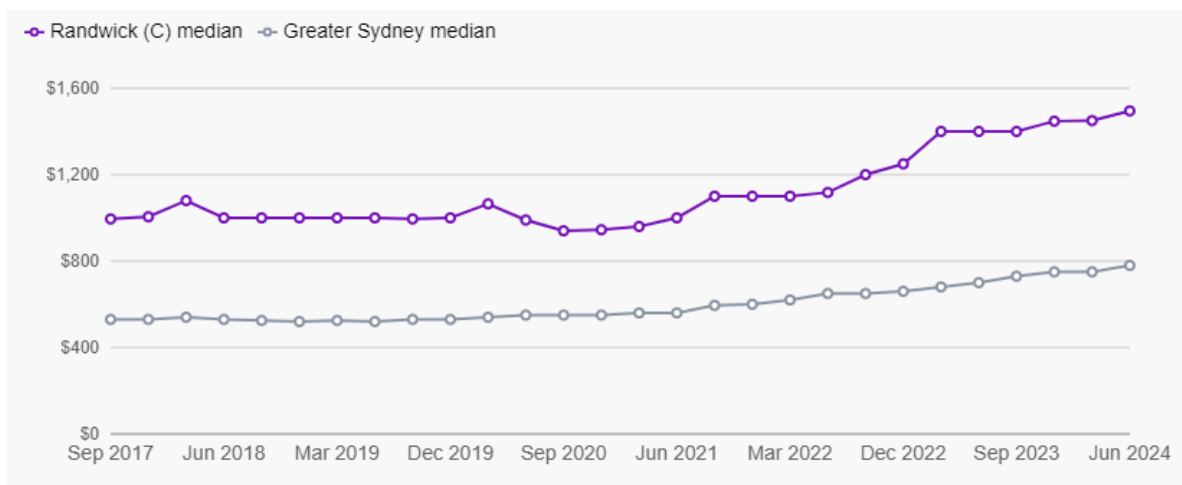


**Figure 4.** Dwelling types of households within the Randwick LGA, based on the 2021 Census data (Source: .id community, Randwick City Council Housing Monitor 2024).

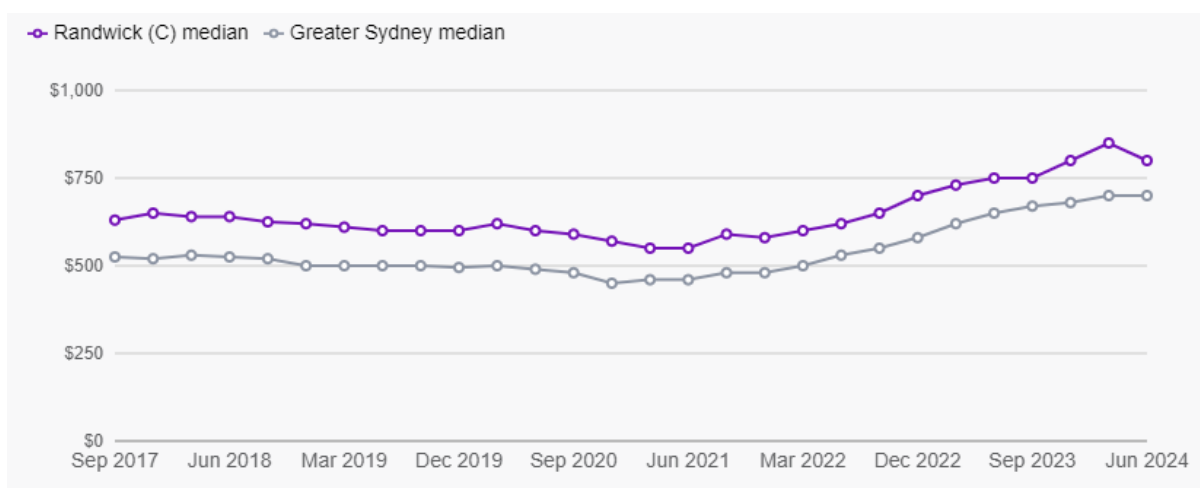
Additionally, the cost of rental housing in the LGA is also significantly higher than for the Greater Sydney, with the median rental for a house being \$1,495 per week compared with \$780 per week in Greater Sydney, and the median cost of rental for a unit being \$800 per week compared to \$700 per week across Greater Sydney. As shown in Figures 5 and 6, there has been a substantial increase in weekly rental prices in the Randwick LGA since 2021. Figure 7 indicates a relatively low vacancy rate that has steadily declined from 2.10% in September 2019 to 1.38% in June 2024<sup>6</sup>.

<sup>5</sup> Bringing affordable housing to scale, Committee for Sydney December 2022

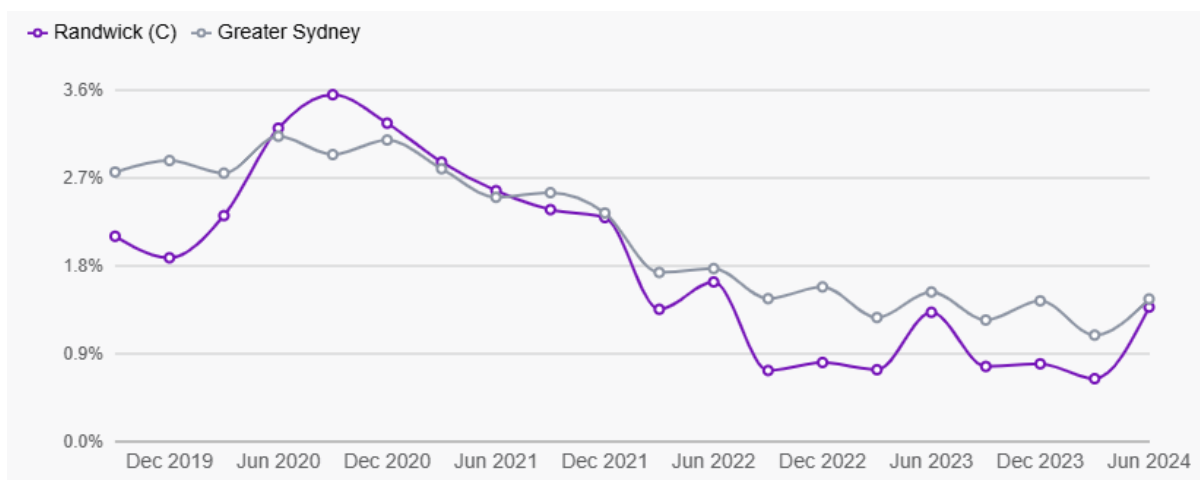
<sup>6</sup> Randwick City Council housing monitor, idcommunity



**Figure 5.** Quarterly median house rental prices in Randwick City and Greater Sydney from March 2018 to June 2024 (Source: .id community, Randwick City Council Housing Monitor 2024).



**Figure 6.** Quarterly median unit rental prices in Randwick City and Greater Sydney from March 2018 to June 2024 (Source: .id community, Randwick City Council Housing Monitor 2024).



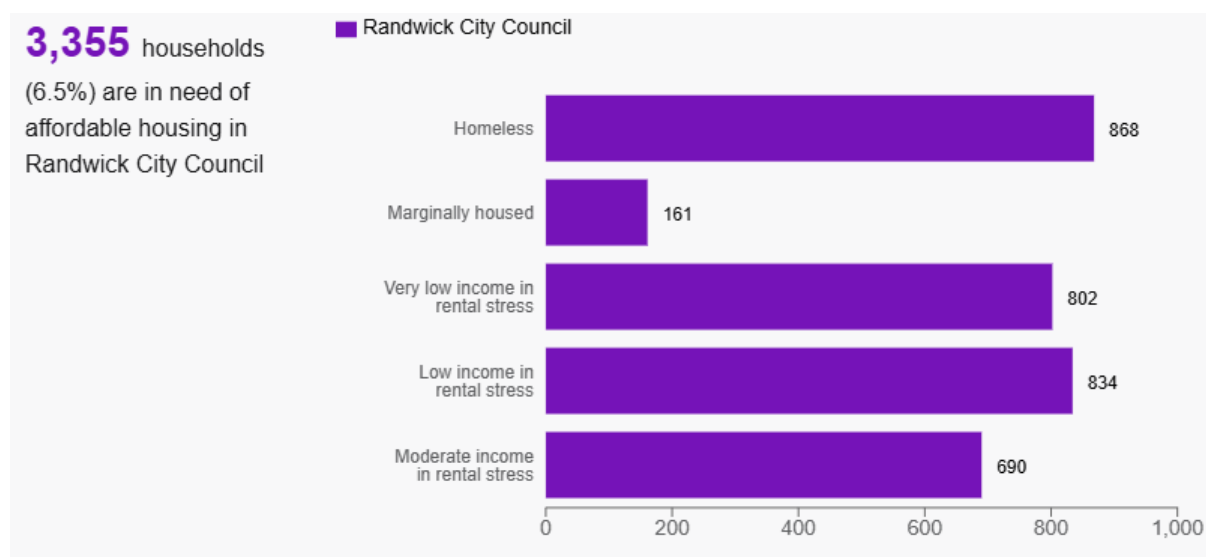
**Figure 7.** Quarterly rental vacancy rate for Randwick City and Greater Sydney from September 2019 to June 2024, highlighting a temporary high rate during the pandemic (Source: .id community, Randwick City Council Housing Monitor 2024).

## Affordable housing need

The 2021 Census shows 3,355 households have an unmet need for affordable housing in Randwick City, representing 6.5% of all households. Of all household types in need, 772 households were families comprising parents with children who were the largest group of households that are unable to access affordable rental housing within the LGA<sup>7</sup>.

Between 2016 and 2021, net migration resulted in 3,393 Randwick residents moving to Bayside LGA while a further 937 residents moved to Sutherland Shire and 607 moved to the Central Coast<sup>8</sup>. More recent data between 2021-2023 indicates a further 1,744 Randwick residents have moved to Bayside LGA, 555 residents to Sutherland Shire and 386 to the Central Coast<sup>9</sup>.

While it is recognised that numerous factors influence the decisions as to where one lives, such as changing housing and economic opportunities, if residents of working age are unable to access affordable housing in and around Randwick City, they may need to secure more affordable housing further away from the LGA. This extends commuting distances and could limit the ability of businesses and critical services to access a suitable labour pool. An increase in the supply of new affordable rental housing is critical to address the loss of residents.



**Figure 8.** Households in the Randwick City LGA that were identified as in need of affordable housing through the 2021 census (Source: .id community, Randwick City Council Housing Monitor).

Whilst the data indicates that 6.5% (3,355) of all households in the Randwick LGA are in need of affordable housing, as shown in Figure 8, it should be noted that a proportion of this will have housing needs that are expected to be met through social housing accommodation provided by Homes NSW.

