Wollondilly Shire Council

Wollondilly Local Housing Strategy

Final Wollondilly Local Housing Strategy

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1 Introduction

1.1 Executive summary

The Wollondilly Local Housing Strategy provides a 20-year vision for housing in the Wollondilly LGA. Recommendations in this Strategy are based on a robust evidence base and analysis of the trends that shape housing demand and opportunities for additional housing supply across the Local Government Area (LGA).

Wollondilly Shire Council commissioned Arup to prepare this Local Housing Strategy to support the *Wollondilly 2040 – Local Strategic Planning Statement* and to inform the review of the Wollondilly Local Environmental Plan 2011 (LEP). Arup took an evidence-based approach to preparing this Strategy and engaged closely with internal Council stakeholders in the process.

This Local Housing Strategy has been prepared consistent with the NSW Government's Local Housing Strategy Guideline and provides guidance and direction for new housing supply in Wollondilly LGA over the next 20 years. It is focussed on residential accommodation on residential zoned land (R2 Low Density Residential, R3 Medium Density Residential, and R5 Large Lot Residential), but considers rural zoned and business zoned land in the LGA that also allows for development of housing.

Located in the Metropolitan Rural Area, Wollondilly has unique rural scenic and environmental values that need to be protected. The natural environment, the LGA's location on the urban fringe of Sydney, and pattern of dispersed settlements also creates challenges around managing bushfire risk and ensuring critical infrastructure services and community facilities are provided. It is important that housing is provided in the right location and is adequately serviced by infrastructure.

This Local Housing Strategy is focussed on managing growth so that it is sustainable and supports liveability and affordable living for Wollondilly residents over the next 20 years. A key recommendation from this Strategy is establishing a local housing monitor that will support planning and decision making on housing development and to enable monitoring and review of this Local Housing Strategy to support Wollondilly through this period of significant population increase and delivery of the Wilton Growth Area.

A key finding of the strategy is that Wollondilly has adequate land capacity to supply additional housing in line with demand over the next 20 years (to 2041). There is capacity for further housing development through local growth in current residential zoned land. The Wilton Growth Area provides an opportunity to significantly contribute to housing supply at a District level with 90% of forecasted housing growth in the LGA to be located in the Growth Area. Planning for the Greater Macarthur Growth Area is also expected to create additional capacity for housing supply in the LGA beyond 2041.

Four directions will guide sustainable growth in both greenfield and infill areas that align with community expectations and, protects and enhances the local character of Wollondilly.

The four directions are:

1. **Provide housing in areas that are adequately serviced by infrastructure**

   Growth is appropriately serviced by infrastructure.

2. **Promote housing diversity and affordability**

   Diversity in housing and tenure to cater for all stages of life, meeting the needs of the current and future residents of Wollondilly.

3. **Plan and coordinate growth for emerging communities**

   New housing in Growth Areas is planned and co-ordinated with the adequate provision of hard and social infrastructure, and access to services.

4. **Build sustainable and resilient communities that protect and celebrate our environment**

   Housing is safe, built to a high quality and that is located away from areas at high risk to flooding and bushfires and respects and enhances the local character of the LGA.

Each direction is outlined in detail with a supporting suite of recommended actions and indicators. These actions reflect the breadth of issues to be considered, and may require further investigation, additional community and stakeholder engagement, as well as Council support before implementation.

> We note that this Strategy was commissioned and delivered through duration of the COVID-19 pandemic. A complex interplay of economic and social factors will likely influence the supply and demand for housing in Wollondilly Shire, particularly in the short-term, as a result of this event. However, given timing of this study and the resulting lack of available data, consideration of COVID-19 impacts has been limited.

1.2 Planning policy and context

This section describes the relevant state and local government legislation, strategies, plans and policies that form the planning and policy context that this Wollondilly Local Housing Strategy sits in.

1.2.1 Strategic planning context

In 2018 the Greater Sydney Commission released the *Greater Sydney Region Plan: A Metropolis of Three Cities* along with five *District Plans* to meet the needs of a growing and changing population. Each NSW Council is now required to develop a Local Housing Strategy (LHS) that aligns with regional and district planning principles and housing targets.

The release of the Greater Sydney Commission's *Western City District Plan* catalysed by the development of the Western Sydney Airport at Badgerys Creek will see a significant shift in growth in the Western City District. In this *District Plan* Wollondilly, Camden, Campbelltown and Liverpool are required to support significant housing supply growth into the long term. Neighbouring Camden Council and Campbelltown City Council have been experiencing an increase in new greenfield development for several years and while Wollondilly has traditionally been a rural council, the growth of Sydney is on its doorstep.

During the preparation of this strategy the NSW Government released A Housing Strategy for NSW – Discussion Paper for public consultation on 15 June 2020. This work is expected to set a 20-year vision for housing in NSW and outline key priorities and actions for the NSW Government and delivery partners. The Housing Strategy for NSW, yet to be released, may provide guidance for future Local Housing Strategies in Wollondilly LGA.

1.2.2 Local planning context

In February 2020, Wollondilly Shire Council adopted *Wollondilly 2040 – Local Strategic Planning Statement* (LSPS), a 20year land use vision for the LGA reflecting the community's ideas and aspirations for the future. This Wollondilly LHS provides an evidence-based strategy to support planning for the housing that the LGA needs, supporting the LSPS and informing the review of the Wollondilly Local Environmental Plan (LEP) 2011.

This LHS establishes Council's long-term housing vision for the local area. It recognises and responds to evidence about what types of housing will be needed for future populations and where it is best located, considering environmental constraints, avoiding natural hazards, and protecting important environmental and agricultural land and scenic values, and provides an approach to planning for managing and coordinating growth with State Government and other Councils – understanding where Wollondilly fits in within broader Western City District Planning.

The Local Housing Strategy enables Council to plan for future growth, to better deliver on housing needs while protecting the rural landscape that the community values and manage additional development.

1.2.3 Wollondilly housing context

Currently residential development in Wollondilly is permitted in residential land use zones (R2 Low Density Residential, R3 Medium Density Residential, and R5 Large Lot Residential zones), business zones (B1 Neighbourhood Centre, B2 Local Centre and B4 Mixed Use), rural land use zones (RU1 Primary Production, RU2 Rural Landscape, RU4 Primary Production Small Lots), environmental land use zones (E4 Environmental Living) and within the UD urban development zone (applicable to the Wilton Growth Area). The Wollondilly LEP 2011 identifies residential zone land and what types of development are permitted in each zone and sets controls such as minimum lot sizes for development in the LGA and the State Environmental Planning Policy (Sydney Region Growth Centres) 2006 applies to the Wilton Growth Area. The majority of housing is currently located within and surrounding the towns and villages across Wollondilly.

The Wollondilly Development Control Plan 2016 (DCP) sets out guidelines for residential development and some precinct specific controls for Wilton Park, Wilton (Bingara Gorge); Marsh Road, Silverdale; Picton, Tahmoor, Thirlmere New Urban Lands; Land between Picton, Tahmoor, and Thirlmere; and Clearview in Picton.

The Wilton and Greater Macarthur Growth Areas are identified as new locations for housing and are subject to coordinated planning led by NSW Government with Council.

A range of State Environmental Planning Policies (SEPPs) apply to housing in Wollondilly. These policies support the delivery of diverse housing, enable more streamlined approvals for housing that is compatible with the objectives of the policy, and require new housing to meet design and environmental performance standards. Relevant SEPPs include:

- State Environmental Planning Policy (Affordable Rental Housing) 2009
- State Environmental Planning Policy No. 70 Affordable Housing (Revised Schemes)
- State Environmental Planning Policy (Housing for Seniors and People with a Disability) 2004
- State Environmental Planning Policy (Exempt and Complying Development Codes) 2008
- State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004
- State Environmental Planning Policy (Sydney Region Growth Centres) 2006
- State Environmental Planning Policy (Sydney Drinking Water Catchment) 2011

The State Environmental Planning Policy (Sydney Region Growth Centres) 2006 applies to the Wilton Growth Area. This SEPP guides coordinated release of land across growth centres, including the Wilton Growth Area, and identifies planning and development controls for the South East Wilton and North Wilton precincts.

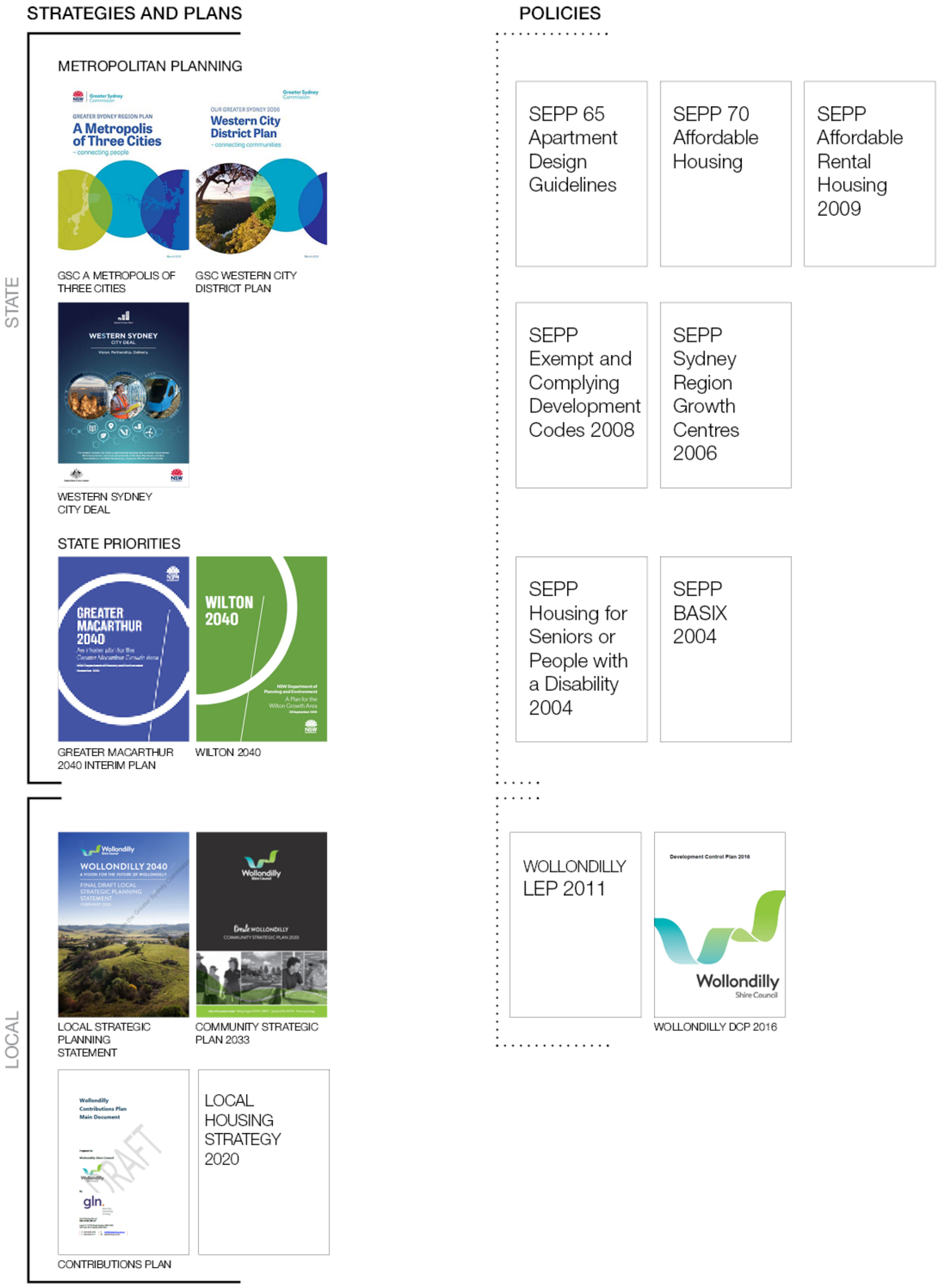


Figure 1: Relationship between the LHS with various strategies, policies and plans at state and local level.

1.3 Wollondilly snapshot

This section provides a high-level overview of Wollondilly Shire and describes the local characteristics of the area, unique geographical features, and key constraints and opportunities for housing.

History

Wollondilly Shire has a rich heritage dating back to the First Nations people. The LGA intersects three tribal lands of Dharawal, Gundungurra and Darug Country. The natural landscape of gorges, ranges and planes is interwoven into each of the tribe's Dreamtime Stories. This strong spiritual connection to Country is still maintained today and Aboriginal artefacts and sacred sites have been preserved across Wollondilly.

Tracing back to the First Fleet, the area was first explored by Europeans in 1798. The areas around Menangle and Camden Park were used as cow pastures and the region is now known as the birthplace of modern agriculture in Australia. Agriculture and the areas colonial heritage has formed the basis of the character, economy and identity of Wollondilly. Towns such as Picton, which was established in 1822, still retain much of the historic colonial architecture and heritage of the time.

Figure 2: Constructed in 1897 Picton's Victoria Bridge, a timber truss bridge over Stonequarry Creek is still in use today

Source: NSW Government Office of Environment and Heritage

Rural living

Wollondilly offers a quality lifestyle in a rural setting for its 53,149 residents living in small towns, villages and agricultural lands across the LGA (ABS Estimated Residential Population at 2019). Located at Sydney's south western fringe Wollondilly Shire encompasses 2,560km² of peri-urban land.

Wollondilly plays a vital role in providing open space, water and food for Greater Sydney. Protected national park, world heritage and water catchment areas, make up two thirds of the LGA. Wollondilly supplies 90% of Greater Sydney's water and is a vital contributor to Sydney's Food Basin providing products in poultry, cut flowers, fruit, vegetables and livestock.

Along with the national parklands a local koala population and an important habitat corridor is located in the LGA. With a colony of approximately 400 koalas, Council is working closely with neighbouring councils to protect and secure the future of the only disease-free koala colony in New South Wales.

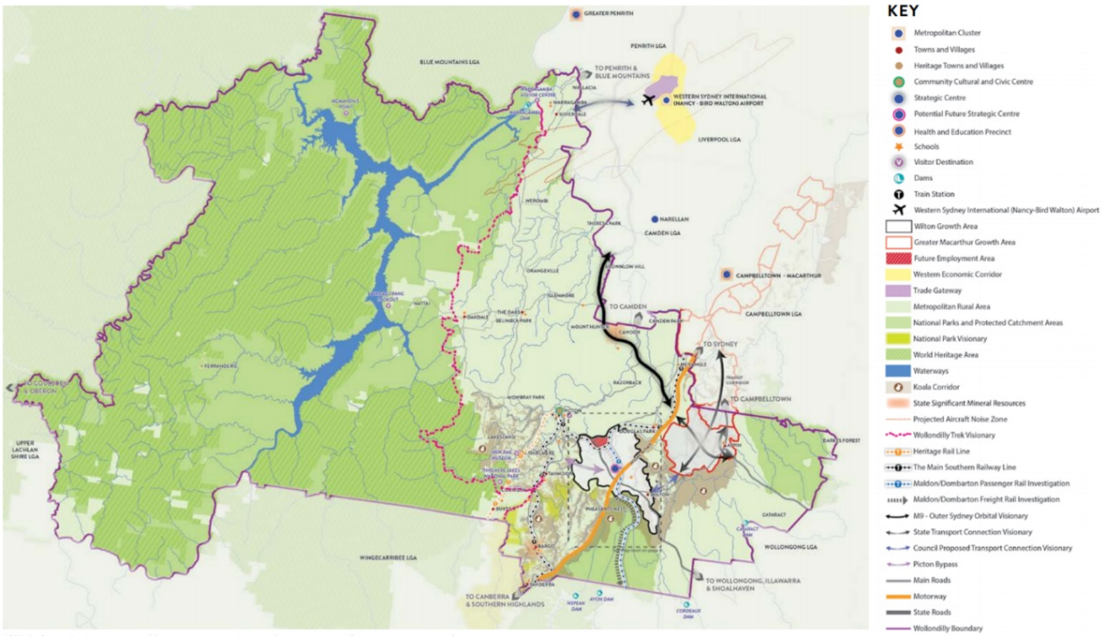


Figure 3: Wollondilly Shire Spatial Plan

Source: Wollondilly 2040 – Local Strategic Planning Statement, Wollondilly Shire Council

Agriculture and industry

Wollondilly is located within the Metropolitan Rural Area (MRA), as defined by the Greater Sydney Commission, and the focus for Planning Priority W17: Better managing rural areas in the *Western City District Plan.* Identification of the MRA serves to restrict inappropriate urban activities within the area to protect the character, heritage and biodiversity of the area whilst supporting productive industries in agriculture and mineral and energy resources. Being part of the MRA means that urban development in Wollondilly can be restricted, unless identified as an urban investigation area such as the Wilton and Greater Macarthur Growth Areas.