## Meeting Affordable Housing Need

In addition to Council's affordable housing rental program, the Randwick LGA's current and future affordable rental housing needs are intended to be addressed through the following measures:

- State Environmental Planning Policy (Housing 2021): to deliver affordable housing units for a period of 15 years (managed by a registered community housing provider)

<sup>7</sup> Randwick City Council housing monitor, idcommunity

<sup>8</sup> ibid

<sup>9</sup> ABS, Regional Internal Migration Estimates (RIME) by LGA

- Community Housing Providers own programs using funding from state and federal government
- NSW Government's own programs for increased provision of both affordable and social dwellings.

The key priorities and actions in this Strategy are aimed at boosting affordable housing through both the measures above and through Council provision. Furthermore, the priorities and actions will seek to address general affordability challenges for private rental housing. Therefore, any initiatives undertaken by Council will play an important role in meeting the unmet need for affordable housing.

### **Social housing need**

Continued investment in affordable and social housing is required to maintain resilient communities, reduce homelessness and minimise housing stress for low-income households. There are a number of households within the Randwick LGA currently on a waitlist for social housing indicating an unmet need.

To help meet demand, Homes NSW, representing the Housing Agencies, continues to investigate opportunities to increase the number of social housing dwellings. Typically, social housing tenants are older, past working age and live alone – 93% rely on the age, disability or another pension for income. In the 1970s, 70% of tenants were couples with children – now they represent just 4% across NSW. The average household size of social housing tenants within the Randwick LGA is 1.3 compared to 2.6 for other households in the LGA.

Most of the dwellings owned by LAHC within the Randwick LGA were built in the 1960s and 1970s comprise one and two bedrooms and are becoming costly to maintain and manage.

### **Essential worker Housing**

Council's current Housing Strategy defines an essential worker (key worker) housing as affordable, accessible, and strategically located housing specifically designated for workers in critical sectors such as healthcare, police, education, emergency services, and public transport. It can also include low-paid private sector workers in the tourism and hospitality industries such as wait staff, cleaners, shop assistants, and cooks.

The Housing Strategy specifies that such housing should be located within reasonable commuting distances to employment centres to ensure essential workers can perform their duties effectively and without unnecessary interruptions.

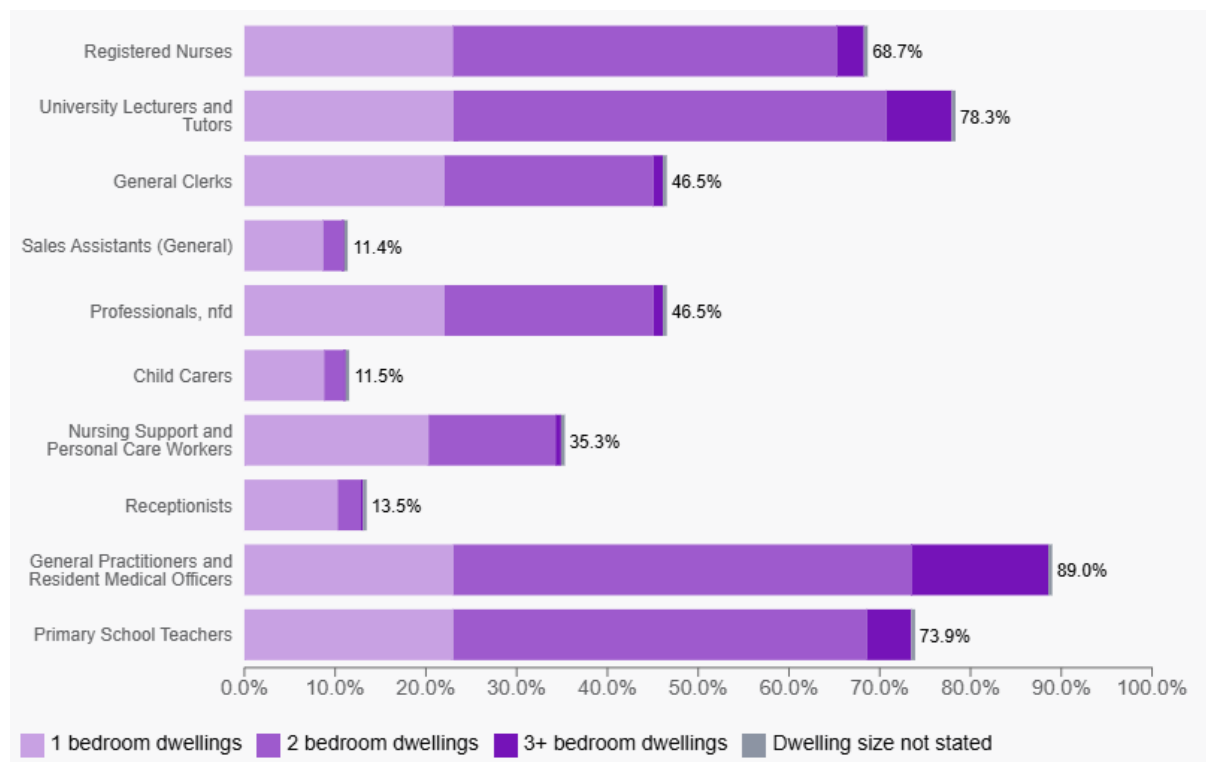
Significant employment growth in health, education and research is expected to continue within the Randwick Strategic Centre comprising the Randwick Hospitals campus, UNSW and surrounding town centres. Census data shows that between 2016 and 2021, there was a decline in the number of local workers employed in 'Community and Personal Services' which comprises workers in health care, aged care, child care, hospitality, emergency and other personal services (from 6,665 to 5,762 persons, a drop of 903 workers). Compared to Greater Sydney, the Randwick LGA has a lower proportion of persons employed in these industries (8.3% compared to 9.3%).

With a recognised need to ensure essential workers can live within proximity to their place of work to maintain essential services within the community it is important that housing is affordable for those essential workers on lower incomes. With very little market housing available to those on lower incomes, data shows an increasing number of essential workers reside outside of the LGA.

The findings of the Parliamentary Inquiry into essential worker housing were reported in June 2025. As part of the inquiry, Council lodged a submission outlining the significance of the

Randwick Strategic Centres as a health and education precinct and the demand for essential workers in this area. The submission also acknowledged the importance of the Inquiry in setting planning direction and outlined possible measures to ensure any state government reforms adequately addresses affordable essential worker housing needs in the Randwick LGA.

It is anticipated that the findings of the inquiry (once brought to parliament) will provide clarity in the definition of essential workers to identify the need for increased investment in essential worker housing using zoning and planning reforms.



**Figure 9.** Affordable Housing available for workers from June 2023 to June 2024 (Source: .id community, Randwick City Council Housing Monitor 2025).

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## 5. What are the Affordable Housing challenges?

As outlined in Part 3 of this Strategy, as is the case across Greater Sydney, there is an undersupply of affordable housing across the Randwick LGA. There are numerous market and macro-economic factors impacting housing affordability, some of the key considerations are summarised below.

### 5.1. Wage stagnation

As housing affordability is directly linked to income, while housing prices have risen, wage growth has not kept pace leading to a loss of affordable dwellings.

In the previous 5 years ending June 2024, median house rents have increased by an average of 8.4% per annum in the Randwick LGA while median unit / apartment rents have increased by an average of 5.9% per annum<sup>10</sup>. Wage price index growth across Australia over the same period has averaged 2.74% per annum<sup>11</sup>. As such, this has led to a continued loss of affordable housing stock for various income groups, despite substantial dwelling approvals across the LGA.

Based on latest available figures, 2006 & 2016, the proportion of affordable rental stock had reduced by approximately:

- 78% for very low-income households (from 8% to 1.7%)
- 72% for low-income households (from 18.1% to 4.9%)
- 43% for moderate incomes (decreased from 62% to 35%)<sup>12</sup>

It is expected that since 2021, further reductions would be prevalent today due to increasing land/property values, increased rents and other considerations such as inflation. As a result, more households are placed under housing stress (defined as paying 30% or more of income on housing costs) which has further implications on a household's ability to pay for other primary needs.

### 5.2. Decreased provision of social housing

Data from the Australia Institute indicates that 16% of all residential construction in Australia between 1945 – 1970 was for the purposes of public housing (social housing) and this had significantly decreased to just 3% by the mid-1990s<sup>13</sup>.

Within the Randwick LGA, in 2001, 7.5% of households were living in social housing. By 2021 this had dropped to 6.1% (a decrease of 1.4%). Whilst there was a decrease in those housed in social housing, the need for social housing still exists with a waitlist of over 1000 households. It is noted that since the 2021 census new data from Homes NSW now indicates that provision of social dwellings has increased with the total number of social dwellings in the Randwick LGA currently sitting at 6.8% of all dwellings<sup>14</sup>. A significant need for social housing should also be considered when determining affordable housing need as shortfall in social housing places further pressure on the competition for affordable housing and low-cost housing.

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<sup>10</sup> PropTrack Data, Randwick Housing profile

<sup>11</sup> Wage Price Index, June 2019 to June 2024, Australia Bureau of Statistics December 2024

<sup>12</sup> NSW Local Government Housing Kit 2016 – accessed 2024

<sup>13</sup> The Australia Institute publication 'For more affordable housing we need more public housing' 16 February 2024 (accessed 30 April 2025).

<sup>14</sup> NSW Government Local Area analysis – Randwick <https://www.nsw.gov.au/departments-and-agencies/homes-nsw/social-housing-resources/local-area-analysis-randwick>



**Figure 10.** Decrease in social housing tenancies between 2001 and the most recent 2021 census data (source .idcommunity - Randwick City Council Community Profile).

### 5.3. Competition for residential floorspace

The northern suburbs of Randwick City contain large tertiary education institutions such as the University of New South Wales, the National Institute of Dramatic Art, and Randwick TAFE. This has resulted in a higher-than-average student housing (co-living) provision in Randwick City when compared to most councils in NSW. In addition to the established clustering, increasing enrolment numbers of international and domestic students are driving demand for conveniently located student housing.

The following table outlines the number of dwellings and student/boarder (co-living) housing rooms that have been approved in the Kensington and Kingsford Town Centres, with construction in the pipeline, together with proposals that are currently under assessment:

**Table 3.** Dwelling approvals in Kensington and Kingsford town centres as of January 2025

Development Application Stage	Private Dwellings	Co-living (student/boarder housing)	Total
<b>Approved</b>	215	2,367	2,582
<b>Under assessment *</b>	213	642	855
<b>Total (excluding refused)</b>	<b>428 (12%)</b>	<b>3,009 (88%)</b>	<b>3,437 (100%)</b>

\*excludes UNSW/Iglu DA comprising 1015 rooms? (215B Anzac Pde Kensington located outside the town centre)

A key concern regarding recent trends for student housing are the potential impacts on housing affordability, with these types of developments catering for higher cost short term residences as opposed to long-term dwellings. The take up of major redevelopment sites for the purposes of student housing, results in fewer sites remaining available for residential (apartment) development, therefore perpetuating the undersupply of housing for longer term residents. This undersupply in turn has implications on housing affordability due to supply and demand factors



which is a critical issue given that Randwick City has some of the highest housing costs in Australia.

The proliferation of student housing also has an impact on housing diversity by catering only to a limited demographic and tenure type. Concentrating a single (commercial) use in certain locations reduces the opportunity to deliver a variety of housing types. Considering the diverse nature of our community, it is important that a variety of housing options are available that offer choice of dwelling size, tenure type and price points to accommodate the housing needs and lifestyle preferences of different age groups and household types. Further, the base current market price for a typical single student housing room (17sqm) start at prices of \$699 per week<sup>15</sup> placing this type of accommodation out of reach for many student groups. As expressed by Universities Admissions Centre (UAC) 2024 Student Lifecycle and Learning Report, current students are more concerned about cost-of-living pressures (such as the cost of housing and rent) than previous cohorts. In 2024, cost is an issue for 43% of students choosing where to study, up from 34% in 2023<sup>16</sup>.

With the cost of purpose-built student housing sitting well above the cost of entry level private rental accommodation in the area<sup>17</sup>, many students may be reliant on private rental accommodation to meet their housing needs putting further pressure on the supply private rental dwellings. Furthermore, those that are eligible may be utilising affordable housing to meet their housing needs creating further pressure on affordable housing.

#### **5.4. Mismatches in household structures and housing**

Based on Randwick City Council's Housing Monitor<sup>18</sup>, there are over 155,000 bedrooms within the Randwick LGA accommodating approximately 144,598 people.

An analysis was undertaken based on lone person and couples (without children) households within the Randwick LGA with assumptions about utilisation of bedrooms within these household types as they are typically simpler than the composition of larger households.

The analysis indicated that there is potentially up to 10,000 spare bedrooms within separate houses, medium density and high-density dwelling types within the LGA when compared to the number of persons living in each household.

Considering temporal changes in Randwick City from 2016 to 2021, data shows that there was a broad decrease in lone person and couples (without children) households occupying smaller dwellings and a corresponding increase in lone person and couples (without children) households occupying 4+ bedroom dwellings. Such trends may reflect broader moves towards larger living spaces and changing lifestyles, such as working from home, potentially resulting more spare bedrooms within homes.

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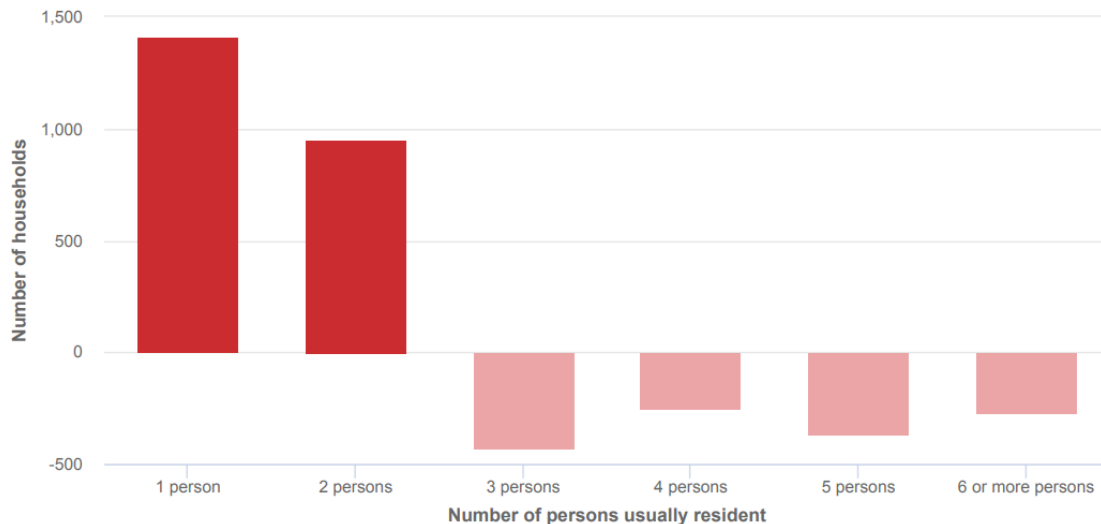
<sup>15</sup> Scape Kensington (1 room in 2 bed suite) – accessed 5 June 2025.

<sup>16</sup> UAC Student Lifestyle and Learning Report 2024, accessed 12 NOV 2024

<sup>17</sup> Randwick City Council housing monitor, idcommunity, accessed 30 April 2025.

<sup>18</sup> Randwick City Council housing monitor, idcommunity





**Figure 11.** Change in household size in Randwick City from 2016 to 2021 (Source: .idcommunity, Randwick City Council, Community Profile).

### 5.5. Impacts of short-term rental accommodation

Short Term Rental Accommodation (STRA) refers to a residential dwelling used to provide accommodation on a commercial basis for a temporary or short-term period. In NSW there are two types of STRA, ‘Hosted’ refers to accommodation provided within the hosts usual place of residence and ‘Non-hosted’ refers to accommodation that is provided where the host does not reside i.e. a residential dwelling purchased for the primary use of providing STRA.<sup>19</sup>

The rise of online booking platforms has seen a global increase in the number of STRA dwellings at the same time many cities face further pressures on the affordability of housing. It is noted that in terms of STRA, ‘non-hosted’ accommodation is considered to create significantly more issues than ‘hosted’ as it often involves taking a dwelling that would otherwise be rented on a long term basis or purchased by an owner occupier and utilising it primarily for the purpose of STRA. In NSW this issue has led to a 180 days per year cap on non-hosted STRA and introduction of a STRA Register. The Byron Shire has now introduced a 60 day per year cap on the use of residential dwellings as non-hosted STRA due to the significant impacts on rental housing supply.<sup>20</sup>

In terms of the Randwick LGA the register identifies that there were a total of 1596 properties on the STRA with 1012 of those properties registered as non-hosted properties. Due to Randwick’s attractiveness to tourists visiting Greater Sydney the demand for STRA is strong. This has the potential to significantly reduce the number of residential dwellings available for long term residential tenancies and therefore increasing scarcity and prices within the LGA.

#### Impacts of net loss of dwellings

Recently, evidence has emerged in three of Randwick’s neighbouring LGAs indicating that developments are leading to a net loss of dwellings on site including:

- Dwelling houses: multiple lots containing separate dwellings being converted into one large dwelling house.

<sup>19</sup> NSW Planning – Short-term rental accommodation accessed 03 April 2025 <https://www.planning.nsw.gov.au/policy-and-legislation/housing/short-term-rental-accommodation#review-of-shortterm-rental-accommodation-framework>

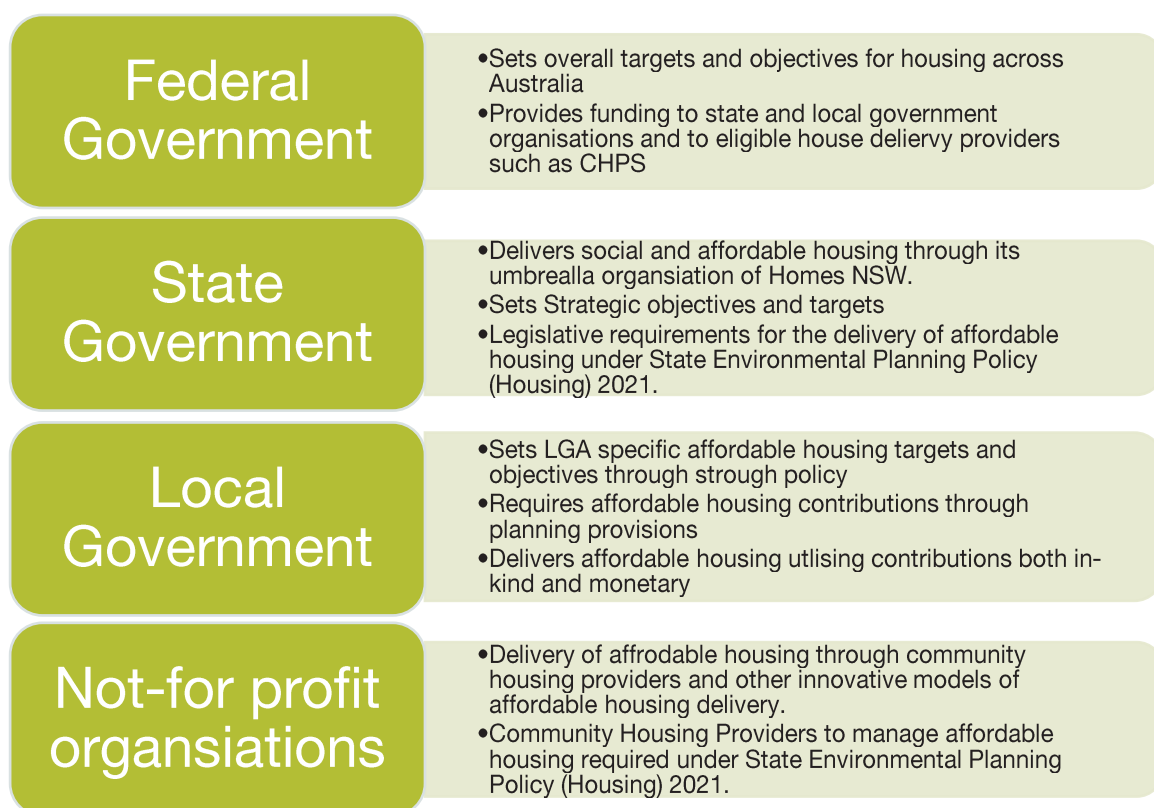
<sup>20</sup> NSW Planning – Byron Shire Short-term rental accommodation accessed 03 April 2025 <https://www.planning.nsw.gov.au/policy-and-legislation/housing/short-term-rental-accommodation/byron-shire#-new-provisions-specific-to-byron-shire->

- Existing Residential Flat Buildings (RFB): alterations to the floor plan of existing RFBs to amalgamate multiple residential units into one ultimately resulting in a net loss of dwellings on site.
- New Residential Flats Buildings: demolition and redevelopment of older RFBs often accommodating 'low-cost housing' to provide a new RFB development that contains fewer dwellings on site with a more expensive housing product in terms of purchase price and associated strata fees.