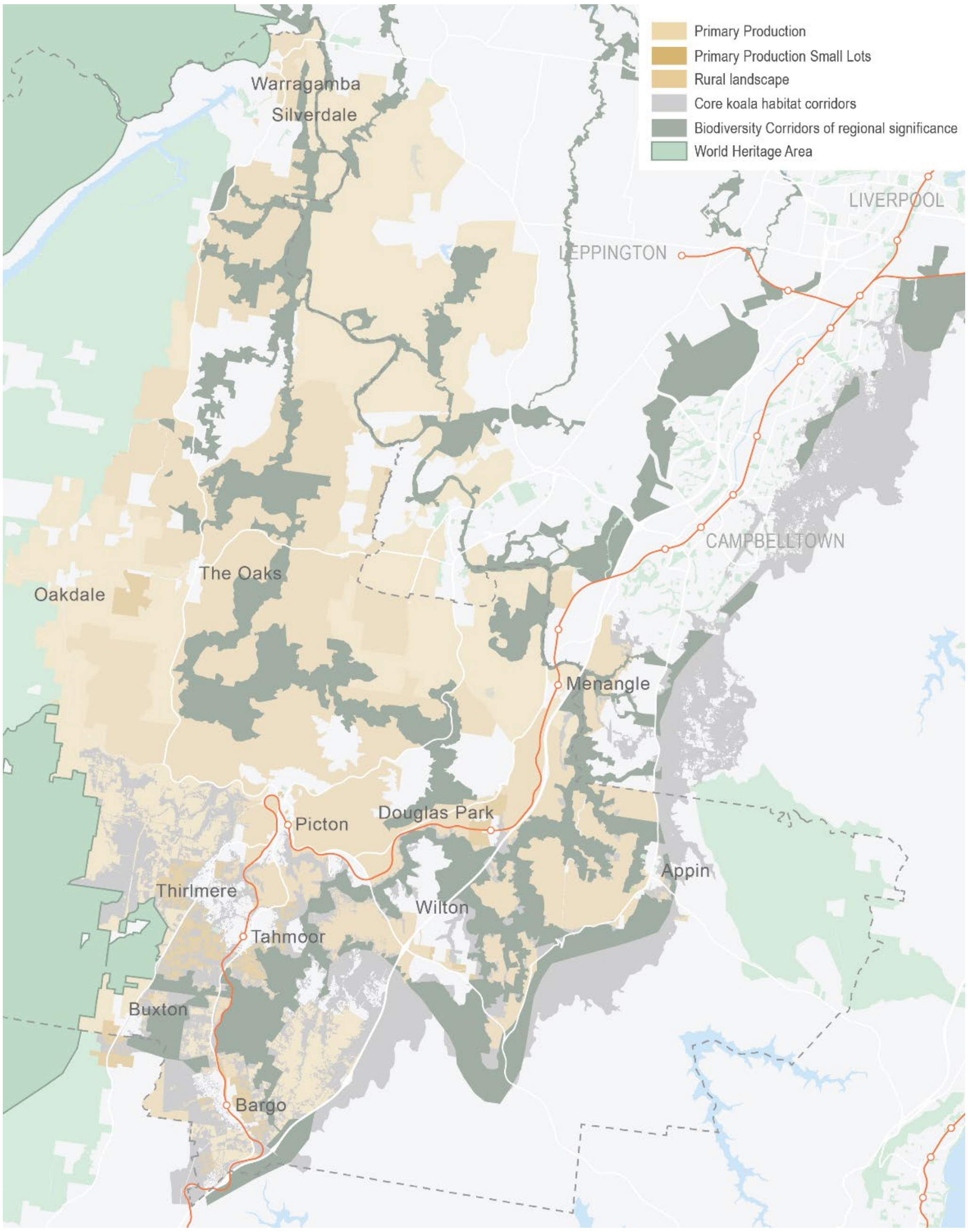


Figure 4: Agricultural land and environmental conservation

Source: spatial data supplied

Wollondilly constitutes a large part of Sydney's peri-urban food bowl. Sydney's peri-urban area provides food for 20% of the Australian population. Modelling conducted by the Sydney Food Futures has predicted this figure to drop to 6% if encroachment patterns on agricultural land continues. Ensuring agricultural lands are protected is vital not just for the economy of Wollondilly but also for Sydney's food security.

Mining has and continues to be important to Wollondilly, lending it to Picton's original 1841 name 'Stonequarry' until it was renamed in 1845. There are currently several coal mines and major quarries operating within the LGA. Accounting for over 50% of Wollondilly's exports, these extractive industries are the region’s largest employers and play a vital role in the LGA’s local economy. In light of this, community engagement conducted for the LSPS highlighted the need to improve economic resilience through more diverse local employment beyond the mineral resource sector.

Due to the nature of resource and mineral extraction activities, careful consideration is required around mitigating the impacts of water, noise and air pollution on residential development and restricting new housing in adjacent sites.

New development and infrastructure

Regionally Wollondilly plays an important role in the future development of the Western City District. The Wilton Growth Area and new town is planned to become a significant new centre for the LGA, providing 15,000 new dwellings. The Greater Macarthur Growth Area is expected to provide capacity for up to an additional 18,000 new dwellings in North Appin and Appin over the longer term. Coordinated planning and provision of infrastructure and services alongside new housing in these Growth Areas is critical to ensure the development of sustainable communities. Figure 5 shows the Wilton and Greater Macarthur Growth Areas.

Currently there are several major infrastructure projects under investigation; the electrification of rail, Picton bypass (and the Picton Road highway), the Outer Sydney Orbital (M9) and the North-South Rail Link, SWIRL (also known as Maldon Dombarton). Both transport corridors will connect the Western Sydney Airport to the North West and South West Growth Areas. These corridors will change how people and freight move around Greater Sydney with the aim to improve connectivity to future employment areas, facilitate job creation and the growth of businesses and communities. Planning and delivery of these new transport corridors can stimulate new development and housing in the Wilton and Greater Macarthur Growth Areas.

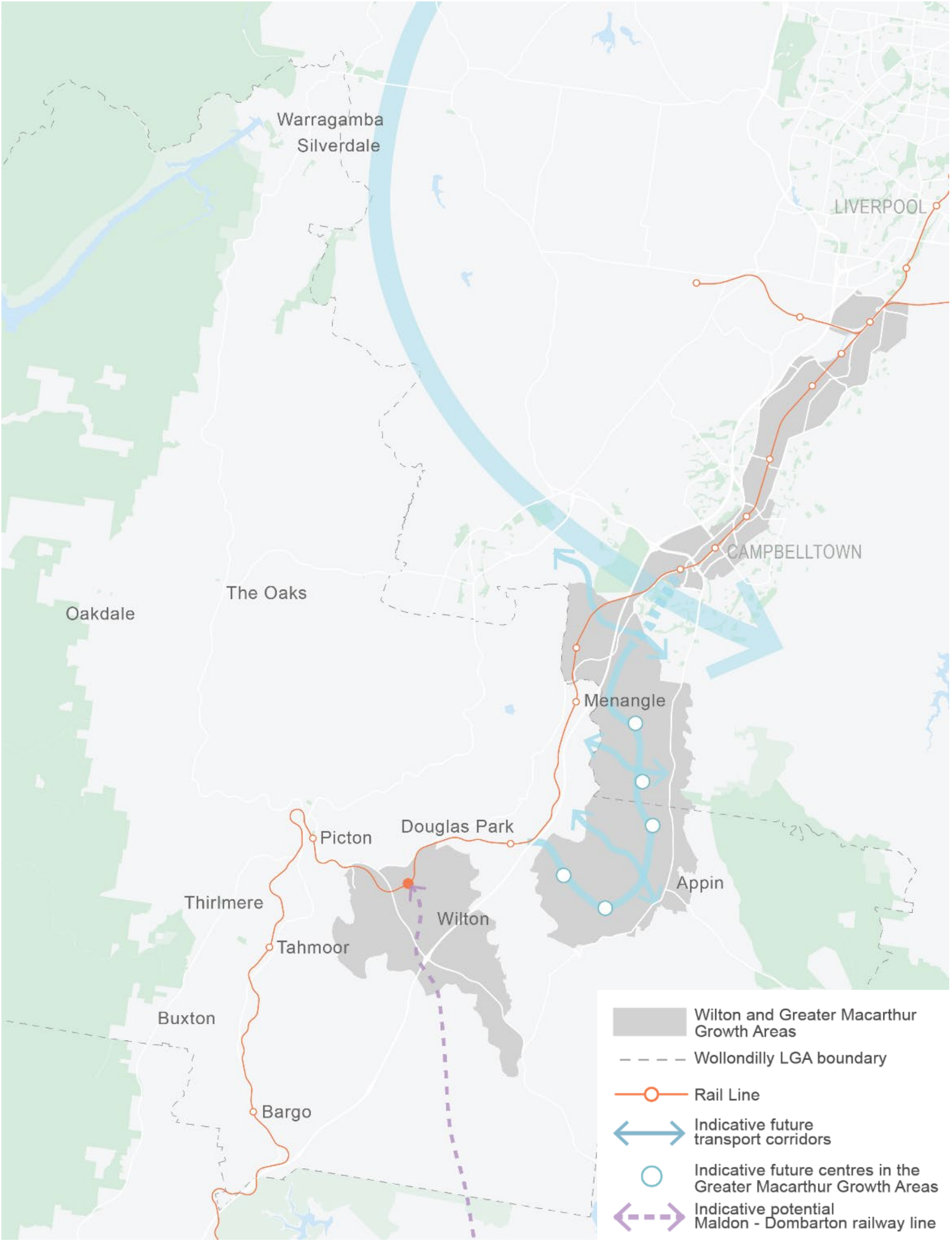


Figure 5 Wilton and Greater Macarthur Growth Areas

Source: spatial data supplied, Greater Macarthur 2040 Interim Plan

Community aspirations

Social and environmental sustainability and resilience are the aspirations of the local Wollondilly community for the future. The community has expressed a desire for a future that retains Wollondilly's strong rural character, lifestyle and Aboriginal cultural heritage, protecting agricultural and rural lands, increasing green spaces, tree canopy, National Parks and Koala Conservation corridor boundaries.

Through the Wollondilly LSPS community engagement process conducted in February 2020, key themes to emerge were:

- Transport infrastructure including active modes of transport and the need for improved public transport network to facilitate better connections between communities and the wider Sydney region;
- Services and social infrastructure with concerns raised about planning for new communities without provision for adequate services and social infrastructure (including waste and water management and security, health facilities, secondary education, community spaces and multi-purpose facilities);
- Housing diversity and affordability with shared living, student accommodation and homes for older people largely underrepresented in the Wollondilly market and a requirement to better understand local housing needs and housing stress to provide suitable housing for all groups in the community;
- Affordable living, a correlation of accessible services, social and transport infrastructure and housing diversity to promote more affordable lifestyles temporally and economically for all residents, for all stages of life.

1.4 Housing vision

This Local Housing Strategy establishes the long-term housing vision for Wollondilly LGA.

The vision housing vision for Wollondilly LGA is:

"Housing in Wollondilly is diverse and provides appropriate housing options for all households at all stages of life and supports affordable living across the LGA.

We will live in connected, liveable neighbourhoods that are supported by infrastructure and services and are in the right locations; reducing impacts on and celebrating our natural environment and scenic landscape."

This vision and the recommendations outlined in Section 3 responds to the evidence base and analysis on housing demand trends and housing supply opportunities set out in Section 2.

2 The evidence

2.1 Demographic overview

This section analyses demographic data and information to identify changes and trends within the population, and to understand the housing need of the future population in Wollondilly LGA.

2.1.1 Population

The residential population in Wollondilly grew 21% between 2006-2016, with an average annual population change of +1.7% per year. When compared to this 10-year period, the rate of population growth for the next two decades across Wollondilly is projected to increase considerably. By 2036, approximately 34,700 more residents will call Wollondilly LGA home (from June 2019) (source: .id), representing a 76% increase and an annual population change of +5.8% per year. By 2041, approximately 46,435 more residents will call Wollondilly LGA home, which is an 87% increase in the population it is today.

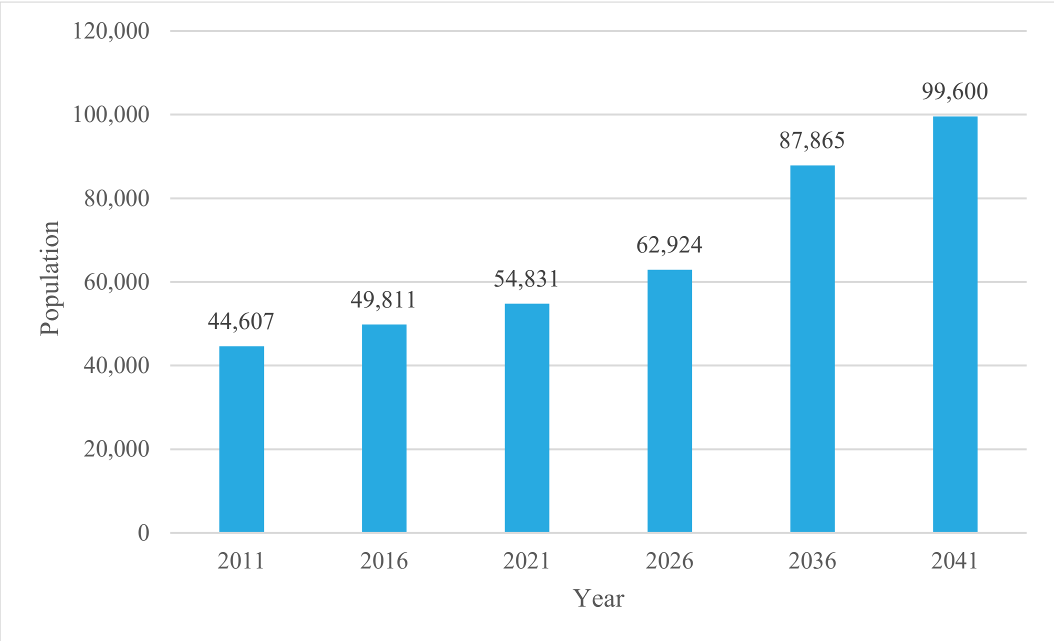


Figure 6: Wollondilly population forecast

Source: .id

In 2016, Wollondilly LGA recorded a population of 48,506. The majority of Wollondilly residents currently live across 13 towns and villages. The most populated of which are Bargo, Tahmoor, Picton and Silverdale with over 5,000 residents (2016).

Approximately 3% of the population of Wollondilly LGA are Aboriginal and/or Torres Strait Islander. This is higher than both the total for the Western City District (2.7%) and Greater Sydney (1.5%). Wollondilly, alongside Campbelltown, Hawkesbury and Penrith have proportionately larger Aboriginal and Torres Strait Islander populations when compared with the remaining Western City District LGAs, each at above 3%.

Figure 8 and Table 1 shows population forecasts to 2041 for collector districts across Wollondilly LGA. The significant spike in forecasted population growth for the Douglas Park collector district is a result of planned development in the Wilton Growth Area which has the potential to accommodate around 15,000 dwellings (source: Wilton 2040).

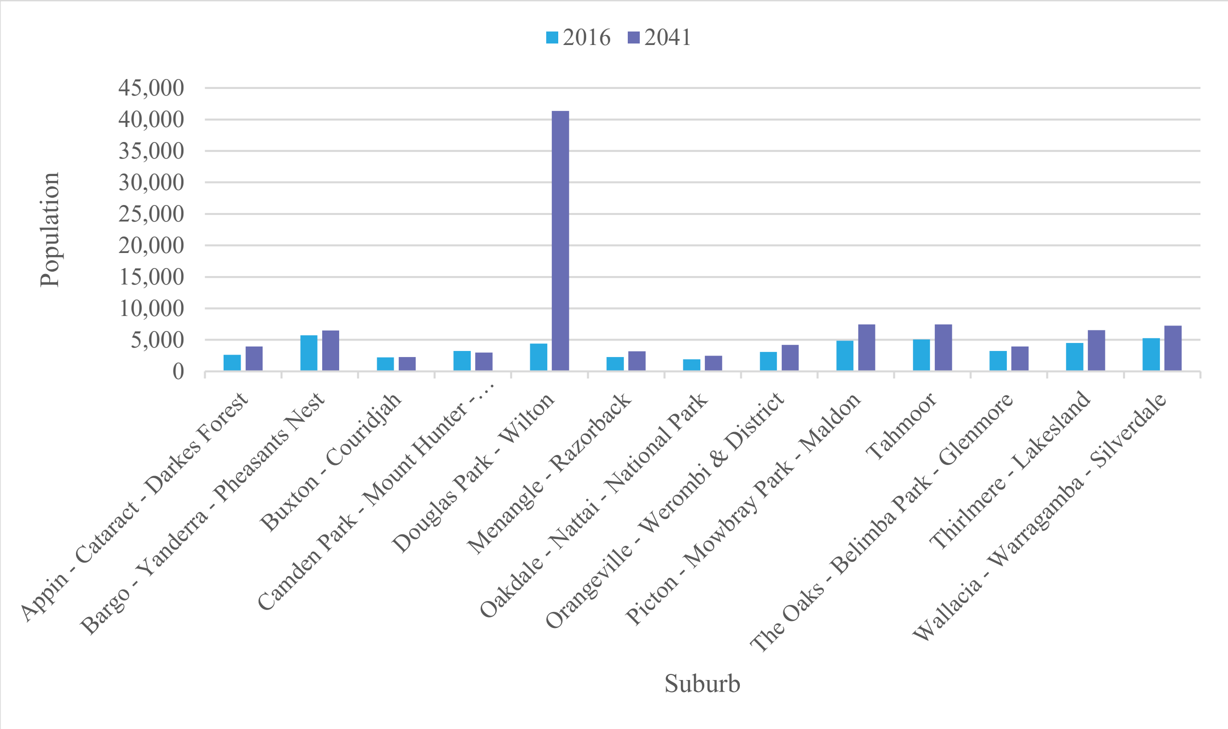


Figure 7: Population forecast graph by collector district. *Source: .id*

Collector district	2016 population	2041 population
Appin - Cataract - Darkes Forest	2,716	3,944
Bargo - Yanderra - Pheasants Nest	5,834	6,508
Buxton - Couridjah	2,314	2,275
Camden Park - Mount Hunter - Cawdor	3,343	2,987
Douglas Park - Wilton	4,580	41,358
Menangle - Razorback	2,283	3,208
Oakdale - Nattai - National Park	1,980	2,458
Orangeville - Werombi & District	3,244	4,213
Picton - Mowbray Park - Maldon	5,081	7,481
Tahmoor	5,174	7,456
The Oaks - Belimba Park - Glenmore	3,335	3,930
Thirlmere - Lakesland	4,589	6,532
Wallacia - Warragamba - Silverdale	5,337	7,248

Table 1: Population forecast table by collector district. *Source: .id*

Figure 8 shows the collector districts, which are small areas for analysis referred to in this evidence base. Towns and villages and the Wilton and Greater Macarthur Growth Areas are also shown for context.

Figure 8: Wollondilly collector districts

Source: Collector Districts spatial data, data supplied

2.1.2 Age structure

<u>Age Group Definition</u>

Children – under the age of 15

Young Workforce – between the age of 25 and 34years

Parents and Homebuilders – between the age of 35 and 49 years

Pre-Retirees – between the age of 50-59 years

In 2016, the majority of the population living in the LGA were families. 'Children' and the 'young workforce' account for 54% (26,453 persons) of the LGA population.

The most significant changes in age structure to 2036 will be in the 30-39 and 75+ year old age groups (at a minimum, these age groups are doubling in size). This increase in number of older persons may be a result of more people choosing to stay or relocate to the area to retire.

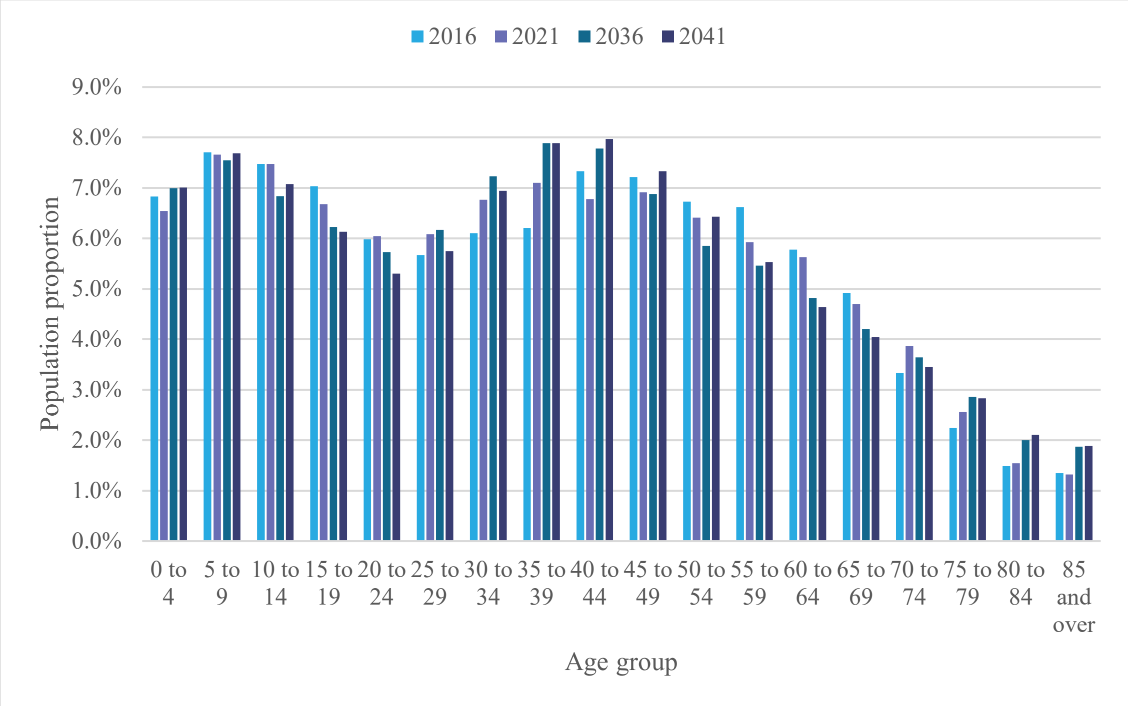


Figure 9: Age structure forecast

Source: .id

2.1.3 Migration

Between 2017 and 2041 a net increase of 9,056 residents are forecast to move into Wollondilly Shire (31,717 residents moved out and 40,772 residents moved in).

During this period the highest forecast net increase is with 'parents and homebuilders' at 12,686, followed by the young work force at 6,250 and primary schoolers (5 to 11 years) and older workers and pre-retirees at 5,000+. The decrease in the number of persons from the primary schoolers to the secondary schoolers and tertiary education and independence groups could indicate migration out of the LGA for secondary and higher education purposes.

The COVID-19 pandemic may affect migration in the short-term and impact on this data. Refer to Appendix A.

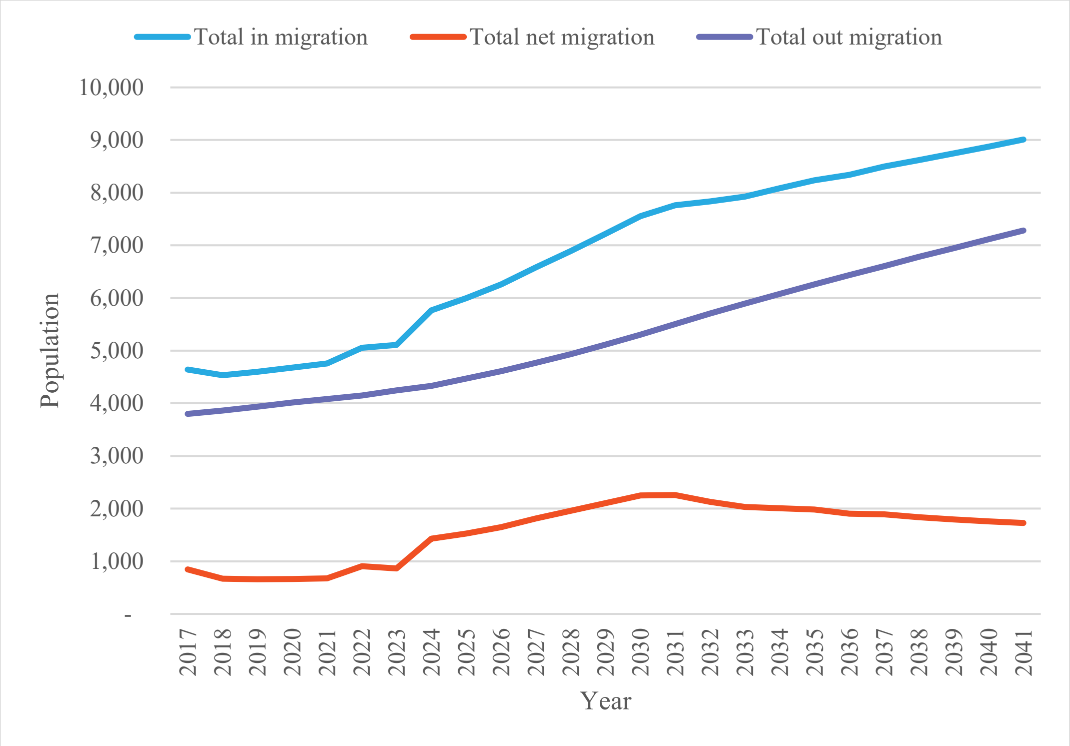


Figure 10: Migration forecast

Source: .id

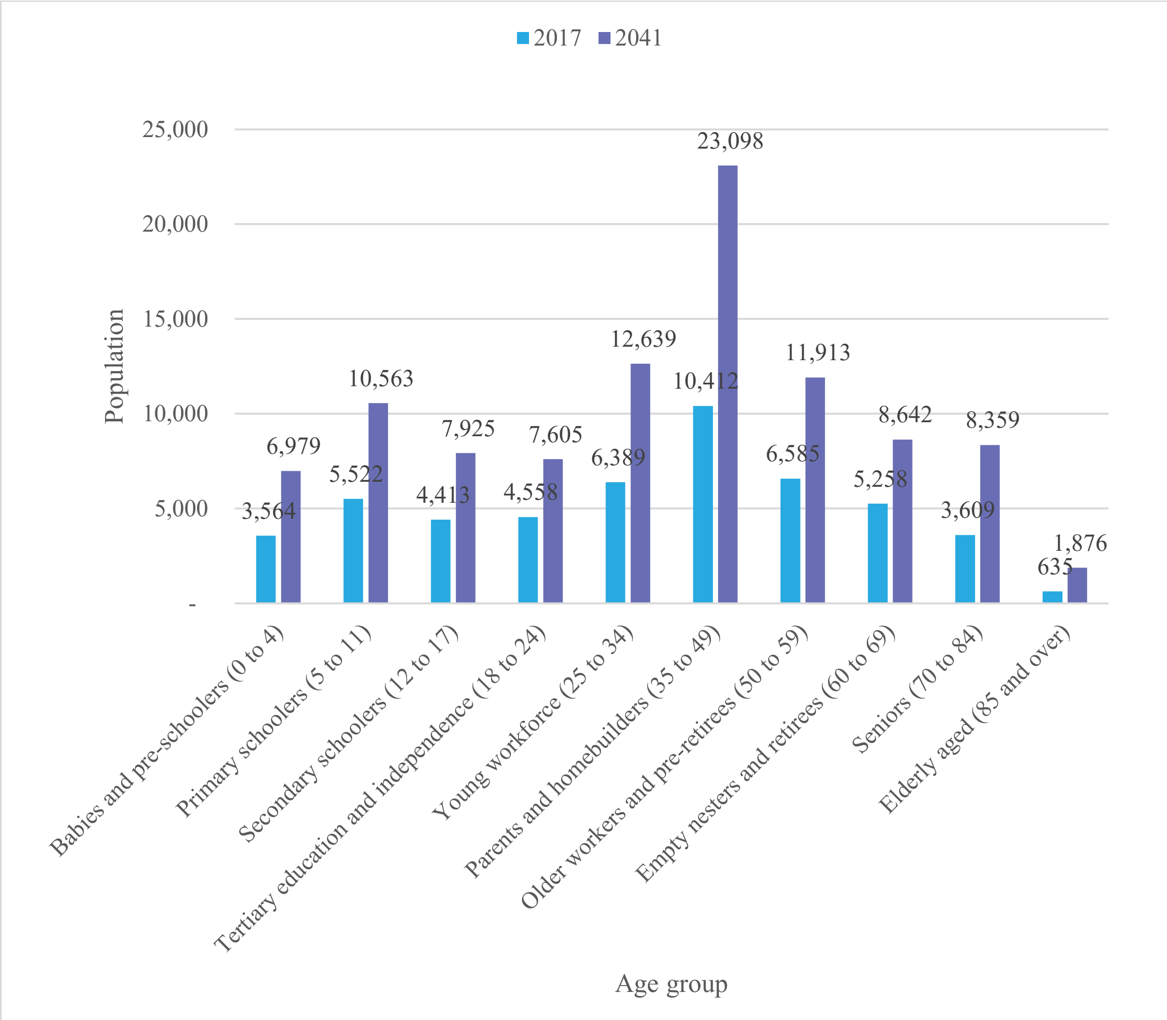


Figure 11: Forecast age structure

Source: .id

2.1.4 People Requiring Assistance

Older people, over the age of 75 years of age, are the age groups with the largest proportion of people that require assistance across Wollondilly, the Western City District and Greater Sydney. Children, under the age of 19 years of age, and people aged between 85 and 89 years of age represent a slightly higher proportion of people that require assistance in Wollondilly when compared to both the Western City District and Greater Sydney averages.

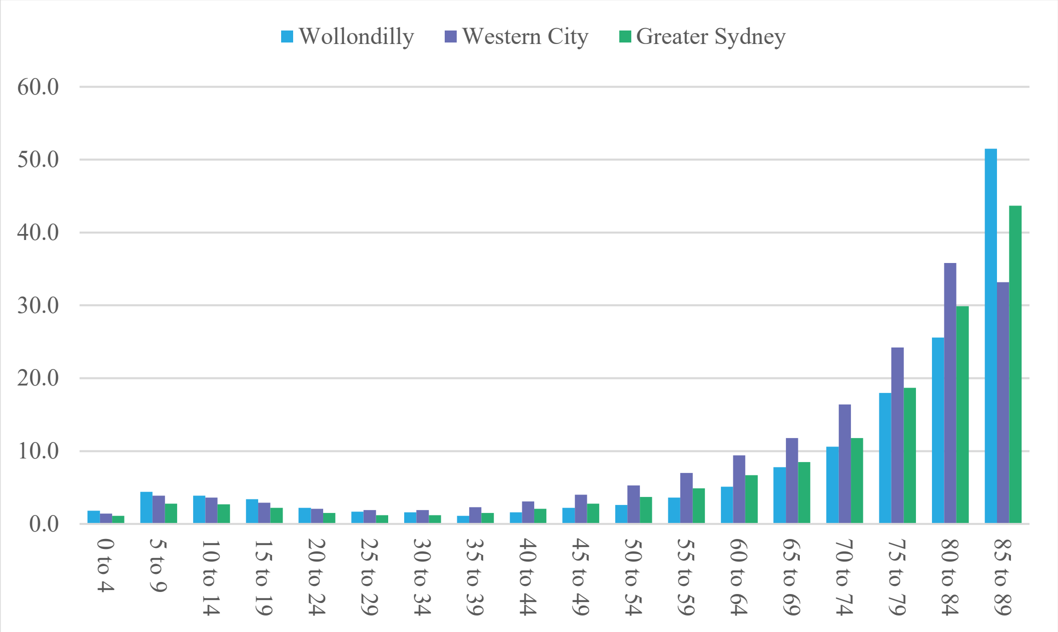


Figure 12: People requiring assistance

Source: ABS Census 2016

2.1.5 Employment

In 2016 the top industries of employment for residents in Wollondilly are construction, health care, retail, education and manufacturing. The increase in the health sector is most likely related to the growth of nearby health precincts in Liverpool and Camden.

65.7% of Wollondilly Shire's residents travel outside of the LGA for work, while 27.1% work in the area and 7.2% have no fixed place of work. The top 3 locations of employment for the Wollondilly Shire residents are in Camden (13.9%), Campbelltown (12.6%) and Liverpool (7.2%).

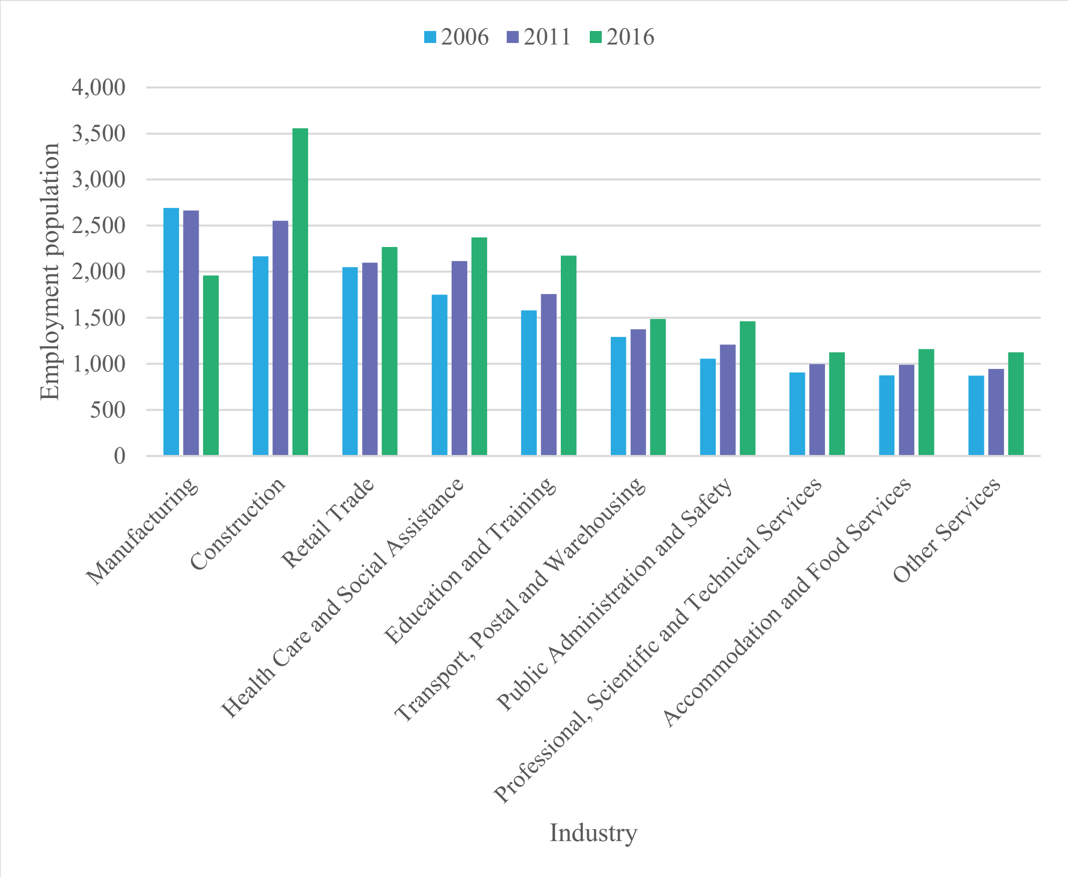


Figure 13: Wollondilly top 10 industries of employment

Source: .id

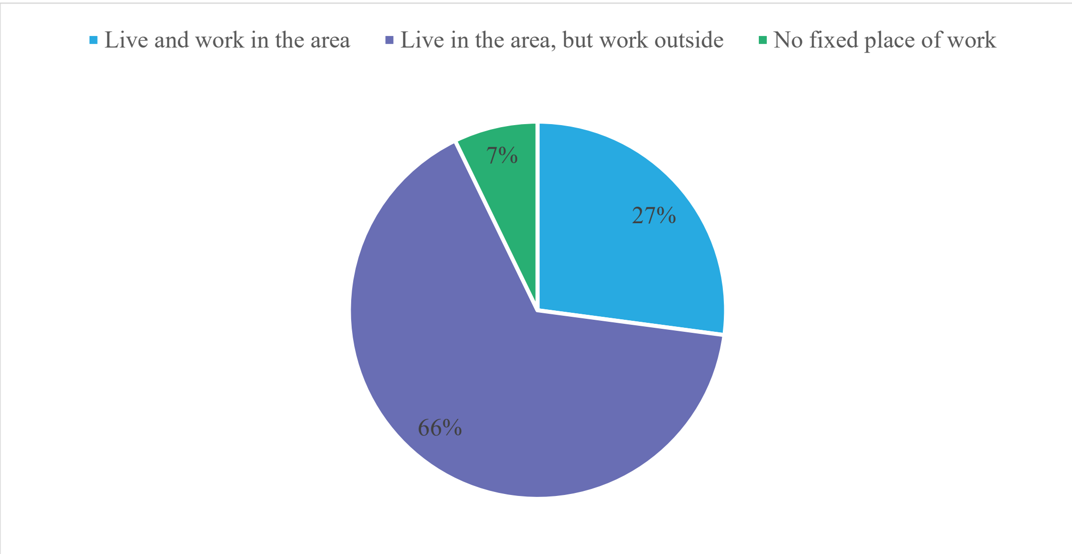


Figure 14: Employment location of resident workers

Source: ABS Census 2016

Resource extraction is the primary employment generator within the LGA. In 2016 construction accounted for 13.3% of jobs in Wollondilly, closely correlating with the number of residents employed by the sector. Mining was the second highest (12.8%) industry of employment followed by education and training (8.3%), manufacturing (8.2%) and retail (7.5%). 58.7% of people working in Wollondilly Shire were also local residents.