All three Councils have raised concerns around the last example which is contributing to the cumulative loss of 'low-cost dwellings' through the delivery of larger luxury apartments in prime locations. A notable development proposal cited by the City of Sydney, is the loss of a 'low-cost' building containing 28 residential units being demolished to be replaced with 20 luxury apartments.

A notice of motion at the March 2025 Council meeting has raised this issue for consideration within the Randwick LGA. Council staff have undertaken research on recent development applications, revealing a potential risk that this type of development may contribute to affordable housing supply issues in the Randwick LGA.

## 6. Who delivers affordable housing and how?



**Figure 12:** who delivers affordable housing

### 6.1. Federal and state government programs and funding

Given that the Federal Government collects the majority of tax revenue, it is responsible for the majority of funding for the social housing sector and a significant proportion of the affordable housing sector<sup>21</sup>. This funding feeds into state, local and non-government organisations delivery programs. The Federal government can also utilise tax structures to encourage the private sector to deliver further affordable housing in their developments.

At a state level, Homes NSW is the umbrella organisation representing all NSW Government housing agencies, including Aboriginal Housing Office (AHO) a statutory body that ensures that Aboriginal and Torres Strait Islander people have access to affordable, quality housing<sup>22</sup>.

Homes NSW has committed to a number of projects that will significantly increase the number of social housing dwellings over the next five – fifteen years. The projects will focus on redeveloping existing State Government landholdings to deliver a net increase in social and affordable dwellings, whilst also providing homes that are more sustainable and fit-for-purpose.

The State programs above are delivered largely utilising two key Federal Government funding mechanisms that include the Affordable Housing Bond Aggregator (AHBA) and the Housing Australia Future Fund (HAFF) and two state managed funds, the NSW Community Housing

<sup>21</sup> Australian Bureau of Statistics, 2018, Taxation Revenue Australia 2017-18, Commonwealth of Australia, Canberra

<sup>22</sup> Aboriginal Housing Office, accessed 28/03/2025 - <https://www.aho.nsw.gov.au/about/what-we-do>

Innovation Fund (CHIF) and Social and Affordable Housing Fund (SAHF) both managed by the Homes NSW.

State government organisations also can also generate funding through innovative models that leverage their landholding for commercial interests.

## 6.2. State Planning Legislation

State Environmental Planning Policy (Housing) 2021 (Housing SEPP) contains provisions for ‘In-fill affordable’ housing to further enable the delivery of affordable housing through development proposals. The provisions offer uplift bonuses in certain zones if affordable housing is provided on a site for a period of at least 15 years. Additionally, the Housing SEPP levies a contribution for development that results in the loss of ‘affordable’ or ‘low-rental dwellings’ across the site. Based on the number of approved applications should deliver the equivalent of at least 23 affordable dwellings.

The Housing SEPP supersedes a number of repealed State Environmental Planning Policies (SEPPs) that aimed to protect and deliver affordable and low-cost housing. These SEPPs include:

- **SEPP 10 (Retention of Low Cost Rental Accommodation) 1987** aimed at protecting low-cost rental housing existing stock. Key aspects included minimum allocation requirements for affordable housing as a contribution or requiring those properties to be managed by approved community housing providers for a minimum period—typically at least 15 years.
- **SEPP 2009 (Affordable Rental Housing)** incentivised the development of affordable rental housing through bonus provisions for in-fill projects, outlined guidelines for innovative housing models (including secondary dwellings and group homes), and ensuring that newly delivered housing remains affordable over the longer term.
- **SEPP 70 Affordable Housing (Revised Schemes) 2002** provided a framework for securing the delivery of affordable housing in areas experiencing upzoning or redevelopment and allowed local councils to impose monetary or in-kind contributions on development proposals that result in the loss of affordable housing through demolition, alteration, or conversion. This led to selected local councils developing affordable housing contribution schemes for specified precincts.

Whilst the repealed SEPPs led to some provision of affordable housing, the level of provision and affordability achieved is largely unknown due to a lack of reporting and regulatory requirements implemented at the time of the SEPPs.

In June 2025 for both state and federal governments have acknowledged similar gaps in the current reporting and regulatory gaps for affordable housing in the Housing SEPP and therefore have recommended the following to be implemented:

- Reporting of data on what exists and what is in the pipeline to track affordable housing delivery in the LGA;
- Lack of clear management expectations and enforcement capability;
- Repercussions for lack of compliance by developers;
- General gaps in the information available to support strong affordable housing delivery.

Council through this Strategy has also identified gaps to affordability within the Housing SEPP, such as co-living provisions that support high-cost student housing over standard residential

development and restrict the provision of secondary dwellings, this is further addressed in Section 9.

### 6.3. Local Government Level

At a local level, councils can influence affordable housing through a range of mechanisms. The three key areas are:

1. **Local planning framework:** facilitates the delivery of affordable housing through in-kind dwelling dedication to Council or monetary contributions.
2. **Implementing Affordable Housing:**
  - a. Developing Councils landholdings for the purposes of affordable housing using funds collected through planning provisions and through a range of models including partnerships with Community Housing Providers or;
  - b. Purchasing existing dwellings stock including individual units in strata schemes or an entire residential flat building for the purposes of affordable housing.
3. **Advocacy to State and Federal Government and other stakeholders:** for increased funding and delivery of affordable and social housing within the LGA and improved policy and regulatory structures that impact general affordability and diversity of new stock.

Randwick City Council existing efforts in ensuring the communities needs are met aligns with the above approaches as outlined in section 7. Whilst section 8 of the Strategy sets a target for the Strategy to meet the housing needs of the community within the next 10 years by utilising all three of the above mechanisms available to Council, this is reflected in the priorities and actions outlined in section 9.

### 6.4. Registered Community Housing Providers

Community Housing Providers in a NSW context are registered and accredited not-for profit organisations with a primary function as the managers of affordable and social housing. The housing providers commonly manage housing for both state and local government organisations as well as private developers who are required to provide affordable housing in new developments. Many CHPs often participate in partnerships with other organisations or utilise government funding to develop or acquire dwellings that can be used to leverage for ongoing affordable provision and ensure future economic viability of the organisation.

The use of housing providers is not only common in Australia but is commonly used in countries around the world that provide affordable and social housing. An example that is comparable to Australia is the use of Housing Associations in the UK. In Greater London, local Council's traditionally have been responsible for the delivery and management of social housing, however as this stock reaches the end of its life, large scale housing estate regeneration is being typically funded by Housing Associations<sup>23</sup>. Furthermore, with the delivery of affordable housing major residential developments under the London Plan, are required to provide a minimum of 35% affordable housing on private land and 50% on public or industrial land<sup>24</sup>. With this level of affordable housing provision, Housing associations have become vital in the delivery and ongoing management of affordable housing.

In NSW, CHP's have played a key role in developing and managing affordable housing. Their skills and expertise include:

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<sup>23</sup> Bringing affordable housing to scale, Committee for Sydney December 2022

<sup>24</sup> The London Plan 2021 (Policy H5) – accessed 30 April 2025.



- Delivery of affordable housing by accessing a range of funding sources and other resources, particularly Tier 1 and 2 registered providers who have capacity and expertise to develop at scale.
- Ongoing management of affordable housing that falls outside the traditional role of local government in NSW. CHPs hold the required skills and experience to ensure affordable housing is managed appropriately and tenants are supported.

### 6.5. Innovative not-for profit models

The following case studies illustrate innovating affordable housing examples across New South Wales and Victoria. They highlight the role that partnerships and funding can play in delivering affordable housing dwellings and provide inspiration to future affordable housing projects across Randwick City.

#### Nightingale Marrickville – 387 Illawarra Road, Marrickville



**Figure 13:** View of Nightingale Marrickville from Illawarra Road, Marrickville (Source: [www.nightingalehousing.org](http://www.nightingalehousing.org))

Nightingale Marrickville was completed in 2024 and contains 54 apartments which includes shared spaces for laundry, gardening, dining and socialising. To deliver the project, Nightingale partnered with the not-for-profit organisation Fresh Hope Communities with the churches of Christ in NSW and ACT providing a 99-year ground lease to enable the development. The apartments are made available to rent at rates that are 20% lower than market value. As a principal Nightingale aims to pre-allocate up to 20% of their homes to community housing providers for affordable housing.

## Gibbons Street, Redfern – 11 Gibbons Street Redfern



**Figure 14:** View of Gibbons Street, Redfern

(Source: <https://architectureau.com>)

Gibbons Street, Redfern was completed in 2021 and contains 162 units, comprising 42 social housing and 120 affordable housing units. Key amenities of the development include ground floor commercial space, community recreation areas, a new St George Community Housing Office and a playground. The building provides 27 adaptable housing units for residents with disabilities, and 40% of the units are allocated to Aboriginal and Torres Strait Islands people housing.

The City of Sydney sold the land to St George Community Housing at a discounted rate in order to increase the number of affordable and social housing dwellings across the LGA. The project was partly funded by the National Housing Finance and Investment Corporation and grant funding from the Department of Communities and Justice<sup>25</sup> developed by and owned and operated by St George Community Housing.

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<sup>25</sup> NSW Government – Develop affordable rental housing <https://www.nsw.gov.au/housing-and-construction/social-affordable/affordable-rental-housing/develop>

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## 7. What are we currently doing?

### 7.1. Review of actions / outcomes from 2018 Strategy

In 2008 Randwick City Council's Affordable Housing Strategy and Action Plan was formally adopted and identified the need to facilitate affordable housing especially for lower income households who live and/or work in Randwick City. Since its implementation, a key focus for Council has been to increase the supply of affordable rental housing through the legislative planning framework.

### 7.2. Affordable Housings Contribution Schemes Implemented by Council

In Randwick City there are currently two affordable rental housing contribution schemes that operate. These include:

1. The Kensington and Kingsford Town Centres Affordable Housing Plan commenced in 2019 and applies a 3% or 5% affordable housing contribution rate dependent on the time of the development application (DA) lodgement. The rate applies to the total floor area of the development that is used for residential purposes and had the aim of delivering approximately 200 affordable rental housing dwellings over 15 years.
2. The Housing Investigation Areas Affordable Housing Plan commenced in 2023 and applies a 3% or 5% affordable housing contribution rate dependent on the site location. The rate applies to the total floor area of the development that is used for residential purposes and aims to deliver approximately 99 affordable rental housing dwellings over 15 years.
3. A proposed draft affordable housing contribution plan is currently proposed for the Randwick Junction Town Centre under the Randwick Junction Town Centre Planning Proposal. The draft Randwick Junction Town Centre Affordable Housing Plan seeks to apply a varying affordable rental housing rates on selected sites within the town centre. The rate is proposed to be applicable to the total floor area of the development used for residential purposes.