Diversifying jobs and decreasing dependence on the resource extraction sector is very important in Wollondilly Shire for residents, supporting local economy and resilience.

Table 2: Top 5 Industries of employment

Top 5 Industries of Employment for Wollondilly LGA Residents (2016)		**Top 5 Industries of Employment Located in Wollondilly LGA (2016)**	
Construction	14.8%	Construction	13.3%
Health Care and Social Assistance	9.9%	Mining	12.8%
Retail	9.4%	Education and Training	8.3%
Education and Training	9%	Manufacturing	8.2%
Manufacturing	8.1%	Retail	7.5%

Source: .id

The top growth industries over the last 10 years (2006-2016) for residents in Wollondilly, identified in Council's draft Employment Lands Strategy, closely correspond to the top industries of employment – construction, health care and assistance, education and training, public administration and safety, and accommodation and food services. For the same period, there was a reduction in employment in manufacturing for Wollondilly residents, a trend experienced across Greater Sydney increasingly more people seeking employment in 'white collar' (knowledge intensive) industries. Only 19% of employment in Wollondilly is knowledge intensive.

Technicians and trade workers had the highest proportion of employment for Wollondilly residents, relating closely to employment precincts within the LGA. In comparison, 40% of people in Greater Sydney hold a managerial or professional position, whilst a smaller proportion of 28% in Wollondilly and 27% in Western City District hold similar positions. The unemployment rate in Wollondilly LGA is 4%. It is lower than both the Western City District (7%) and Greater Sydney (6%).

Council's draft Employment Lands Strategy anticipates a growth of 22,000 jobs across the industries by 2041. These projections (based on Forecast id and HillPDA analysis) reflects the anticipated growth and development of Western City District and the Wilton Growth Area. Despite the current declining trend, Mining (+709 jobs) along with Manufacturing (+1,767 jobs) and Transport, Postal and Warehousing, likely related to last mile services (+1,933 jobs), are all anticipated to experience growth over the next 20 years. These industries are land intensive and can have an impact on land use patterns in the future.

The COVID-19 pandemic on employment in the short-term may impact on this data. Refer Appendix A.

2.1.6 Household size

For the past 10 years Wollondilly has an average household size of 2.99 persons (2016, source: .id), showing little change in the past 10 years (2.97 in 2006). The highest proportion of households are two-person households. The Wollondilly LGA average household size is smaller than Western City District, though larger than the Greater Sydney average (2.65). The average household size is typically larger in areas further from the Sydney CBD.

Table 3: 2016 Average household size

Area	Average Household Size
Wollondilly LGA	3 persons
Western City District	3.33 persons
Greater Sydney	2.8 persons

Source: ABS Census 2016

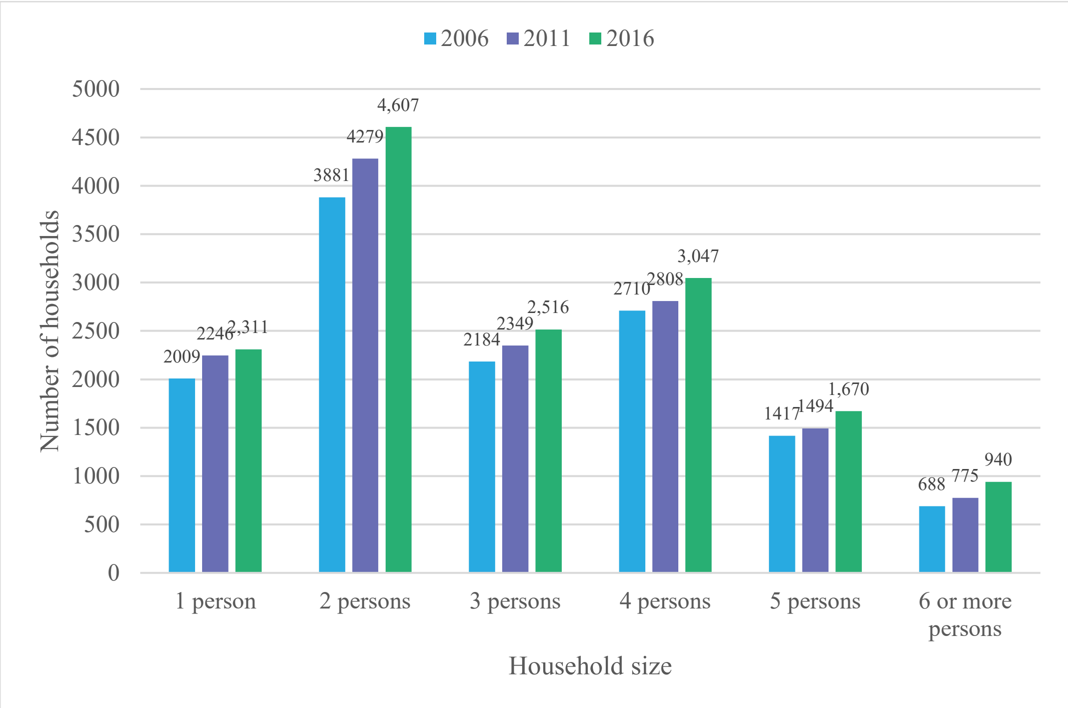


Figure 15: Wollondilly household sizes (2006-2016)

Source: ABS Census 2016

2.1.7 Household composition

Almost 70% of households in the Wollondilly LGA are couple households, a higher proportion than both the Western City District (60%) and Greater Sydney (57%). By comparison, the proportion of lone households is lower in Wollondilly LGA (15%), than in Western City District (17%) and Greater Sydney (20%). This is typical of urban fringe areas when compared to metropolitan areas with higher density and smaller dwelling sizes.

The household composition in Wollondilly Shire is projected to remain consistent over the next 24 years.

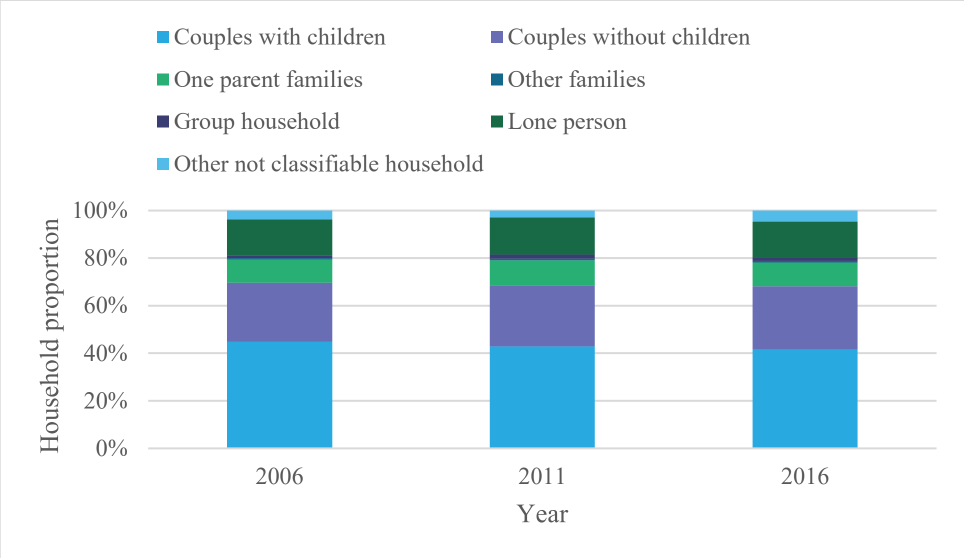


Figure 16: Wollondilly household composition (2006-2016)

Source: .id

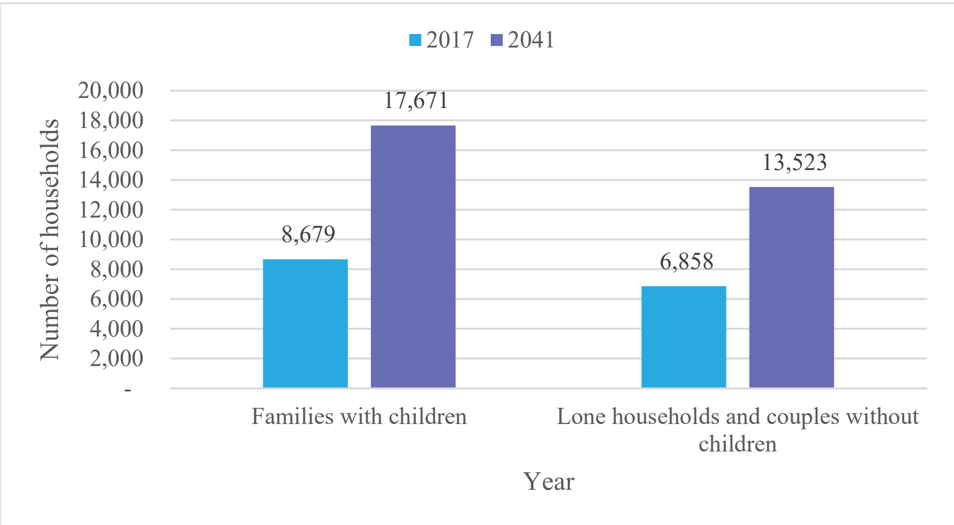


Figure 17: Wollondilly change in household composition (2017-2041)

Source: .id

2.1.8 Tenure

The highest proportion of land tenure in the Wollondilly LGA are mortgages (48%) with a median monthly repayment of $2,167. Wollondilly LGA has a higher proportion of with a mortgage than Greater Sydney (34%). The percentage of homeowners is largely consistent.

Figure 18: Tenure comparison (2016)

Source: ABS Census 2016

The median weekly rent is Wollondilly LGA is $365. Wollondilly has a significantly lower percentage (15%) of renters than Greater Sydney (31%) and a very low proportion of residents living in social housing. Approximately 1% of households in Wollondilly (136 dwellings) live in housing managed by either the NSW Land and Housing Corporation or a Community Housing Provider. Refer to Section 2.2.7 for more details.

Table 4: Median Rental and Mortgage Repayments

Median Weekly House Rental	1Bedroom $260	2Bedroom $350	3Bedroom $415	Median weekly house rent in LGA $450 **24% of weekly median household income**
Median Weekly Unit Rental				Median weekly unit rent in LGA $378 **20% of weekly median household income**
Median Price Sales	-	-	-	$668,00
Median Monthly Mortgage Repayment	-	-	-	$2,167 **28% of monthly median household income**

Source: NSW Rent and Sales Reports

2.1.9 Household income

Very Low Household Income
$0 - 799 per week

Low Household Income
$800 - $1,499 per week

Moderate Household Income
$1,500 - $1,999 per week

Household incomes in Wollondilly LGA are relatively high. This is consistent with the high proportion of mortgage and outright owners in the LGA. The median household weekly income is $1,871 which is slightly higher than the Greater Sydney median household weekly income of $1,750 in the 2016 census.

However, there is evidence of growing disparity between high and low-income households in the LGA with the proportion of high-income households increasing, and the proportion of very low to low income households declining.

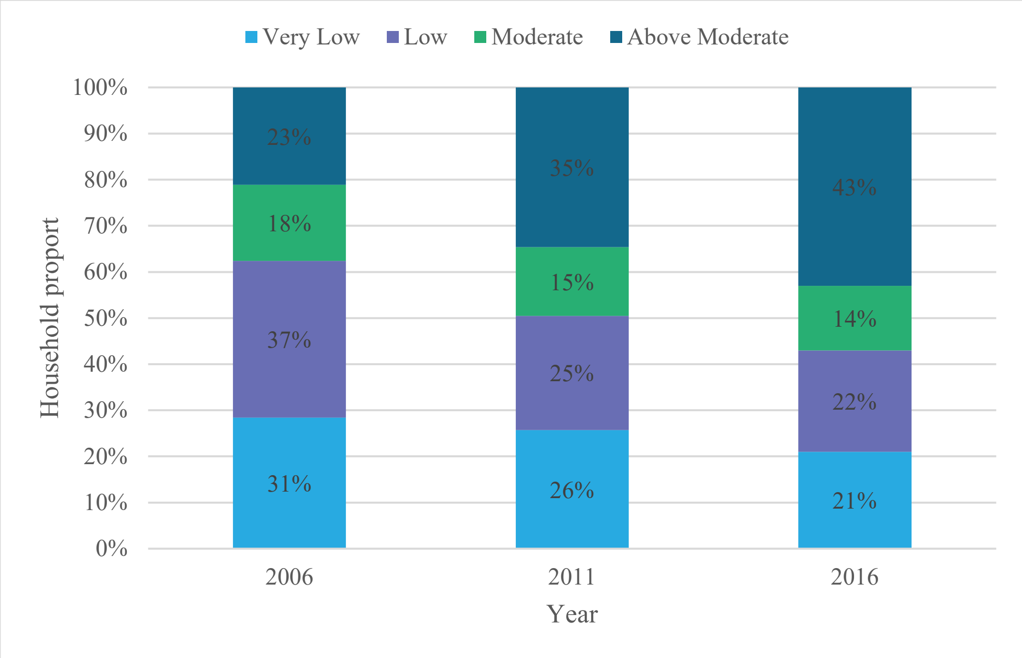


Figure 19: Wollondilly household income comparison

Source: ABS Census 2016 (see data assumption notes in B1.2)

Table 5 shows the income levels for residents employed in the top five industries of employment in Wollondilly. The affordability of housing for residents employed in these sectors need to be considered as over 60% of workers are receiving either very low or low incomes. A higher proportion of residents employed in the Health Care and Social Assistance and Retail Trade sectors receive very low incomes, which equates to less than $41,599 per annum.

Table 5: Income of residents in Wollondilly for the top five industries of employment (data assumption notes in B1.3)

Industry of employment	% residents employed in industry (2016)	% residents receiving a very low income	% residents receiving a low income	% residents receiving a moderate income	% residents receiving an above moderate income
Construction	14.8%	27%	43%	16%	14%
Health Care and Social Assistance	9.9%	41%	37%	12%	9%
Retail Trade	9.4%	59%	27%	7%	7%
Education and Training	9.0%	30%	31%	22%	16%
Manufacturing	8.1%	23%	41%	18%	18%

The affordability of housing is better understood when considering household income levels. The Gurran, Gilbert and Phibbs' (2018) report 'Key worker housing affordability in Sydney' outlines the median annual income of individuals and households that are employed in key worker jobs. This includes those in the

Health Care and Social Assistance and Education and Training industries, where 18.9% of Wollondilly residents are employed.

Table 6 and Table 7 provide a breakdown of income levels for different key workers and price points for affordable home purchase and affordable weekly rent. Based on the median sales price for housing in Wollondilly, individuals and households employed in key worker industries would not be able to afford to purchase a house or unit in the LGA (based on the median income of key workers). Median rents in Wollondilly, however, are affordable for single key workers and key worker households. The challenge in Wollondilly, however, is the relatively low proportion of rental housing in the LGA. The majority of dwellings are either owned outright or under mortgage.

Table 6: Affordable home purchase and rental thresholds for single key workers

	Annual income ($)	**Weekly income ($)**	**Affordable home purchase price ($)**	**Affordable weekly rent (30% weekly income) ($)**
Teacher (mid-level graduate)	86,570	1,665	554,560	499
Senior Fire Fighter	83,654	1,609	531,570	483
Constable (Level 5)	73,651	1,416	452,710	425
Senior Constable (Level 6)	98,413	1,893	641,750	568
Enrolled Nurse (Year 5)	57,013	1,096	321,550	329
Registered Nurse (Year 5)	72,764	1,399	445,720	420
Ambulance – Paramedic Specialist	79,997	1,538	502,750	462
Key workers (median)	78,866	1,517	492,940	455

Source: recreation of Table 7 in Gurran, Gilbert and Phibbs (2018), 'Key worker housing affordability in Sydney'

Table 7: Affordable home purchase and rental thresholds for dual income key worker households

	Annual income ($)	**Weekly income ($)**	**Affordable home purchase price (no dependents)**	**Affordable home purchase price (two dependents)**	**Affordable weekly rent (30% weekly income) ($)**
Teacher (mid-level graduate)	136,570	2,626	884,380	712,500	788
Senior Fire Fighter	133,654	2,570	861,390	689,500	771
Constable (Level 5)	123,651	2,378	782,530	610,660	713
Senior Constable (Level 6)	148,413	2,854	971,570	799,690	856
Enrolled Nurse	107,013	2,058	651,370	479,490	617

	Annual income ($)	Weekly income ($)	Affordable home purchase price (no dependents)	Affordable home purchase price (two dependents)	Affordable weekly rent (30% weekly income) ($)
(Year 5)					
Registered Nurse (Year 5)	122,764	2,361	775,540	603,670	708
Ambulance – Paramedic Specialist	129,997	2,500	832,560	660,690	750
Key workers (median)	128,866	2,478	822,760	650,890	743

Source: recreation of Table 8 in Gurran, Gilbert and Phibbs (2018), 'Key worker housing affordability in Sydney'

Note the COVID-19 pandemic may impact on employment and household incomes in the short term and impact on this data. Refer Appendix A.

2.1.10 Car ownership

Over two thirds (71%) of households in Wollondilly LGA own 2 or more cars. This is significantly higher than the Western City District (56%) and for Greater Sydney (49%). High levels of car ownership are typical for areas with poor access to public transport.

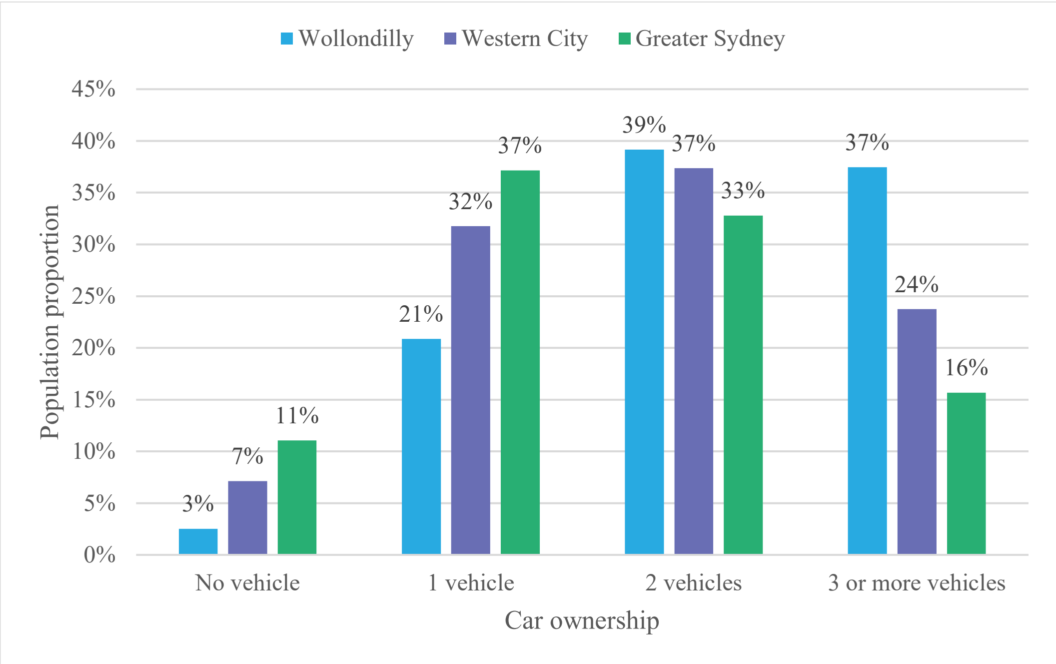


Figure 20: Car ownership comparison (2016)

Source: ABS Census 2016

2.2 Housing demand and housing preferences

This section analyses the demand for new housing to identify the housing needed to support growth and change in Wollondilly over the next 20 years.

Note the COVID-19 pandemic may impact housing demand and preferences in the short term. Refer to Appendix A.

It is useful to analyse housing demand in two ways: Underlying demand and effective demand.

Underlying demand is the theoretical need for housing, based on population projections and past trends in household formation.

Effective demand is the quantity of housing that owner occupiers, investors and renters are willing and able to buy or rent in the housing market.

2.2.1 Underlying demand

The NSW Department of Planning, Industry and Environment's housing projections are a measure of underlying housing demand. Based on population projections and an assumption of demand for housing based on household formation, they do not take into consideration the ability of housing markets to deliver these housing types. The NSW Department of Planning, Industry and Environment's projections indicate that Wollondilly LGA will need to accommodate an additional 44,769 people by 2041. This projected growth correlates to demand for an additional 13,800 dwellings by 2041.

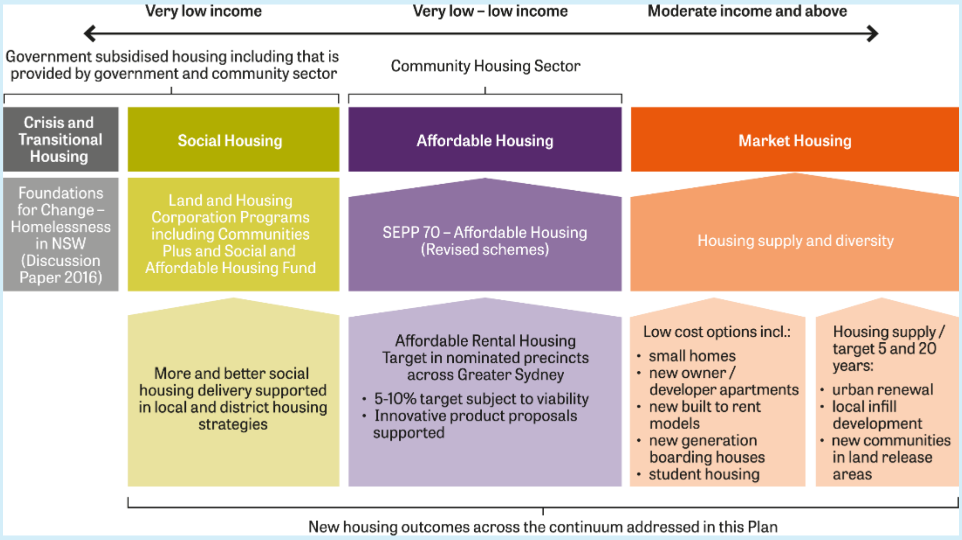
2.2.2 Effective demand

While underlying demand is related to dwellings required to accommodate projected populations, effective demand considers factors around consumer and investor sentiment, interest rates, and affordability constraints that can affect the size, type and location of housing people want and what they are willing to pay for it.

Effective demand in Wollondilly can be lower than the underlying demand considering the high proportion of residents owning or having mortgages. Broader economic factors such as employment and interest rates can impact people's ability to live in Wollondilly. When affordability pressures affect how much people can pay for housing, people will make substitutions or 'trade offs' for their preferences such as purchasing a smaller house to be closer to public transport, services and amenities. People may also be driven to rent rather than buy.

Household composition is a common 'trade off.' People such as the 'young workforce' may choose to delay creating their own household and instead stay at home with their parents for longer. Otherwise people will form different household patterns than experienced in the past, such as more multi-generational living and share house arrangements. This can reduce the number of households formed and influence demand in types and the number of dwellings needed.

The Housing Continuum



Source: Greater Sydney Commission's - A Metropolis of Three Cities: Objective 11 Housing is more diverse and affordable

The housing continuum is a concept widely adopted by the industry that identifies the broad range of housing tenures and systems that support the access to affordable and appropriate housing for people based on their needs, economic situation and life stage.

The housing four stages covering the spectrum the whole socio-economic spectrum from very low to moderate and above are: Crisis and Transitional Housing; Social Housing; Affordable Housing and; Market Housing.

State and Local Government, the community and not-for-profit sectors, and the private market and developers have different role to play in providing housing at different stages of the housing continuum.

A successful housing system provides housing for all, enabling people to access to affordable and appropriate housing and supports the movement of people through the continuum. Access to affordable and quality housing is an important factor that contributes to socio-economic advantage or disadvantage and an individual's health and wellbeing.

2.2.3 Housing preferences

The Grattan Institute's 'The Housing We'd Choose' (2011) focuses on housing preferences. The study highlighted that people preferred larger dwellings over smaller dwellings; detached houses over apartments and living closer to the city. Location was also another high priority when choosing a dwelling with people preferring to live in safe neighbourhoods, close to shops, public transport and good schools.

Sydney has experienced a large volume of residential construction over the past decade however there remains a gap between people's 'housing preferences' and housing supplied by the market. Surveys by The Grattan Institute indicate that financing practices, planning and development constraints along with the cost of materials and labour, are key reasons why housing supply does not necessarily match housing preferences.

Growing in place

The Australian Housing and Urban Research Institute's (AHURI) 'Understanding the Housing Aspirations of Young Australians' (2019) highlighted that while 60% aspired to be an owner occupier, only a third believed that it was achievable or didn't aspire to; 54% aspired to living in a house and 34% aspired to living in an apartment.

Over the past 12 years (2003-2016) there has been an increase in emerging (58% to 66%) and early adults (14%-20%) living with parents. With 65% of emerging adults earning an annual income of $31,000 or less, living with parent provides a buffer to income insecurities whilst pursuing travel and study aspirations.

The proportion of early adults living in group households have also increase from 11% to 13% as home ownership becomes increasingly unattainable. The changing profile of housing composition away from traditional housing compositions impacts the underlying demand of dwellings and diversity in housing types.

Emerging adults 18–24 years

The housing aspirations of emerging adults (18-24years) reflect their period of transitioning from secondary school to further education and training, employment, travelling and forming relations and independence.

Early adults (25-34years) represent a period of stabilised relationships and consolidated careers priorities begin to shift to raising a family.

Ageing in place

In a survey conducted by AHURI 'Effective Downsizing Options for Older Australians' (2020) an average of 26% of persons at the age of 55 have downsized, or 'rightsized' whilst 29% have thought about moving to a dwelling that is more appropriate for later stages in life.

Lifestyle (27%), finance (27%) and too much maintenance (18%) were the primary motivations for downsizing of dwellings. A larger proportion of downsized households consisted of one (13%) and two (35%) bedrooms in comparison to households that have not downsized (one bedroom 3% and two bedroom 12%). The reduction in rooms is closely linked to a reduction in belongings, however a spare room was still deemed as an important component to a dwelling.

For persons aged 55 and above location as an important factor, accessible and close to services and high-quality amenity as highlighted in the report. Most downsized households have moved to different neighbourhoods, either completely new (42%) or a location they were already familiar with (37%).

Whilst most households owned their dwellings outright or with a mortgage, they were less likely to be in ownership after downsizing.

Outer metropolitan areas

AHURI's two research papers 'Understanding the Housing Aspirations of Young Australians' (2019) and 'Effective Downsizing Options for Older Australians' (2020) also provide a breakdown of ideal locations for different age groups.

Table 8 shows that a greater proportion of older people (aged 65 to 74 years old) prefer to live in the middle or outer suburbs of a Capital City, like Wollondilly than compared to younger people. However, for younger people aged between 25 to 34 years old, 28% of this group would ideally live in the middle/outer suburbs of a Capital City which is the same proportion as those that would ideally live in the inner suburbs. Therefore, it is important to consider the housing preferences of people of all age groups in Wollondilly.

Table 8: Ideal locations to live for different age groups

Ideal location	***AHURI (18-24)***	***AHURI (25-34)***	***AHURI (65-74)***
The CBD of a Capital City	19.1%	16%	3%
The inner suburbs of a Capital City	26.8%	28%	18%
The middle/outer suburbs of a Capital City	23.5%	28%	36%
A large regional city or town	14.2%	14%	16%

Source: AHURI's 'Understanding the Housing Aspirations of Young Australians' (2019) and 'Effective Downsizing Options for Older Australians' (2020)

2.2.4 Rent and sales

Median rents in Wollondilly Shire have increased over the past three years in line with the median rent prices for Western City District and Greater Sydney.

Wollondilly Shire's median weekly rent has been comparable to Western City District over the past three years and is lower than Greater Sydney.

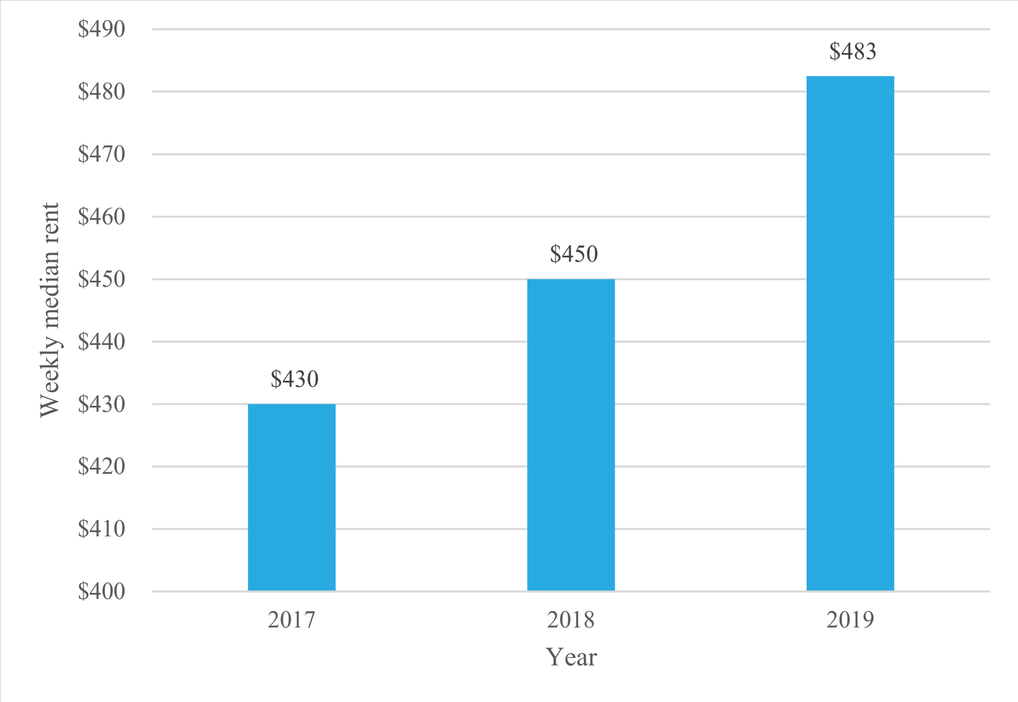


Figure 21: Wollondilly change in weekly median rents

Source: NSW Rent and Sales Reports

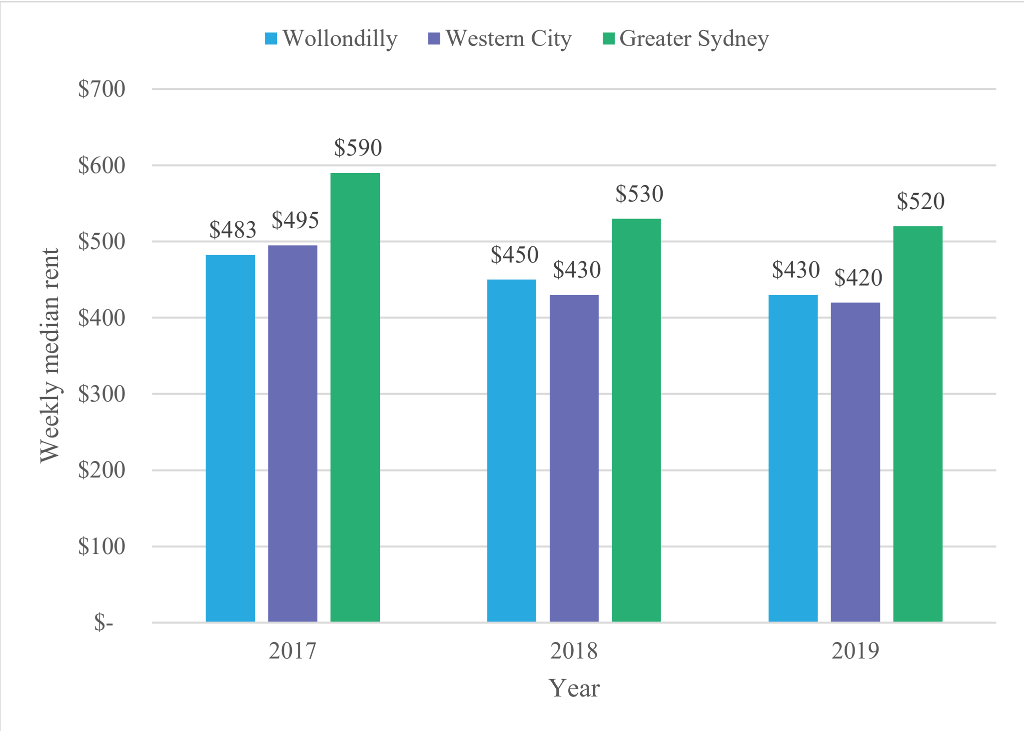


Figure 22: Median rent comparison

Source: NSW Rent and Sales Reports

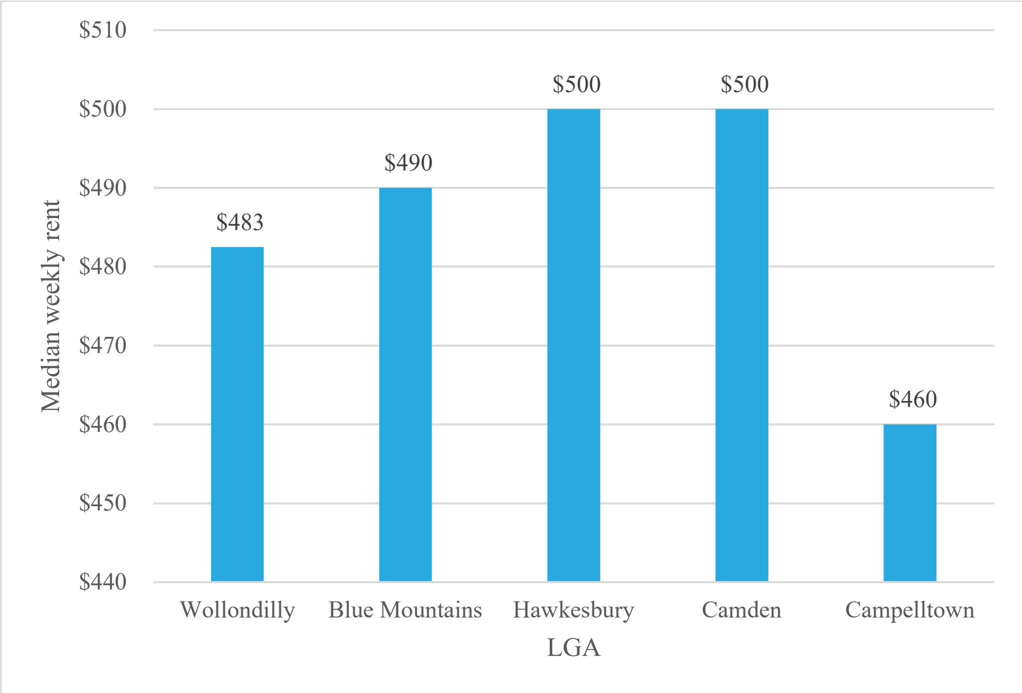


Figure 23: Weekly median rent comparison (2019)

Source: NSW Rent and Sales Reports

There is a slight variation in median rent prices in comparable Sydney areas. Notably the difference between median rent prices between Camden and Campbelltown.