### 7.3. Affordable Housing Dwellings

Council's existing affordable housing schemes and past initiatives have resulted in 33 dwellings in Council ownership for the purposes of affordable housing. A number of these dwellings have been allocated to transitional housing. Council's existing affordable housing dwellings are managed by CHPs. Council also has also collected significant money from monetary contributions existing and past affordable housing plans and provisions.



## 8. What do we need to achieve?

Note The target identified in this strategy is subject to review, pending a further report in line with the resolution of the Ordinary Council meeting 9 December 2025. See resolution below:

- d) *adopt a minimum target of 7.5% public and social housing, and minimum 2.5% affordable housing by 2036 from a 2020 baseline, based on the targets in the 2020 Housing Strategy (p. 74), subject to a further report on viability from staff.*

To address the growing need for affordable rental housing in Randwick City, the Strategy sets a target to increase the proportion of social and/or affordable housing to 7.5% of all dwellings in the Randwick Local Government Area (LGA) by 2036, noting that provision was at 6.1% at the 2021 Census. This target has been established for the following reasons:

- It is clear and measurable - based on projected household growth to approximately 63,494 dwellings by 2036, achieving the target will require at least 4,761 dwellings classified as social or affordable housing. This aligns with broader housing targets and planned developments in the area.
- It responds to current need, aiming to restore affordable and social housing provision to levels seen in 2001, ensuring low- and moderate-income households have access to secure rental accommodation.
- It can be tracked over time, with census data providing a reliable measure to assess progress toward achieving this housing goal each census year.
- The target takes into account the substantial capacity within the Randwick LGA housing estates to deliver a large proportion of required social and affordable housing by 2036.

It should be further noted that the 2036 target of 4,761 includes an existing 3,267 households in social housing (6.1% of all households in 2021). A total of 1,494 new dwellings would be required by 2036 (as shown in Table 4).

**Table 4:** Adjusted proposed target for social and affordable housing (7.5% of all dwellings in the Randwick Local Government Area (LGA) by 2036)

Target of 7.5% (4,761) of all households to be affordable by 2036	
6.1% of all households in 2021 already living in social or affordable housing (based on household number of 53,843 household number)	3,267 existing households (2021 ABS Census)
Existing Affordable Housing (CHP and Council dwellings)	265 dwellings approx.
Target of 7.5% of all households to be affordable/social by 2036 (based on projected household number of 63,494)	4,761 households projected
To meet current and future need by 2036, an additional 1,494 social or affordable dwellings required.	

The target of 7.5% or an additional 1,494 social and affordable housing dwellings by 2036 is achievable having regard to updated data from Homes NSW indicating provision is at 6.8% of all dwellings. This analysis, based on Homes NSW data indicates that the Randwick LGA has an additional 815 social homes relative to the 2021 Census figure of 3,267 dwellings. The remaining 679 dwellings can be delivered by 2036 subject to the following:

- Acceptance of the development industry to deliver affordable housing within developments.
- Viability and economic feasibility of the development sector including the cost of materials, labour, land value.
- State Government and LEP planning frameworks that allow for the provision of affordable housing
- Progression of the program to develop State own land to increase the stock of social and affordable housing.
- The success of the strategic vision of Council and its continuation of programs to deliver affordable housing.

The success of delivering this target will be measured by:

- Monitoring Census data to measure progress toward achieving this housing goal at each census year.
- Monitoring the redevelopment program of Homes NSW in relation to the number of sites redeveloped and the percentage of social and affordable housing provided on the sites.
- Working with CHPs and monitoring to ensure low- and moderate-income households have access to secure rental accommodation.
- Collection of data and monitoring the provisions affordable housing via the planning system including:
  - Delivery through the Housing SEPP
  - The Affordable Housing Plans for Kensington and Kingsford as well as for HIAs.
- Monitoring the success of the delivery of affordable housing undertaken by Council - via the purchase of housing and the development of Council land.

### **Review of response to actions relating to Affordable Housing within Randwick LSPS and Housing Strategy**

In addition to the achievements to date which have resulted in an increase in the number of affordable housing dwellings (from the collection of monetary contributions and dedication of in-kind dwellings) a number of key actions have also been achieved since the implementation of the Randwick Housing Strategy and Local Strategic Planning Statement in relation to affordable housing. These are outlined in **Appendix one** of this Strategy.

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## 9. Strategic Priorities

Given that 6.5% (3,355) of all households within Randwick City have an unmet need for affordable housing and that social housing has declined as a proportion of total housing stock, it is appropriate that Council adopts an aspirational target of 7.5% of total housing in the LGA to be social or affordable rental housing by 2036. If achieved, this target will return social and affordable housing provision to 2001 levels.

The 4 priorities identified in this Strategy will assist in progressing this target by 2036. The priorities will also harness mechanisms to increase the overall affordability of market rents and support ongoing advocacy efforts by Council for improved outcomes through revised State Government planning provisions and increased funding and delivery of affordable housing by State and Federal Government.

The priorities consider current Council programs (implemented or in the pipeline) that provide ongoing opportunities for affordable housing delivery. The current schemes include:

- The Kensington and Kingsford Town Centres Affordable Housing Plan 2019;
- The Housing Investigation Areas Affordable Housing Plan 2023 and;
- The draft Randwick Junction Town Centre (expected implementation late 2025).

### Priority 1

**Accelerate the delivery and retention of quality affordable and low-cost housing through the use of planning provisions**

### Priority 2

**Provision of affordable rental housing led or supported by Council**

### Priority 3

**Collaboration and advocacy with key government organisations for increased provision of affordable housing**

### Priority 4

**Review and establish processes for the ongoing management of affordable housing**

## **Priority 1: Accelerate the delivery and retention of quality affordable and low-cost housing through the use of planning provisions**

### ***Affordable housing targets for uplift (Inclusionary zoning)***

To promote the ongoing delivery of affordable housing in Randwick City, setting a clear affordable housing contributions levy for precincts will provide certainty and transparency for both developers and the community. This approach ensures that a fair share of economic gains from development is reinvested into community outcomes. Known as inclusionary zoning, this mechanism requires affordable housing contributions as part of rezoning proposals. It is already applied to two precincts within the LGA through provisions in the Randwick LEP, which set contribution rates between 3% and 5%. A draft planning proposal for the Randwick Junction Town Centre (RJTC) proposes contribution rates on a site by site basis ranging from 3% to 9%.

Any proposed affordable contribution rates will be guided by detailed feasibility analysis that will assist in reviewing options for built form, FSR and height controls and seek to maximise affordable housing contributions that are proportionate to the level of economic benefit provided by proposed uplift. As per the 'NSW Guideline for Developing an Affordable Housing Contribution Scheme', councils are required to provide the Department of Planning with evidence and assumptions used to determine an affordable housing contribution rate. This is to ensure that contribution rates are viable and will not impact on development feasibility and overall housing supply.

**1.1 Action** – *For sites subject to uplift, require an affordable housing contribution on the total proposed residential floor area. All affordable housing rates are to be determined by a robust feasibility assessment as part of any future planning proposal (inclusionary zoning mechanism).*

### ***Broader application of an affordable housing contribution***

To address the critical shortage of affordable housing, a broader application of affordable housing contributions will ensure that the responsibility for addressing affordable housing need in the community is shared equitably across all developments, not just those areas subject to development uplift. This approach recognises that all development generates some level of land value uplift and applying an affordable housing contribution ensures a portion of this gain is reinvested into the community, aligning private development outcomes with public benefit.

An appropriate contribution rate would need to be justified by comprehensive feasibility modelling to ensure that contributions are responsive to market conditions across Randwick City. A City-wide contribution rate would be based on the cost of development and would achieve a progressive increase in affordable housing in the Randwick LGA over the long term. An exemption to the rate could be considered for social and affordable housing providers.

The changes would need to be implemented through a planning proposal prepared in accordance with the Environmental Planning and Assessment Act, 1979. A draft planning proposal must include clear justification and evidence for the changes, endorsed by Council and the Department of Planning before being placed on public exhibition.

**1.2 Action** – *For all new development, investigate an LGA wide affordable housing contribution scheme.*

***Ensure all new affordable dwellings dedicated to Council or delivered by Council achieves high quality building design.***

Whilst all new development must meet the requirements of the National Construction Code (NCC), they must also meet any specific design requirements set out in the applicable Development Control Plan (DCP) and provisions of the Housing SEPP. Units dedicated to Council as affordable housing are expected to be functionally equivalent, or greater than, market-rate dwellings that are within the same development in terms of amenity, facilities and design. Design guidelines also provide applicants with direction on Council design expectations for units dedicated to Council.

***1.3 Action – Ensure both dwelling dedications and Council led developments of affordable housing consider Council's Affordable Housing Design Guidelines.***

***Encourage greater utilisation of existing dwellings***

Whilst long term improvements to housing affordability are best achieved through increased supply and a review of tax and regulatory structures there are also other short-term solutions that may provide immediate relief to those most affected by the housing crisis. One opportunity lies in the more efficient use of existing dwelling stock. With a conservative estimate of approximately 10,000 underutilised bedrooms across the LGA there is a potential to encourage greater utilisation of these spaces to help alleviate current housing pressure.

Council could develop or support a public awareness campaign highlighting the benefits of sharing spare bedrooms in existing dwelling houses including social and financial outcomes. Furthermore, Council could review planning provisions to enable and encourage minor alternations and/or additions to existing homes to create secondary dwellings or self-contained living spaces.

***1.4 Action – A Council program to encourage the renting out of bedrooms in households with spare bedrooms and review planning controls to encourage additional forms of housing such as secondary dwellings to provide housing choice.***

***Unlock potential for small dwelling opportunities***

Delivering affordable housing requires a multi-faceted approach, including a clear understanding of planning controls that may limit opportunities for the delivery of housing – such as restrictions on secondary dwellings on existing lots. Secondary dwellings can be built with development consent or as complying development, depending on the lot size and floor area of the proposed dwelling.

To be considered as complying development, one of the requirements for the development of secondary dwellings under the Housing SEPP, is that the lot size must be at least 450m<sup>2</sup>. The 450m<sup>2</sup> minimum lot size is a non-discretionary standard, meaning it cannot be varied under a CDC pathway. If the land area is less than 450m<sup>2</sup> a development application is required (except where the secondary dwelling is entirely within an existing dwelling). No additional parking is required for a secondary dwelling however existing parking on site must be maintained.

To support more flexible housing options, a review of the Randwick DCP should be investigated to address design and amenity requirements for secondary dwellings on lots below 450m<sup>2</sup>. Within the Randwick LGA, a greater proportion of lots below 450m<sup>2</sup> are located in the areas of



Randwick, Coogee, Kensington and Kingsford. These areas have greater access to services, employment and transport and are more suitable for increased densities. A review may assist in advocating for flexibility in the Housing SEPP to better support the delivery of affordable housing and supply of diverse housing types in high demand areas.