Note that rent and sales data is collected for the whole LGA and includes all new leases and sales transactions recorded for the reporting period. Rent and sales data therefore includes all residential properties, including both urban and rural properties.

As identified in the demographic indicators, there is a significantly higher proportion of owner-occupiers in Wollondilly Shire compared to renters over the last 10 years (2006-2016). The proportion of owner-occupiers in Wollondilly Shire (78%) is also higher than Western City District (65%) and Greater Sydney (62%).

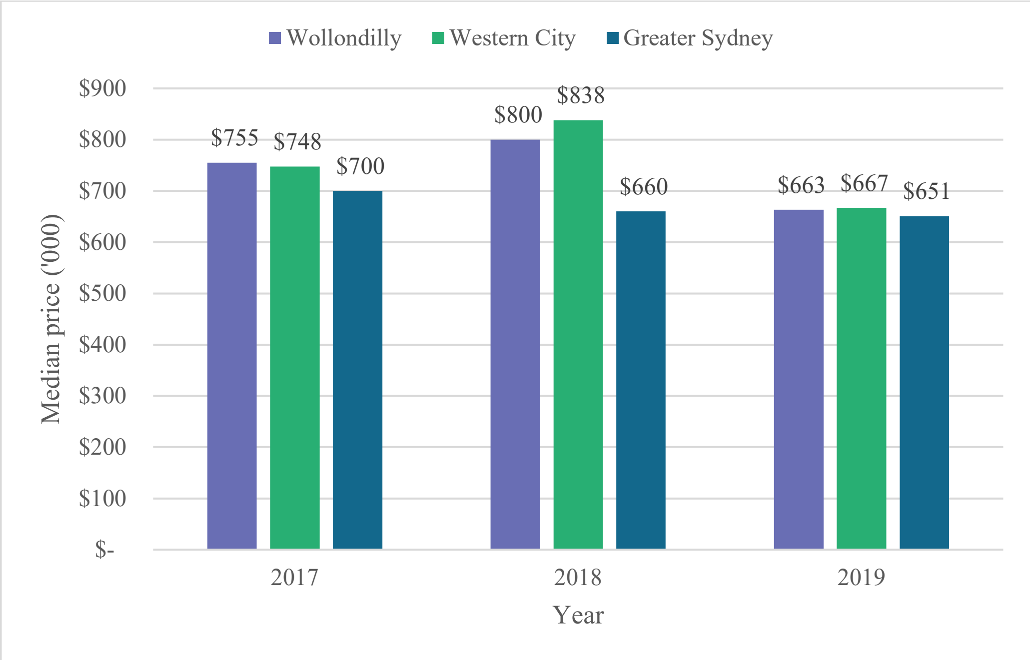


Figure 24: Median sales prices

Source: NSW Rent and Sales Reports

In 2017 and 2019 the median sale prices in Wollondilly were comparable to Western City District and Greater Sydney. In 2018 however, there was a greater difference in median sale prices across the three regions. Wollondilly's median sales price increased to $800,000 with Western City District and Greater Sydney both decreasing to $705,000 and $660,000 respectively.

Note the COVID-19 pandemic may impact on rent and sales data in the short term. Refer Appendix A.

2.2.5 Housing affordability

A household experiences housing stress when a household is paying more than 30 percent of its income in housing costs, whether for rent or for mortgage repayments.

In Wollondilly Shire 82% (571 households) of very low-income households (18% of total households) experience rental stress. 53% (556 households) of low-income households (18% of total households) and 17% (226 households) of moderate-income households (12% of total households) also experience rental stress.

Mortgages make up the highest proportion (48%) of tenure type. For those with a weekly mortgage 78% (340 households) of very low-income households are experience repayment stress, 56% (917 households) of

Very Low Household Income
$0 - 799 per week

Low Household Income
$800 - $1,499 per week

Moderate Household Income
$1,500 - $1,999 per week

low-income households and 32% (983 households) or moderate-income households also experience repayment stress.

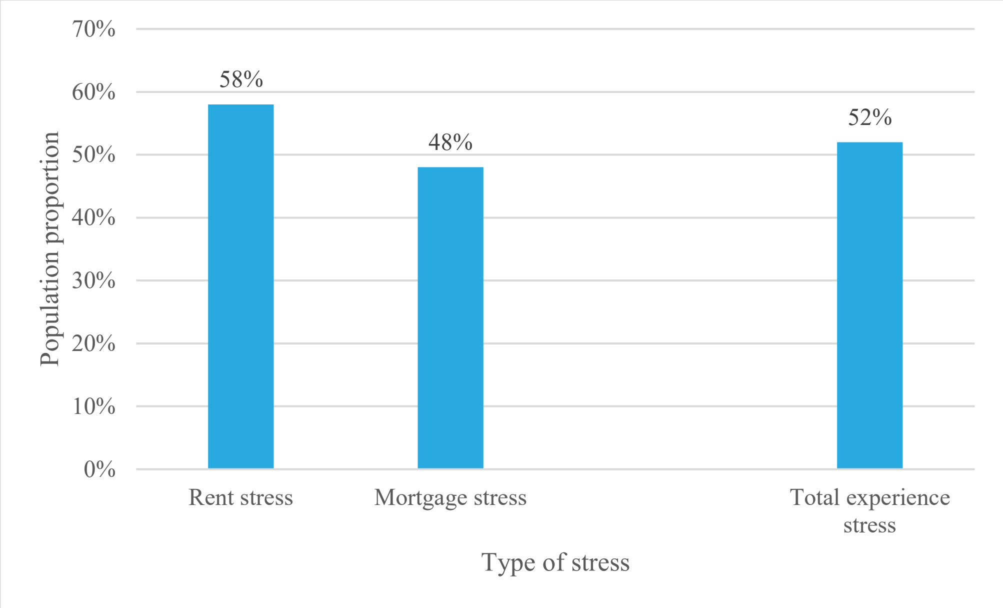


Figure 25: Wollondilly affordability breakdown (2019)

Source: ABS Census 2016 (see data assumption notes in B1.2)

Note the COVID-19 pandemic may affect demand for affordable housing in the short-term. Refer to Appendix A.

2.2.6 Socioeconomic disadvantage

The Index of relative socioeconomic advantage and disadvantage provides a spatial understanding of locations where there is relatively higher socioeconomic disadvantage.

Though Wollondilly LGA as a whole experience relative socioeconomic advantage, there are suburbs within Wollondilly that experience higher levels of disadvantage when compared to other parts of the LGA and Greater Sydney. These are the suburbs of Warragamba, Bargo, Tahmoor and around Picton, as shown in Figure 26.

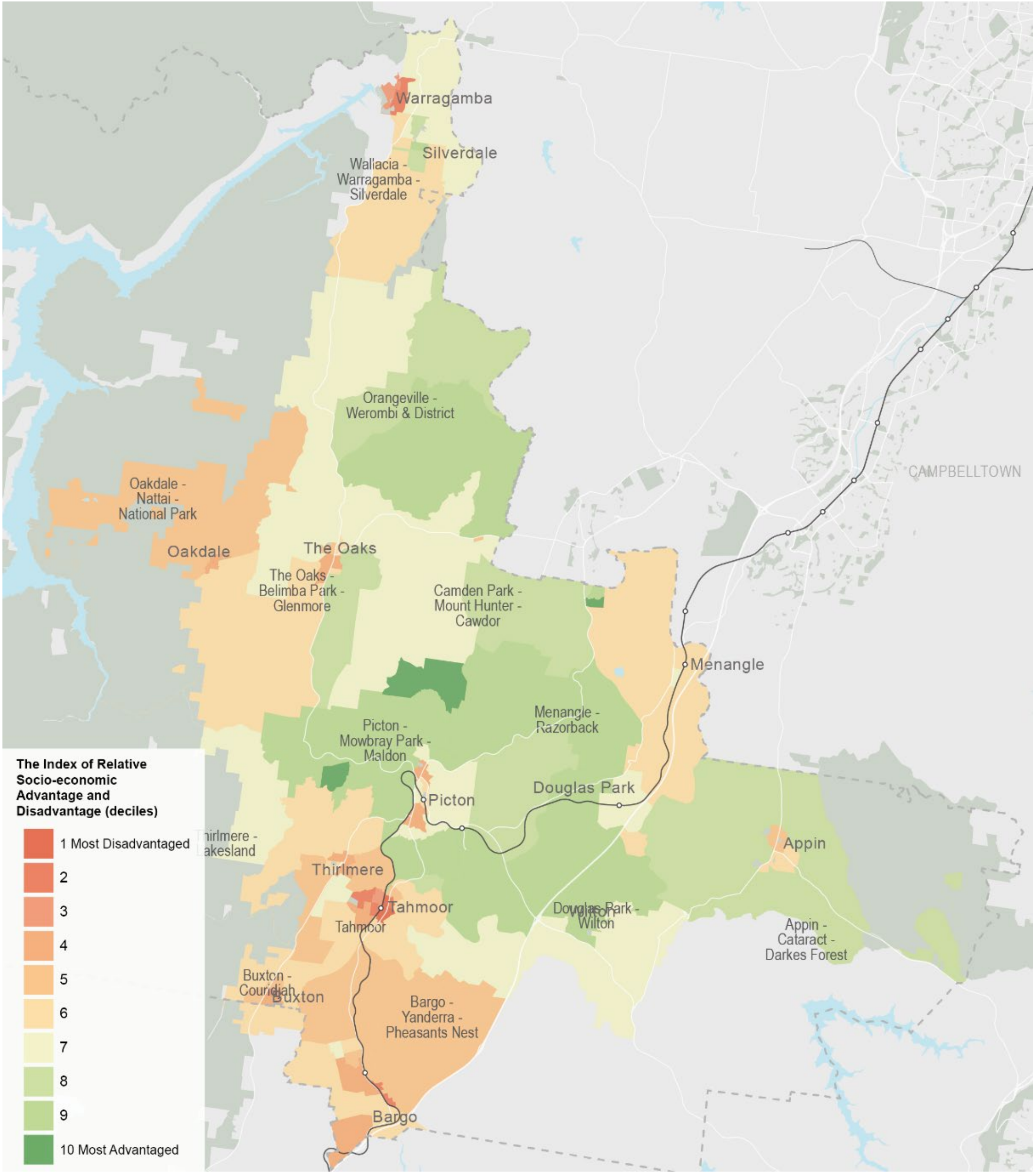


Figure 26: Index of relative socioeconomic advantage and disadvantage

Source: ABS Census 2016

2.2.7 Social and sub-market housing

Social housing is rental housing provided by not-for-profit, non-government or government organisations to assist people who are unable to access suitable accommodation in the private rental market. Social housing includes public, Aboriginal and community housing, as well as other services and products.

There are 136 social housing dwellings in Wollondilly LGA, owned by the NSW Land and Housing Corporation. The majority of these dwellings are currently managed by Community Housing Providers (90% of dwellings). Argyle and Tharawal Local Aboriginal Land Council are Community Housing Providers currently actively managing social housing properties in Wollondilly LGA. Similar to the rest of Wollondilly, social housing is predominately single detached dwellings or cottages (81% of social housing stock).

Social housing stock in Wollondilly LGA is also ageing. Maintenance and management of properties is a key consideration when 59% of housing stock is over the age of 41 years old.

Opportunities to provide new and additional social housing stock in Wollondilly LGA is limited.

Access to public transport and social infrastructure and services is an important consideration when accommodating people in social housing. In comparison, neighbouring Campbelltown LGA has better access to public transport and services when compared to Wollondilly LGA.

The ability to deliver additional social housing is limited by the NSW Land and Housing Corporation's ability to generate income from their existing asset base to fund new housing construction and the ability of Community Housing Providers to raise revenue for new construction projects.

The relatively lower market value of land in south-west Sydney yet consistent cost associated with new construction across Metropolitan Sydney means that renewing existing social housing stock and delivering additional supply in Wollondilly is challenging.

State Environmental Planning Policy No. 70 Affordable Housing (Revised Schemes) enables Councils to set targets for affordable rental housing as a requirement for new development within certain precincts or Growth Areas. The Wilton and Greater Macarthur Growth Areas are significant areas that will generate new housing supply for the LGA and create the greatest opportunities to create more affordable housing.

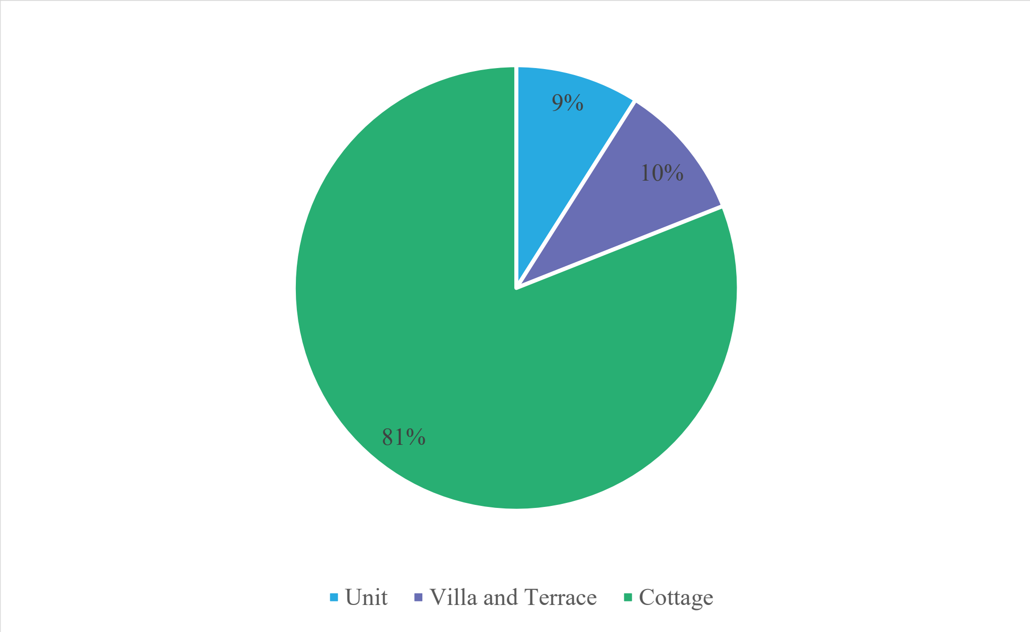


Figure 27: Types of social housing

Source: NSW Land and Housing Corporation, data supplied

Note the NSW Land and Housing Corporation classifies single detached houses as cottages.

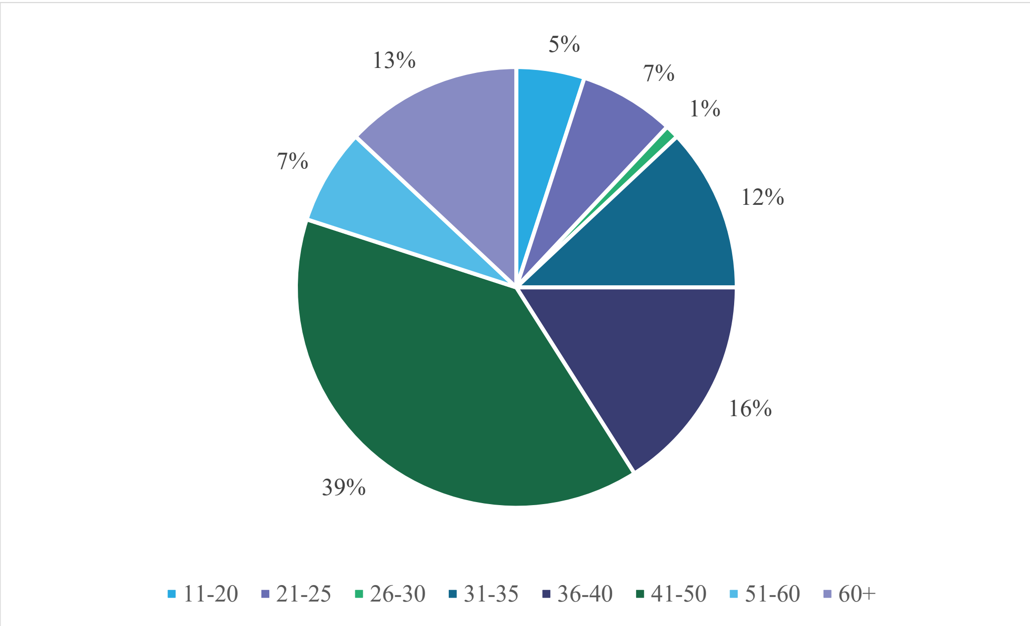


Figure 28: Asset age distribution

Source: NSW Land and Housing Corporation, data supplied

In June 2019, there were 69 persons on the social housing wait list in Wollondilly Shire and a further 5 on the priority list. In comparison to other areas of Greater Sydney, this is very low.

The expected waiting time for all property categories, from studios to 4+ bedrooms is 2-5 years, lower than the expected waiting time of 5-10 years and

10+ years for 4+ bedrooms in the neighbouring area of Campbelltown. On the Campbelltown social housing waitlist there are 1,461 persons and 77 on the priority list (NSW Government Communities and Justice).

The NSW Land and Housing Corporation owns a much greater number of social housing dwellings in neighbouring Campbelltown and Camden local government areas.

Residents in Wollondilly in need for transitional and longer term social and sub-market housing support are typically referred to Hume Housing which operates across the Campbelltown, Liverpool and Fairfield areas. Temporary accommodation services, such as homelessness services and youth refuge services, are provided in Bowral in Wingecarribee LGA.

2.2.8 Affordable Living

While affordable housing refers to the cost of a dwelling, affordable living considers other factors such as dwelling size, type, location and the energy and resources we use.

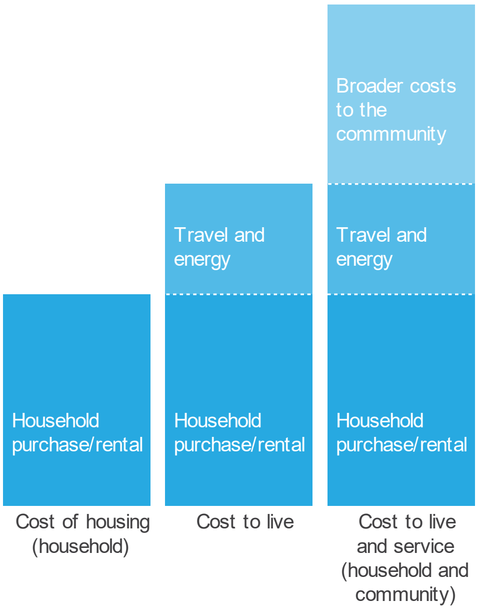


Figure 29: Affordable Living factors

Source: Adapted from Shaping SEQ 2017

Dwelling options of poor construction may be cheaper to rent or buy but require heating and cooling which increases energy consumption and consequently impacts living affordability.

Dwelling options located closer to services, amenities and employment may be more expensive but significantly less is spent on commuting and fuel consumption, reducing the cost of living. The high percentage of households (71%) owning two or more cars in Wollondilly Shire, 5% higher than Western City District and 22% higher than Greater Sydney indicates a dependence on cars effecting living affordability for residents of Wollondilly Shire.

2.3 Housing supply

This section identifies sources that can deliver additional housing supply and the capacity of existing residential zoned land for additional housing within Wollondilly LGA.

2.3.1 Dwelling type

There is a disproportionate amount of separate or detached dwellings in Wollondilly. Accounting for 93% of the housing stock, the proportion of separate or detached dwellings is considerably higher than Western City District (80%) and Greater Sydney (57%).

Medium density dwellings in Wollondilly Shire accounts for only 5% of the housing stock. 9% lower than Western City District (14%) and 15% lower than Greater Sydney (20%). There are no high-density developments in Wollondilly Shire.

By 2041 Wollondilly Shire is forecast to have a total of 34,000 dwellings. With the current housing trend (2016) likely to continue, 30,600 of the total dwellings in the LGA will be separate or detached.

'Separate house' includes all free-standing dwellings separated from neighbouring dwellings by a gap of at least half a metre.

'Medium density' includes all semi-detached, row, terrace, townhouses and villa units, plus flats and apartments in blocks of 1 or 2 storeys, and flats attached to houses.

'High density' includes flats and apartments in 3 storey and larger blocks.

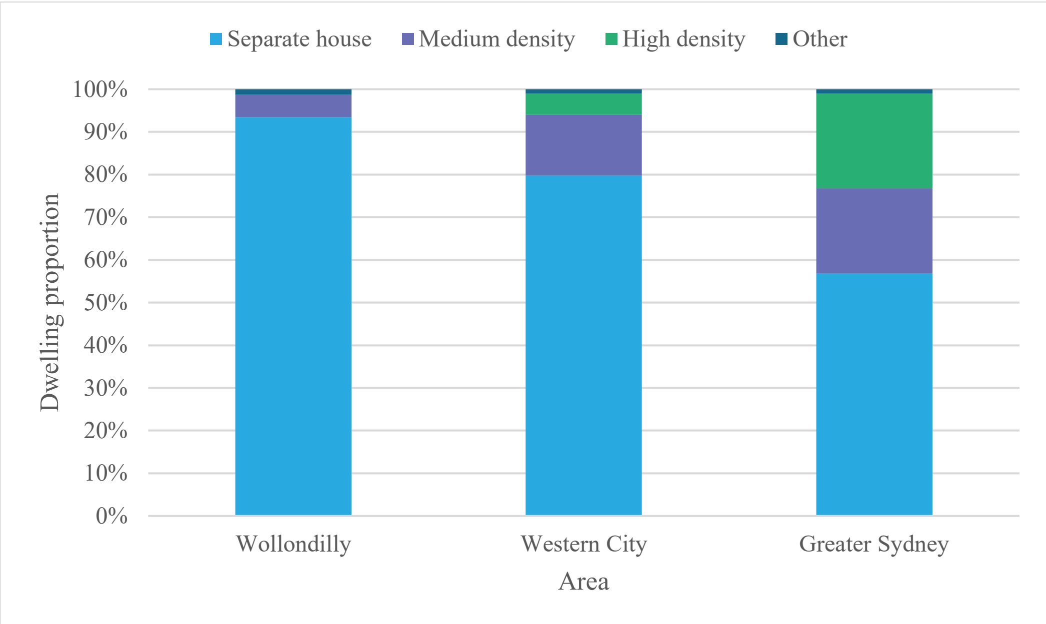


Figure 30: Dwelling type comparison (2016)

Source: ABS Census 2016

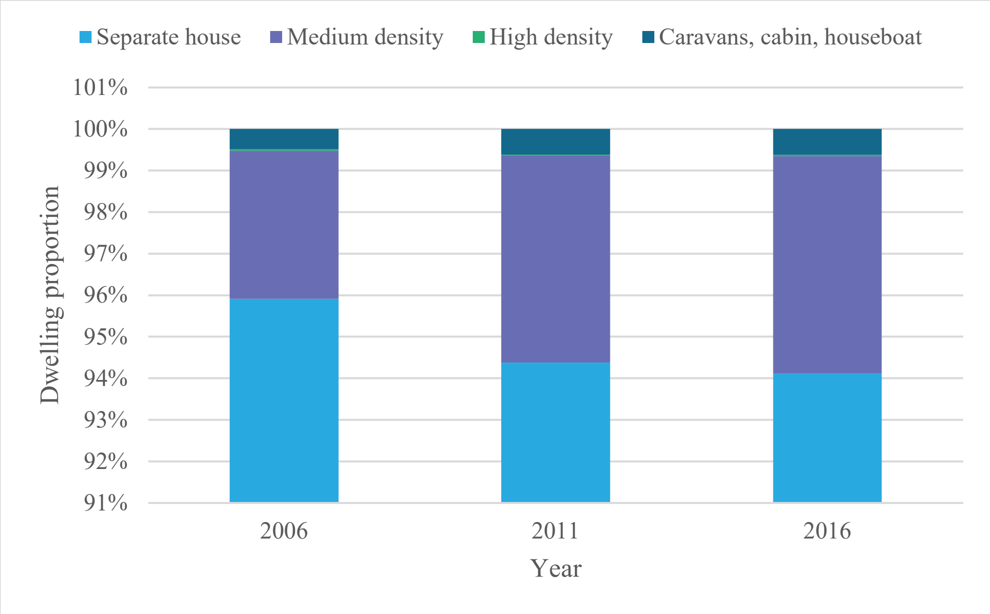


Figure 31: Wollondilly dwelling type comparison

Source: ABS Census 2016

A slight decrease in separate dwellings has occurred over the last decade in Wollondilly Shire. A notable increase in medium density was experienced between 2011-2016.

As shown in Table 9, residential zones (R2 Low Density Residential and R5 Large Lot Residential in particular) accommodate the highest density of residential lots and housing in these zones form the focus of this study. Limited residential development, in the form of shop-top housing, is permissible in the B2 Local Centre zone however development of dwellings in this zone are considered on a merit basis and therefore have not been quantified as part of the overall supply analysis.

RU1 Primary Production and RU2 Rural Landscape cover the majority of land in Wollondilly LGA. Refer to Council's draft Rural Land Strategy for guidance and recommendations for rural zoned land in the LGA.

Table 9: Overview of total area of zones and number of lots where residential development is permitted.

Zone	Total area of zone (ha)	Total no. of lots
RU1	17,721	1,832
RU2	33,130	2,615
RU4	2,355	1,158
R2	1,968	8,731
R3	74	532
R5	908	1,295
E4	4,531	935

Source: Wollondilly Shire Council Cadastre and Zoning spatial data, data supplied

Table 10 below shows the total number of residential lots by lot size in the larger towns and villages in Wollondilly and the Wilton Growth Area. Tahmoor has the greatest number of residential lots (1,550 lots) with Warragamba having the smallest amount (507 lots).

For all areas except Warragamba, the largest proportion of lots are between 976 and 2000sqm in size, making up between 35% and 56% of lot sizes in each of the towns/villages. In Warragamba, the largest proportion (63%) of lots are between 451 and 700 sqm in size.

Table 10: Total lots in range of lot sizes across residential zoned land in Bargo, Picton, Silverdale, Tahmoor, The Oaks, Thirlmere, Warragamba and Wilton.

Source: Wollondilly Shire Council Cadastre and Zoning spatial data, data supplied

	< 250 sqm (Wilton only)	**< 450 sqm (250-450 Wilton)**	**451 – 700 sqm**	**701 – 975 sqm**	**976 – 2000 sqm**	**2001 – 4000 sqm**	**4001 - 9,999 sqm**	**1 – 2 ha**	**> 2 ha**
Bargo									
R2		4	28	97	495	60	18	4	2
R3		2	9	12	24	2			
R5						105	158	12	2
Picton									
R2		23	171	259	512	68	13	1	7
R3		4	17	20	33	16	4	3	0
R5		1	0	1	0	76	123	5	3
Silverdale									
R2		4	7	147	357	51	18	1	4
R5		4	2	1	3	101	333	9	
Tahmoor									
R2		31	206	219	660	122	24	17	32
R3		22	39	36	131	5	2	0	0
R5		0	0	0	0	0	0	0	4
The Oaks									
R2		3	31	151	295	40	4		4
R3			4	5	15	4			
Thirlmere									
R2		15	69	144	406	69	12	22	9
R3		3	19	23	24	3	0	0	0
R5		0	0	2	11	38	19	25	53
Warragamba									
R2		93	319	59	33	3			
Wilton									
R2	3	20	43	105	246	66	19	0	12

Table 11 presents a summary of the Minimum Lot Sizes across Bargo, Picton, Silverdale, Tahmoor, The Oaks, Thirlmere, Warragamba and Wilton, as permissible in the Wollondilly LEP 2011. Minimum Lot Sizes are consistent across R2 zones, at either 450 or 700 sqm, except for Wilton or Tahmoor. In Wilton, there is a smaller Minimum Lot Sizes of 250sqm in some areas, whereas Tahmoor has areas with significantly larger minimum lot sizes including 2000 and 4000 sqm.

Where towns or villages have land zoned R3 Medium Density Residential, Minimum Lot Sizes are consistent at 975 sqm. The Minimum Lot Sizes across R5 zones is 4000 sqm, except for Silverdale, which also has lands with a Minimum Lot Sizes of 2000 sqm.

Table 11: Minimum lot sizes across residential zoned land in Bargo, Picton, Silverdale, Tahmoor, The Oaks, Thirlmere, Warragamba and Wilton.

Town or village /Residential Zone	**Existing minimum lot sizes**			
Bargo				
R2	700			
R3	975			
R5	4000			
Picton				
R2	450	700		
R3	975			
R5	4000			
Silverdale				
R2	450	700		
R5	2000	4000		
Tahmoor				
R2	450	700	2000	4000
R3	975			
R5	4000			
The Oaks				
R2	700	975		
R3	975			
Thirlmere				
R2	450	700		
R3	975			
R5	4000			
Warragamba				
R2	700			
Wilton				
R2	250	700		

Source: Wollondilly Shire Council Minimum Lot Size and Zoning spatial data, data supplied

Shown in Table 12 below, lot sizes across the towns and villages are often larger than the minimum lot sizes that are permissible in the various residential zones. For example, in areas where the minimum lot size is 700 sqm in an R2 zone, there are consistently more than 82% of lots that are larger than this size (except for Warragamba). This indicates that there is subdivision potential under current planning controls, which means there is additional capacity for housing within existing zones.

A similar trend occurs in R5 zones where minimum lot sizes either 2,000 sqm and 4,000 sqm, with more than 60% of existing lots larger in size.

Table 12: Total number of lots with areas greater than minimum lot size across residential zoned land in Bargo, Picton, Silverdale, Tahmoor, The Oaks, Thirlmere, Warragamba and Wilton.

Minimum lot size/ no. and % of lots above minimum lot size	**> 250 sqm**	**> 450 sqm**	**> 700 sqm**	**> 975 sqm**	**> 2000 sqm**	**> 4000 sqm**	**% > 250 sqm**	**% > 450 sqm**	**% > 700 sqm**	**% > 975 sqm**	**% > 2000**	**% > 4000 sqm**
Bargo												
R2	-	-	676	-	-	-	-	-	95%	-	-	-
R3	-	-	-	26	-	-	-	-	-	53%	-	-
R5	-	-	-	-	-	172	-	-	-	-	-	62%
Picton												
R2	-	1,031	860	-	-	-	-	98%	82%	-	-	-
R3	-	-	-	56	-	-	-	-	-	58%	-	-
R5	-	-	-	-	-	131	-	-	-	-	-	63%
Silverdale												
R2	-	585	578	-	-	-	-	99%	98%	-	-	-
R5	-	-	-	-	443	342	-	-	-	-	98%	75%
Tahmoor												
R2	-	1,280	1,074	-	-	-	-	98%	82%	-	-	-
R3	-	-	-	138	-	-	-	-	-	59%	-	-
R5	-	-	-	-	-	4	-	-	-	-	-	100%
The Oaks												
R2	-	-	494	343	-	-	-	-	94%	65%	-	-
R3	-	-	-	19	-	-	-	-	-	68%	-	-
Thirlmere												
R2	-	731	662	-	-	-	-	98%	89%	-	-	-
R3	-	-	-	27	-	-	-	-	-	38%	-	-
R5	-	-	-	-	-	97	-	-	-	-	-	66%
Warragamba												
R2	-	-	95	-	-	-	-	-	19%	-	-	-
Wilton												
R2	511	-	448	-	-	-	99%	-	87%	-	-	-

Source: Wollondilly Shire Council Cadastre, Zoning Minimum Lots Size spatial data, data supplied

2.3.2 Future housing supply – planned and under construction

The housing supply, or capacity for housing, in Wollondilly is forecast to be an additional 15,661 dwellings by 2041. Several different mechanisms and locations around the Wollondilly Shire can support delivery of new housing. These include areas currently zoned or supported for rezoning for residential development, planning controls that encourage housing development and the State-lead Growth Area of Wilton.

Note the COVID-19 pandemic may impact on these trends and the development sector in the short term. Refer to Appendix A.

Local growth

> **Local Growth Definition**
>
> **Local growth** refers to the amount of housing necessary to meet the needs of the community and is not at the same scale as the Growth Areas. Local growth reflects the incremental additional housing needed based on demand from the local population.
>
> The Wilton and Greater Macarthur Growth Areas contribute towards meeting regional or district scale demand for residential growth and catalysed by the release of land for urban development.

There are currently 16,150 dwellings in Wollondilly Shire. Over the past 6 years (2013/14 to 2018/19) an average of 335 dwellings have been completed each year in the LGA with an average of 473 approved applications for residential development (which includes houses, townhouses, apartments, conversions, and significant alterations and additions for dwellings) over the same period. Refer to Figure 32, a total of 454 dwellings were completed in Wollondilly Shire in the 2018/19 financial year.

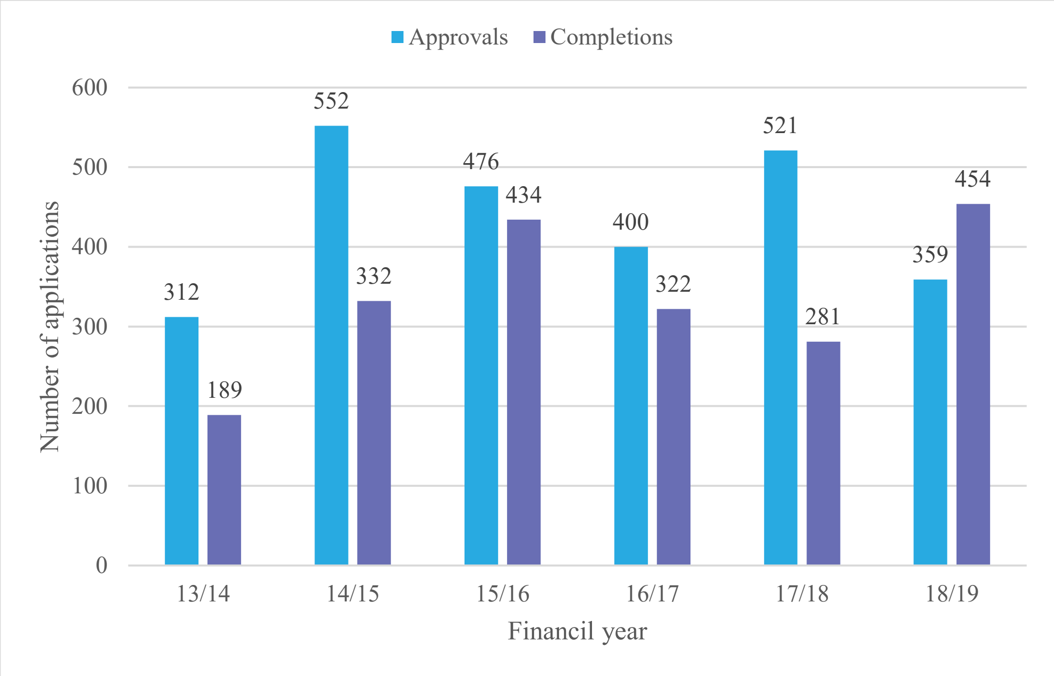


Figure 32: Housing approvals and completions

Source: Metropolitan Housing Monitor, NSW Department of Planning, Industry and Environment

Figure 33 shows the suburbs that recorded the greatest number of Development Applications (DAs) for residential development in the LGA over the past year (January 2019 to May 2020). This includes DAs for single dwellings, secondary dwellings, single and secondary dwellings, dual occupancy or multi-dwelling development, residential sub-division certificates, and other residential development such as seniors living. The suburbs that had the greatest number of DAs were Thirlmere, Tahmoor, Silverdale, The Oaks, and Picton.