**1.5 Action** – Review planning controls to encourage additional forms of housing such as secondary dwellings and self-contained bedrooms, providing housing choice.

### **Identify the impacts of short-term rental accommodation**

Various market trends can affect the availability of housing stock. For instance, online platforms promote and increase the popularity of traditional dwellings being used as STRA. Furthermore, developing luxury apartments on sites (particularly in areas with high amenity or strategically located) that have in the past provided traditional low-cost housing is adding to the supply constraints.

In an effort to increase supply of housing, it is crucial to implement appropriate measures to safeguard existing stock that contributes to the provision of low-cost and affordable housing.

**1.6 Action** – Investigate the impacts of short term rentals across the LGA and the loss of traditional low-cost and affordable dwellings through the redevelopment of sites to understand the impacts on housing affordability and any impact on essential worker housing provision.

### **Identify and address impacts of net loss of dwellings**

With an apparent growing trend towards the provision of luxury residential flat buildings there is a potential that this may create future affordable housing impacts.

Without safeguards and policy direction this may result in a further affordability impact in the Randwick LGA. The extent of such impacts should be investigated to identify suitable planning provisions if relevant.

**1.7 Action** – Strengthen planning provisions to address the net loss of dwellings and low-rental housing through demolition/redevelopment.

### **Address competing pressures on residential floor space**

In certain areas of the Randwick LGA close to the University and Hospital there is competition for residential floor space with housing typologies such as student housing often yielding higher returns on investment for developers. To address this, Council can explore the issues, and implement planning incentives to encourage the development of more standard residential apartments.

**1.8 Action** – Investigate and implement planning incentives and mechanisms to encourage residential apartments in areas where there is competition for residential floor space.

### ***Delivery preferences for affordable housing***

Currently Council's affordable housing programs mostly preference affordable housing contributions to be met as 'in-kind' contributions meaning physical dwellings dedicated rather than monetary contributions. Feedback from across the industry including CHPs and developers has indicated that this approach limits flexibility for affordable housing delivery.

In some instances, in-kind dedications provided by developers, may not meet the design requirements of CHPs. Furthermore, in-kind dedications may present logistical and financial difficulties for CHPs as dwellings may often be distributed over multiple locations and may be subject to high strata fees.

In addition to this, CHPs have access to a range of funding that only applies to the delivery of new housing. Therefore, the collection of monetary contributions to purchase land or contribute to the construction of affordable housing programs in partnerships with CHPs could yield a greater provision of affordable housing than in-kind contributions.

**1.9 Action** – Investigate Council's approach to levying affordable housing contributions to allow for monetary contributions in lieu of in-kind dedication.

## **Priority 2: Provision of affordable rental housing led or supported by Council**

### ***Targets for redevelopment of Council owned land***

While it is recognised that there are numerous competing uses for Council owned land, such land provides the opportunity to also be developed for affordable housing. Council's land holdings such as at grade car parks may provide opportunities for redevelopment for the purposes of affordable housing whilst retaining car parking for public purposes should it be required. Furthermore, the use of existing Council land significantly reduces the cost of development as there is no upfront purchase cost.

Council should explore the opportunities for affordable housing delivery on its current sites through a preliminary analysis using the decision-making matrix (Appendix 2) and then through a more in-depth analysis if identified suitable. In addition, Council should explore the feasibility of different land uses and the models for delivery on each site to optimise affordable housing.

**2.1 Action** – For the development of Council owned land, develop a priority list of sites and undertake land use analysis and feasibility assessment to investigate opportunities for the delivery of affordable rental housing.

### ***Explore partnerships with industry to maximise housing delivery***

When exploring the development of Council's own land, it is important to consider the role community housing providers can play in the process, with many CHPs not only having the benefit of operating at scale, but also having access to a range of funding and resources. A range of partnerships models with CHPs or other areas of industry can result in a greater delivery of affordable housing due to the added efficiencies.

Randwick City Council already has productive relationships with some of our community housing organisations.

Innovative approaches such as Nightingale Housing, the Assembly Model in Victoria<sup>4</sup> and other cooperative housing models across Australia have proven to be successful models for the delivery of affordable housing. The Nightingale model, in particular, is a not-for-profit affordable, sustainable and socially connected approach, where church owned land was redeveloped under a 99-year lease.

Such delivery models can add diversity and new opportunities into the housing market and there is scope for such projects to result in the delivery of higher levels of affordable housing. Further, institutional investors, such as superannuation funds, particularly default funds of essential workers, have the capacity to support affordable housing delivery as part of their member-focussed investment strategies. Where viable and appropriate, Council may consider participating or supporting these models to help address housing affordability in the LGA.

**2.2 Action** – Explore joint venture opportunities or partnerships with Community Housing providers, Housing Co-Ops or other organisations for delivering affordable housing on Council owned land.

### **Purchasing existing properties using Council's affordable housing reserve**

Through existing affordable housing planning mechanisms, Council has accumulated<sup>5</sup> and will continue to accumulate<sup>6</sup> funds that can be directed to the delivery of affordable housing. The purchase of existing housing stock presents a practical and effective strategy to increase the supply of affordable housing and can be pursued to maximise Council's contribution to addressing affordable housing in the LGA.

The two key advantages of purchasing existing stock are:

**Faster delivery:** purchasing existing housing stock allows for a much faster response to housing affordability within the LGA. This approach bypasses the lengthy planning and construction phases. This approach is particularly effective when suitable, good-value properties become available on the market and can be quickly repurposed for affordable housing.

**Lower-Risk:** the purchasing of existing stock is generally considered to be a lower-risk strategy compared to the development of Council's own land holdings. Development of sites can encounter unforeseen costs and delays, whereas the risks associated with property purchases are typically identified and managed through due diligence prior to acquisition.

**2.3 Action** – Undertake an acquisition program for purchasing existing stock, for use as affordable housing based on Council's site selection criteria.

## **Priority 3: Collaboration and advocacy with key government organisations for increased provision of affordable housing**

### **A strong position on the redevelopment of government owned land**

Within the Randwick LGA, there are significant State Government land holdings that could be investigated for the purposes of affordable and social housing. Some of these landholdings are close to transport, services and employment which makes them well suited to affordable housing.



Much like the delivery of housing on Council sites, the delivery of housing on State, Federal or Crown land also needs to be subject to feasibility. Redevelopment may include a proportion of private market housing to ensure financial viability while still prioritising social outcomes. Redevelopment of existing social and affordable housing can lead to significant improvements in living conditions for residents. This may involve upgrading ageing buildings to improve amenity, safety and energy efficiency, as well as addressing issues such as overcrowding or poor accessibility for ageing residents or those with a disability. By incorporating a greater mix of dwelling sizes that are fit-for-purpose, new projects can better support more inclusive and resilient communities.

The Federal Government's Housing Australia Future Fund has enabled greater flexibility and viability in the redevelopment of Homes NSW sites. Council will continue to advocate for government owned land to remain in public hands for the delivery of the maximum possible number of social housing dwellings on all Homes NSW redevelopment sites. Council will also advocate for housing outcomes that reflect the needs of those requiring social housing, including a well-considered and appropriate dwelling mix. This should be achieved through meaningful consultation with Council, as well as with both existing and future residents, to ensure developments are inclusive, equitable, resilient and responsive to community needs.

**3.1 Action** – *For the redevelopment of existing social housing sites advocate for 100% social housing to be retained, whilst ensuring a mix of dwelling sizes that is appropriate to the needs of the community. Council will advocate for a high level of engagement with both Council and social housing residents in the redevelopment of these sites.*

### **Ensure quality delivery housing and improved data reporting for social and affordable housing**

As the delivery of social and affordable housing accelerates – particularly through Homes NSW redevelopment of housing estates- it is essential that developments not only increase the quantity of housing stock but also meets high standard of design, liveability and integration within the broader streetscape and built form. Currently publicly available data on the pipeline of social and affordable housing- particularly from Homes NSW – is limited. Significant gaps in data and reporting make it difficult to accurately assess the current supply, forecast future needs of community, and monitor delivery of affordable and social housing against Council's strategic target of 7.5% by 2036. A publicly accessible register would improve transparency and allow for more effective planning and coordination across government and non-government stakeholders.

To address this, Council should advocate for a publicly accessible register of social and affordable housing, including data on location, dwelling type, delivery timelines and affordability levels. Improved transparency would build community confidence in the delivery of affordable and social housing.

**3.2 Action** – *Advocate to Homes NSW to increase the number of social and affordable dwellings through high-quality redevelopment of their strategic sites and for improved data in relation to housing delivered, and in the pipeline, in the Randwick LGA.*

### **Affordable Housing as essential infrastructure**

Substantial investment in health infrastructure projects within the Randwick Health and Innovation Precinct has delivered wide ranging benefits, including improved health facilities and services, expanded research capacity and creation of jobs in the health care sector. However,

this redevelopment has highlighted the challenges relating to housing for workers and has added to pressure on the local housing market. This expansion has highlighted the gap in the provision of housing needed to support the workforce in existing and new institutions. Affordable housing should be recognised and planned for as essential infrastructure integral to the functioning of this major precinct in Randwick City.

Council should advocate to government agencies for the inclusion of affordable housing for essential workers as a core component of large-scale redevelopment or master planning projects. This includes significant health and education proposals, and other development on Crown land. This advocacy should emphasise the growing demand for essential worker housing within the LGA and the need to support them through the provision of affordable housing located on-site or in proximity to their workplace. Doing so would not only support the retention of the existing workforce but also contribute to well-being and a more resilient and inclusive local economy.

**3.3 Action** – *Advocate for essential/key worker housing that is affordable to be delivered as essential infrastructure required to support large scale non-residential redevelopment on government land or in proximity to transport infrastructure.*

### **Work constructively with industry**

Randwick City Council has a comparatively high proportion of social housing relative to other LGAs in Greater Sydney. However, meeting the growing demand for social and affordable housing, will require coordinated investment across all levels of government. While State-led programs and policies play an important role, additional funding from the Federal Government is essential to supplement State programs to maximise the potential of local affordable housing initiatives by councils and not-for-profit housing providers.

Beyond increased direct funding, broader reforms are needed to create a more equitable and sustainable housing system. Current tax structures tend to favour established homeowners and investors<sup>26</sup>. A more equitable direction for broader housing opportunities requires a holistic review of the tax and regulation policies that encourage affordable and diverse housing delivery by developers. This could include tax incentives for downsizers (to free up underutilised housing stock) and further support for first home buyers.

**3.4 Action** – *Work constructively with industry to advocate for increased Federal government investment in social and affordable housing and a review of property tax and regulatory structures to address barriers for downsizers, disadvantages to first home buyers when competing against investors and to explore incentives or regulation to prioritise the delivery of low-cost and affordable housing over luxury developments.*

### **Affordability of Co-living developments**

Co-living housing, whether designed for student housing, essential workers or other household types present an opportunity to diversity and improve affordability outcomes. These developments typically offer smaller more efficient private living spaces complemented by shared communal spaces, which may reduce housing costs whilst fostering social interaction

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<sup>26</sup>A blueprint to tackle Queensland's housing crisis (Pawson, et al., 2020)

and a sense of community amongst residents. However, much of Co-living currently available within the LGA is being offered at rentals that exceed those in comparable private dwellings. This pricing structure places such housing out of reach for many groups such as students, essential workers and other household types and may contribute to increased pressure on surrounding private rental market.

To ensure that Co-living contributes meaningfully to housing affordability, legislative changes to the Housing SEPP is needed. One option is the introduction of a minimum affordability benchmark, requiring a proportion of rooms within co-living to be offered at affordable rates, aligned to income level of occupants. This could also be tied to an inclusionary zoning framework for proposals seeking an uplift in density and height.

Council has an opportunity to advocate to the NSW Government for amendments to the Housing SEPP that promote clearer guidance, deliver affordability outcomes and provide targeted support for essential workers and students on lower incomes.

**3.5 Action** – *Advocate to the NSW Government to address the unaffordability of housing for students and essential workers through the planning system.*

### ***Impacts of vacant homes***

With levels of supply not currently meeting demand for housing in Randwick City, it is important to consider the pressure vacant homes places on rental affordability. In Randwick City, the 2021 Census indicates that there are more dwellings than households, recording 59,971 dwellings compared to 53,828 households. This tends to suggest that vacant homes may have a significant impact on supply issues. Whilst there are instances where vacant homes may exist for valid reasons such as properties for sale or deceased estates awaiting redevelopment, there are still homes being left vacant for investment reasons or in some instances for developers 'land banking'. Council or State Government could look at options to encourage the renting out or sale of properties that are vacant for more than 12 months with one possible option being a levy with exceptions for valid circumstances as mentioned above.

**3.6 Action** – *Use existing evidence of vacant homes and sites to advocate to the NSW Government for a levy or other possible mechanisms to address homes being left vacant for more than 12 months or for the most part of 12 months with revenue provided towards Council's affordable housing programs.*

### ***Improved Definition of affordable housing***

Whilst the Ministerial Guidelines require rent for all affordable housing to be capped at 80% of market rent to ensure that households on very low and low incomes should not pay more than 25 - 30% of their gross income in rent, it is evident in a Randwick context that 80% of market rent for those on lower incomes is likely to exceed 25-30% of their household income. While Council can ensure that dwellings provided through council programs are provided at no more than 30% of household income, affordable housing delivered by developers under the Housing SEPP, particularly those in luxury developments can often well exceed 30% of household income even when capped at 74.9-80% of market rent leading to a product that is not affordable.

To address this issue the Ministerial Guidelines should require capped rent to not exceed 30% of household income for all affordable housing in NSW.

**3.7 Action** – *Advocate to the NSW Government for the Ministerial Guidelines to be updated to require all affordable housing to be capped at 30% of household income.*

#### **Priority 4: Review and establish processes for the ongoing management of affordable housing**

##### **A rental cap on Council owned Affordable Housing**

As outlined in this Strategy, housing is considered affordable if it costs no more than 30% of a household's income. The current Ministerial Guidelines define affordable housing rents must be capped at no more than 74.9% of market rent.<sup>27</sup> In a Randwick City context, 74.9% of market rent often exceeds more than 30% of household income and therefore it is recommended that all affordable housing be capped at 30% of household income across the LGA to align Councils existing affordable housing plans.

**4.1 Action** – *Improve the allocation and management of affordable housing by refining tenancy arrangements around need, based on income and rent in the 'Affordable and Transitional Housing Guidelines' and apply these to new and renewed management contracts awarded to CHPs.*

##### **A better understanding of affordable housing provision**

Currently there are gaps in the data available to Council such as the occupation category of affordable housing residents and the number of affordable housing dwellings in the LGA outside of Council ownership. In reviewing contracts with CHPs, Council can require reporting on essential workers and can utilise our partnerships with community housing providers for improved data on affordable housing dwelling numbers within the LGA that are not owned by Council. This reporting will allow for Council to better understand the needs of our residents and monitor the future provisions of affordable housing.

**4.2 Action** – *Require better reporting for affordable housing managed by CHPs and owned by Council, including data on essential workers. Also advocate for CHPs to better report data on the number of dwellings within the LGA where ownership sits outside Council.*

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<sup>27</sup> K2K Affordable Housing Plan 2019, HIAs Affordable Housing Plan 2023, prepared by Randwick City Council

## 10. Actions and implementation

To ensure the delivery of the key priorities and actions, these have been matched with timeframes and corresponding responsibilities that outline the relevant delivery department/s below.

Priority	Actions	Timeframe	Responsible department/s	Implementation
<b>1. Accelerate the delivery and retention of quality affordable and low-cost housing through the use of planning provisions</b>	<i>1.1 For sites subject to uplift, require an affordable housing contribution on the total proposed residential floor space. All affordable housing rates are to be determined by a robust feasibility assessment as part of any future planning proposal (inclusionary zoning mechanism).</i>	Ongoing	<b>Led by</b> Strategic Planning	When Planning Proposals are received, request the applicant to submit feasibility testing for verification by Council.
	<i>1.2 For all new development, investigate an LGA wide affordable housing contribution scheme</i>	Short term	<b>Led by</b> Strategic Planning	Prepare high level feasibility analysis for exploring different market conditions across the LGA to provide justification for a new broad-based affordable contribution linked to site redevelopment within a planning proposal. Report to Council  <b>Within 12 months</b>
	<i>1.3 Ensure both dwelling dedications and Council led developments of affordable housing consider Council's Affordable Housing Design Guidelines</i>	Short term	<b>Led by</b> Strategic Planning & Development Assessment	Require development application drawings to identify dwellings to be dedicated to Council. Amend Development Application checklist



Priority	Actions	Timeframe	Responsible department/s	Implementation
				<p><b>Within 6 months</b></p> <p>Amend the DCP where relevant to require consideration of the Affordable Housing Design Guidelines before development consent is issued.</p> <p><b>Within 2 years</b></p>
	1.4 A Council program to encourage the renting out of bedrooms in households with spare bedrooms and review planning controls to encourage additional forms of housing such as secondary dwellings to provide housing choice.	Short term	<p><b>Led by</b> Strategic Planning and Communications</p> <p><b>Input from</b> Development Assessment and Regulatory Teams</p>	<p>Establish internal working group to investigate barriers in achieving the use of spare rooms/secondary dwellings within existing floorspace of dwellinghouses</p> <p><b>Within 6 months</b></p>
	1.5 Review planning controls to encourage additional forms of housing such as secondary dwellings and self-contained bedrooms, providing housing choice.	Short term	<p><b>Led by</b> Strategic Planning</p>	<p>Raise through Council's channels and groups such as SSROC. Develop a Council endorsed submission to be submitted to NSW Government or request a meeting with DPIE</p> <p><b>Within 12 months</b></p>
	1.6 Investigate the impacts of short-term rentals (STRA) across the LGA and the loss of traditional low-cost and affordable dwellings through the redevelopment of sites to understand the impacts on housing affordability and any	Short term	<p><b>Led by</b> Strategic Planning</p> <p><b>Input from</b> Development Assessment</p>	<p>Prepare a discussion paper on the impacts of STRA on the long-term rental market</p> <p><b>Within 2 years</b></p> <p>Implement a reporting framework to better understand</p>



Priority	Actions	Timeframe	Responsible department/s	Implementation
	<i>impact on essential worker housing provision.</i>			the impacts of the loss of low-cost and affordable housing.
	<i>1.7 Strengthen planning provisions to address the net loss of dwellings and low-rental housing through demolition/redevelopment</i>	Short-Medium term	<b>Led by</b> Strategic Planning	Develop a policy position with to inform future provisions within the RLEP or advocate for further provisions within the Housing SEPP. Report to Council <b>Within 12 months</b>
	<i>1.8 Investigate and implement planning incentives and mechanisms to encourage residential apartments in areas where there is competition for residential floor space.</i>	Medium term	<b>Led by</b> Strategic Planning	To investigate current competition possibly through the commissioning of an external study to inform future provisions within the RLEP. <b>Within 2 years</b>
	<i>1.9 Investigate Council's approach to levying affordable housing contributions to allow for monetary contributions in lieu of in-kind dedication.</i>	Medium term	<b>Led by</b> Strategic Planning  <b>Input from</b> Community Development	Further engage with industry including key stakeholders on this matter. Compare against other councils' approaches. This may require an external study to inform changes to the RLEP affordable housing provisions. <b>Within 2 years</b>
<b>2. Provision of affordable rental housing</b>	<i>2.1 For the development of Council owned land, develop a priority list of</i>	Ongoing	<b>Led by</b> Strategic Planning	Develop a priority list for site development.

Priority	Actions	Timeframe	Responsible department/s	Implementation
led or supported by Council	<i>sites and undertake land use analysis and feasibility assessment to investigate opportunities for the delivery of affordable rental housing.</i>			<b>Within 9-12 months</b>  Based in this list, undertake detailed feasibility to determine site specific affordable housing yield and cost.
	<i>2.2 Explore joint venture opportunities or partnerships with Community Housing providers, Housing Co-ops or other organisations for delivering affordable housing on Council owned land</i>	Short term/ Ongoing	<b>Led by both</b>  Strategic Planning and Community Development	Contact delivery partners of the Innovative case studies included within this Strategy for preliminary learnings and to begin process of exploring potential joint ventures <b>Within 12 months</b>
	<i>2.3 Undertake an acquisition program for purchasing existing stock, for use as affordable housing based on Councils site selection criteria.</i>	Ongoing	<b>Led by both</b>  Strategic Planning and Property Team	Implement the program
<b>3. Collaboration and advocacy with key government organisations for increased provision of affordable housing</b>	<i>3.1 For the redevelopment of existing social housing sites advocate for 100% social housing to be retained, whilst ensuring a mix of dwelling sizes appropriate to the needs of the community. Council will advocate for a high level of engagement with both Council and social housing residents in the redevelopment of these sites.</i>	Ongoing	<b>Led by</b> Strategic Planning  <b>Input from</b> Community Development	When preparing submissions to NSW Government clearly express Council's target to maximise social and affordable housing dwellings on site.

Priority	Actions	Timeframe	Responsible department/s	Implementation
	3.2 Advocate to Homes NSW to increase the number of social and affordable dwellings through high-quality redevelopment of their strategic sites and for improved data in relation to housing delivered and in the pipeline in the Randwick LGA.	Ongoing	<b>Led by</b> Strategic Planning  <b>Input from</b> Community Development and Development Assessment	In responding to proposals from Homes NSW, advocate for high quality design including streetscape presentation, landscaping and tree canopy, sustainability, setbacks and pedestrian permeability for large sites.
	3.3 Advocate for essential/key worker housing that is affordable to be delivered as essential infrastructure required to support large scale non-residential re-development on government land or in proximity to proposed transport infrastructure.	Ongoing	<b>Led by</b> Strategic Planning	Address affordable housing provision when providing feedback or in formal submissions on large sites. Raise through SSROC for joint advocacy.
	3.4 Work constructively with industry to advocate for increased Federal Government investment in social and affordable housing and a review of property tax and regulatory structures to address barriers for downsizers, disadvantages to first home buyers when competing against investors and to explore incentives or regulation to prioritise the delivery of low-cost and affordable housing	Ongoing	<b>Led by</b> Strategic Planning	Initiate discussions with key players in the industry and write to relevant State and Federal ministers.

Priority	Actions	Timeframe	Responsible department/s	Implementation
	<i>over luxury developments.</i>			
	<i>3.5 Advocate to the NSW Government to address unaffordability of housing for students and essential workers through the planning system.</i>	Short term	<b>Led by</b> Strategic Planning	Advocate for new provisions in the Housing SEPP including a review of co-living provisions to incentivise residential apartments in key areas. Write to NSW Government and raise through SSROC forum <b>within 9 months</b>
	<i>3.6 Action – Use existing evidence of vacant homes and sites to advocate to the NSW Government for a levy or other possible mechanisms to address homes being left vacant for more than 12 months or for the most part of 12 months with revenue provided towards Council’s affordable housing programs.</i>	Short term	<b>Led by</b> Strategic Planning	Build up an evidence base of vacant homes through different means including exploring Sydney Water data then advocate to NSW Government for a levy or other means to address vacant homes <b>Within 2 years</b>
	<i>3.7 Advocate to the NSW Government for the Ministerial Guidelines to be updated to require all affordable housing to be capped at 30% of household income.</i>	Short Term/Ongoing	<b>Led by both</b> Strategic Planning and Community Development	Write to the relevant NSW ministers and explore joint advocacy with other Councils and CHPs. <b>9-12 Months</b>
<b>4. Review and establish processes for</b>	<i>4.1 Refine tenancy arrangements around need, based on income and rent in the</i>	Short term & ongoing	<b>Led by both</b> Community Development	Review the Affordable and Transitional Guidelines and

Priority	Actions	Timeframe	Responsible department/s	Implementation
the ongoing management of affordable housing	<i>'Affordable and Transitional Housing Guidelines' and apply these to new and renewed management contracts awarded to CHPs.</i>		and Strategic Planning	refine agreements with CHPs to address guidelines <b>Within 12 months</b>
	<i>4.2 Seek better reporting for affordable housing managed by CHPs and owned by Council, including data on essential workers. Also advocate for CHPs to better report data on the number of dwellings within the LGA where ownership sits outside Council.</i>	Ongoing	<b>Led by</b> Community development <b>Input by</b> Strategic Planning	Ensure all new MoUs with CHPs require this reporting and then review existing contracts.

Note – for timeframes, Short term is approx. 2 years, medium term is approx. 5 years and long term is up to 10 years.

## Appendix One

Council actions relating to Affordable Housing within Randwick City Local Strategic Planning Statement and Housing Strategy are provided below:

<i>Randwick City Housing Strategy</i>		
<i>Relevant Objective</i>	<i>Relevant Action</i>	<i>Response</i>
<b>4. Increase affordable rental housing across Randwick City</b>	4.1 Review and update the Randwick Affordable Housing Strategy and Action Plan	<b>Underway</b> – Draft Strategy prepared and reported to Council in June 2025.
	4.2 Identify appropriate areas to apply an affordable housing contributions scheme requiring a proportion of all development to be dedicated as affordable housing and amend LEP 2012 to give effect to this.	<b>Complete</b> - Amendment 9 to the RLEP 2021 was gazetted on 1 September 2023 and required properties developed within the Housing Investigate Areas to provide an affordable housing contribution rate of 3% or 5% depending on the property's location.  In addition, the draft Randwick Junction Town Centre Planning Proposals proposes an affordable housing contribution rate ranging from 2% to 9% depending on the property's location.
	4.3 Seek an exclusion to the State Environmental Planning Policy (Affordable Rental Housing) 2009 and identify local housing solutions.	Action no longer required as new Housing SEPP introduced.
	4.4 Advocate for a new standard instrument definition for student housing and investigate appropriate development standards for student housing in the LEP 2012 review	<b>Complete</b> – The definition of co-living (student housing) was formalised in the NSW planning system in November 2021 with the introduction of the State Environmental Planning Policy (Housing) 2021. The Policy established co-living housing as a distinct category, setting out specific requirements for its development. To complement this, Council is currently investigating draft controls to be proposed that are to be included as a part of the review of RDCP 2013.



Randwick City Housing Strategy		
	4.5 Ensure housing opportunities for low income and key workers to support the Randwick Collaboration Area	<b>Complete</b> – See 4.2. Properties that require an affordable housing contribution with the Housing Investigation Areas and Randwick Junction Town Centre are located within the Randwick Collaboration Area.
	4.6 Work with Waverley and Woollahra Councils to prepare a regional approach to affordable housing	<b>Complete</b> – In 2022, Council commenced a joint regional affordable housing project with Waverly and Woollahra Councils however the project was discontinued by challenges associated with the project.
7. Ensure future redevelopment sites are aligned with future transport investment	7.1 Ensure an increase of social and affordable housing in any future redevelopment of social housing estates in the City	<b>Underway and ongoing</b> – See section 5.2 Social housing numbers of this Strategy.
	7.2 Work with the Land and Housing Corporation to develop a staged approach for the renewal of social housing estates	<b>Underway and ongoing</b> – See section 5.2 Social housing numbers of this Strategy.

*Local Strategic Planning Statement Randwick City Council Vision 2040*

<i>Relevant Planning Priority</i>	<i>Relevant Action</i>	<i>Response</i>
<b>1. Provide diverse housing options close to employment, services and facilities</b>	<p>1.1 Finalise the Housing Strategy</p> <ul style="list-style-type: none"> <li>- inform the review of planning controls to deliver the 6-10 year housing target of 4,300 new dwellings by 2026</li> <li>- investigate affordable housing contributions scheme in areas identified for housing growth;</li> </ul>	<p><b>Complete</b> – The Housing Strategy was endorsed by the Department of Planning, Industry and Environment in 2021.</p> <p>Consistent with the Strategy, opportunities for dwelling growth have been introduced for dual occupancy development, Kensington and Kingsford Town Centres and in the 5 Housing Investigation Areas which will require an affordable housing contribution ranging from 3 to 5% depending on the property's location.</p>
	<p>1.2 Work with the Department of Planning, Industry and Environment to seek an exclusion for Randwick City LGA from the provisions of the Affordable Rental Housing SEPP and develop a local response to the provision of boarding houses</p>	<p><b>Complete:</b> The definition of co-living (student housing) was formalised in the NSW planning system in November 2021 with the introduction of the State Environmental Planning Policy (Housing) 2021. The Policy established co-living housing as a new category distinguishing this from boarding houses and setting out specific requirements for its development. The floor space incentives for the development of Co-living was reduced to 10%.</p>
	<p>1.3 Work with the Department of Planning, Industry and Environment to introduce a new land use term for student housing and incorporate local planning provisions for student and short term visitor accommodation.</p>	<p><b>Complete</b> – The definition of co-living (student housing) was formalised in the NSW planning system in November 2021 with the introduction of the State Environmental Planning Policy (Housing) 2021. The policy established co-living housing as a distinct category, setting out specific requirements for its development. To complement this, Council is currently finalising draft controls to be proposed that are to</p>

		<p>be included as a part of the review of RDCP 2013.</p> <p><b>Underway</b> - In 2022, the Randwick Comprehensive LEP Planning Proposal sought to limit the number of days per year for non-hosted short term rental accommodation to 90 days, however the initiative was not supported by the Department of Planning and Environment. Council has continued to advocate for better policy outcomes that promote a local approach to short term rental accommodation.</p>
	1.4 Work with Land and Housing Corporation on a staged approach to the renewal of the social housing estates	<b>Underway and ongoing</b> – See section 5.2 Social housing numbers of this Strategy.
<b>2. Increase the supply of affordable rental housing stock to retain and strengthen our local community.</b>	2.1 Review and update the Randwick Affordable Housing Strategy and Action Plan	<b>Underway</b> – draft Strategy prepared, consultation to occur in mid-2025.
	2.2 Prepare affordable rental housing contributions schemes for specific areas as identified in the Housing Strategy	<b>Complete</b> - Amendment 9 to the RLEP 2021 was gazetted on 1 September 2023 and required properties developed within the Housing Investigate Areas to provide an affordable housing contribution rate of 3% or 5% depending on the property's location.
	2.3 Work with Waverley and Woollahra Councils to ensure a regional approach to affordable housing	<b>Complete</b> – In 2022, Council commenced a joint regional affordable housing project with Waverly and Woollahra Councils however the project was discontinued by challenges associated with the project.
	2.4 Work with community housing providers to deliver more affordable housing	<b>Underway</b> - Council currently owns affordable housing dwellings managed by community housing providers.
<b>23. A collaborative approach to guide and manage future</b>	23.2 Work with adjoining and nearby Councils to prepare a regional approach to affordable housing, coastal management,	<b>Complete</b> – in 2022, Council commenced a joint regional affordable housing project with Waverly and Woollahra Councils

*Local Strategic Planning Statement Randwick City Council Vision 2040*

**growth in  
Randwick City**

open space and recreation, active  
transport and city resilience

however the project was  
discontinued by challenges  
associated with the project.

## Appendix Two

<i>Randwick City Decision Making Matrix</i>		
Criteria	Criteria weighting	Sub-criteria
Location	10%	Walking distance to employment hub
		Quality of local services
Public transport	22%	Walking distance to public transport
		Type of public transport options
		Destination options
		Frequency of services
Development parameters	28%	Car parking requirements
		Complexity of construction
		Initial estimated achieved floor space ratio
		Initial estimated dwelling yield
Existing site conditions	20%	Demolition of structures required
		Significant landscaping
		Relocation of existing use
Delivery timing	20%	Reclassification of land
		Required stakeholders
		Impact of RCC projects
		Strategic planning framework