Single detached dwellings are the most prominent type of local growth expected in Wollondilly's towns and villages. As shown in Figure 34 the majority of DAs lodged over the past year, for the towns and villages with the most DAs, are for single dwellings.

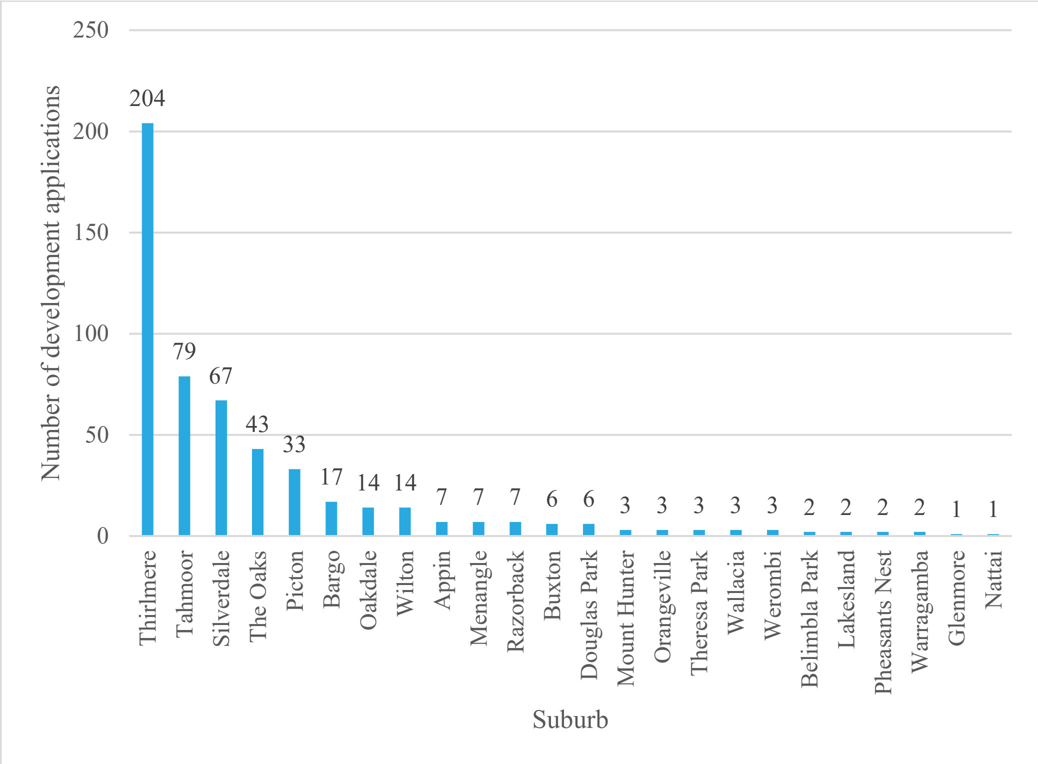


Figure 33: Number of development application for residential development by suburb from January 2019 to May 2020

Source: Wollondilly Shire Council record of Development Applications, January 2019 to 14 May 2020, supplied by Council

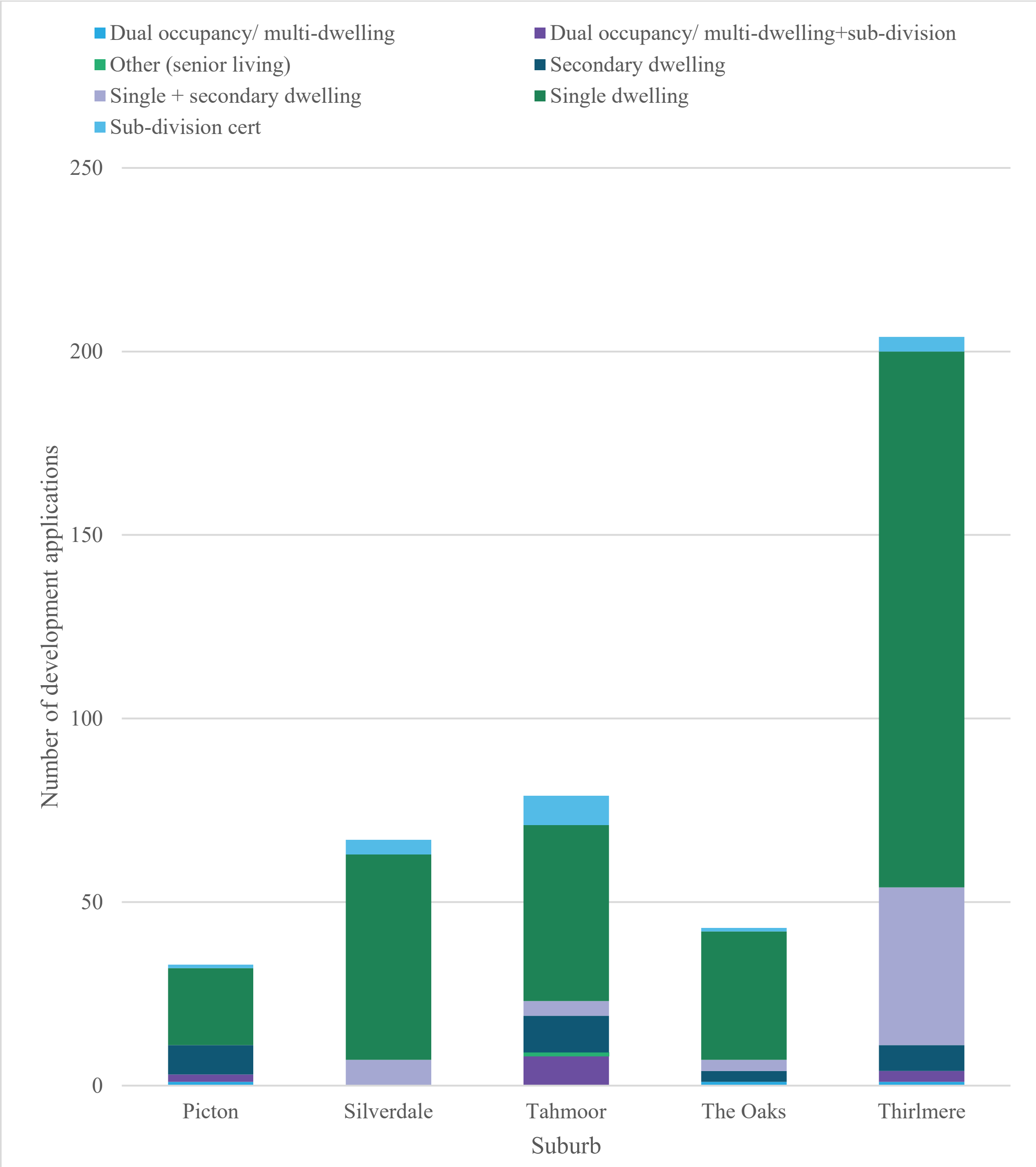


Figure 34 Type of development applications by suburb, January 2019 to 14 May 2020

Source: Wollondilly Shire Council record of Development Applications, January 2019 to 14 May 2020, supplied by Council

It is also important to note that within Wollondilly's towns and villages, housing (as shop top housing and seniors housing) can also be developed within business zoned land. These areas can potentially contribute to local growth across the LGA without any changes to land use zoning or planning controls.

Table 13 shows the total size of residential zones in Bargo, Picton, Silverdale, Tahmoor, The Oaks, Thirlmere and Warragamba alongside the approximate percentage and area of undeveloped land. An estimate of the number of potential additional lots has also been calculated for undeveloped residential zoned land, based on the most common lot size and minimum lot sizes for these zones.

Local growth can be supported within the capacity of current residential zoned land. Undeveloped residential zoned land can support an estimated 1,543 additional lots (based on the most common lot size), which is approximately 10% of total forecasted additional dwellings in the LGA to 2041. Undeveloped residential land can potentially support up to 3,311 additional lots (based on current minimum lot sizes set out in the Wollondilly LEP 2011. Future housing is likely to be some medium density and predominately low density single detached housing.

In 2011 Council rezoned land within towns and villages, such as Picton, Tahmoor and Appin, from R2 Low Density Residential to R3 Medium Density Residential, as part of Wollondilly LEP 2011. Depending on market demand and the viability for development, these areas may take a number of years to transition from low density to the medium density that is currently permitted.

In addition to the analysis of undeveloped land below, there is capacity for new housing to be delivered within the R3 Medium Density Residential zones through the redevelopment of current low density housing stock. However, although significant areas of R3 Medium Density Residential zones were upzoned from R2 Low Density Residential in 2011, this is yet to be taken up by the market in 2020. This indicates that there are significant barriers to the feasibility of this type of development in Wollondilly. Given that there was a sustained property boom in Sydney during this time period, and with downward pressure on the housing market now anticipated as a result of COVID-19 impacts (refer to Appendix A), it is expected that there is unlikely to be any significant change in the take-up of R3 Medium Density zoned land in the short-term (0 to 5 years, 2021 to 2025) across the LGA. Note that a market assessment or feasibility testing was not conducted as part of this study.

Table 13: Approximate land undeveloped across residential zones in Bargo, Picton, Silverdale, Tahmoor, The Oaks, Thirlmere, Warragamba, Wilton

	Total size (ha)	**% developed**	**% undeveloped**[1]	**Undeveloped (ha)**	**Number of undeveloped lots (calculation based on the most common lot size)**	**Number of undeveloped lots (calculation based on the minimum lot size)**
Thirlmere						
R2	161	67%	33%	52.9	356	920
R3	8	96%	4%	0.3	2	3
R5	174	34%	66%	114.0	57	285
Tahmoor						
R2	266	76%	24%	65.0	437	292
R3	28	100%	0%	0.0	n/a	n/a
R5	163	16%	84%	137.0	91	343
Picton						
R2	171	96%	4%	7.0	47	122
R3	18	83%	17%	3.0	20	31
R5	107	92%	8%	8.1	12	20
Silverdale						
R2	167	65%	35%	57.9	389	1007
R5	250	95%	5%	12.5	8	42
Warragamba						
R2	39	100%	0%	0	n/a	n/a
Bargo						
R2	133	96%	4%	5.7	38	81
R3	6	100%	0%	0	n/a	n/a
R5	139	93%	7%	10	7	25
The Oaks						
R2	105	89%	11%	11.7	79	140
R3	12	100%	0%	0	n/a	n/a
Total	1,947	-	-	485.2	1,543	3,311

Source: Wollondilly Shire Council Zoning, spatial data, data supplied

[1] Approximate percentage of undeveloped land was identified through a manual, desktop review that overlayed residential zoning on aerial imagery (source: SIX Maps, date of photographs June 2018 to July 2018). The results are approximate only to give an indication of undeveloped land. Ground truthing was not conducted as part of this process. Due to the significant capacity of land within Wollondilly LGA to meet demand, further detailed analysis for the purposes of this study was not considered to be required.

Growth areas

Planning for the Wilton Growth Area is being led by the NSW Department of Planning, Industry and Environment in collaboration with Council. Wilton is planned for a new community of 15,000 dwellings, supported by a new strategic town centre, open space, and community health and education facilities. It is expected that by 2026, approximately 10% of the additional housing planned for the Wilton Growth Area will be completed.

The NSW Department of Planning, Industry and Environment is also leading planning for the Greater Macarthur Growth Area. The Draft Greater Macarthur 2040 Interim Plan (released in 2018) presents a vision for Greater Macarthur which includes the Glenfield to Macarthur urban renewal area and new land release areas including North Appin and Appin which are within Wollondilly LGA. The Plan identifies the potential to deliver 3,000 new homes in North Appin (within Wollondilly LGA) and 15,000 new homes in Appin with rezoning and release of land for development over the longer term, beyond 2041. It is anticipated that development in North Appin and Appin will align with planning for future centres along proposed transport corridors providing north to south and east to west connections across the growth area and to the Western Sydney Aerotropolis and Illawarra regions.

Summary of future housing supply

Table 14 provides a summary of the capacity of future housing supply across Wollondilly LGA described in Section 2.3.2.

There is capacity in current residential zoned land andplanned growth in the Wilton Growth Area and Greater Macarthur Growth Area (subject to further planning) to deliver a pipeline of future housing supply that meets implied dwelling demand in the LGA.

Delivery of housing supply in the Greater Macarthur Growth Area is assumed to likely be in the long term, beyond the 2041 timeframe of this strategy.

Table 14: Summary of future housing supply

	Estimated no. lots or dwellings
Current - LGA wide	16,150 dwellings
Local growth[2]	1,543 dwellings
Wilton Growth Area	15,000
Greater Macarthur Growth Area (note subject to further planning)	18,000
Sub-total of total (current supply and future capacity)	50,693
Local supply needed (implied dwelling demand by 2041)	31,300

[2] Based on estimated capacity within current residential zoned land. Number of dwellings is based on the estimated number of lots that could be developed within undeveloped residential zoned land, based on common lot sizes for each zone. Refer to Table 13.

2.3.3 Housing supply forecasts

The 20-year housing supply forecasts provide a time profile of housing to be delivered across Wollondilly LGA to 2041. These forecasts (by id.), are developed with a sound understanding of sites zoned and planned for housing and the timing of housing delivery based on the level of development activity. These forecasts provide a consistent basis for future planning activities across Council.

Wollondilly LGA is forecasted to deliver an additional 15,661 houses by 2041. Forecasts are prepared for collector districts or groups of suburbs. Figure 36 shows the count of total dwellings forecasted for each five-year period to 2041, by collector district.

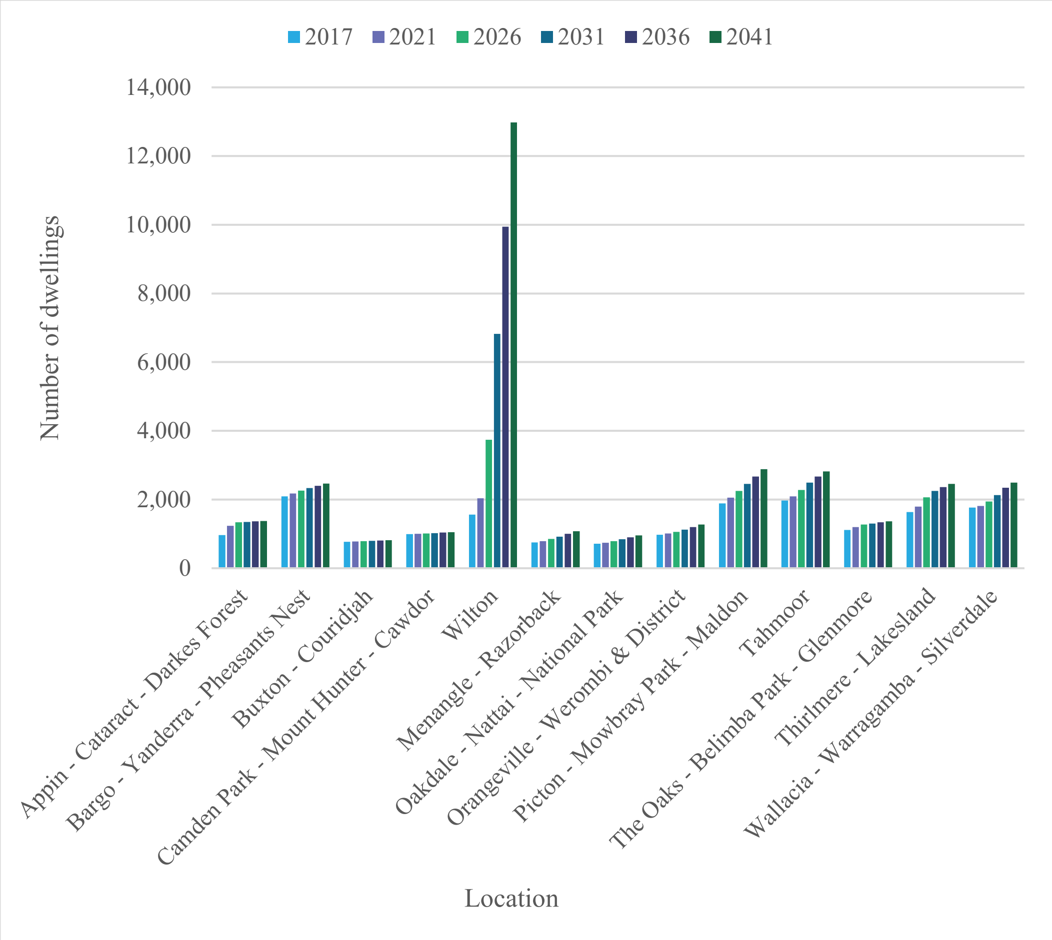


Figure 35: Dwelling forecast by location (note: Wilton figures also includes some minor additional development in Douglas Park over the next 20 years)

Source: .id

Table 15 provides a breakdown of dwelling forecasts by location for each five year period from 2021 to 2040. This provides an indication of additional dwellings forecasted to be delivered for each collector district in the LGA. The Douglas Park – Wilton collector district is expected to deliver a significantly higher number of additional housing each five year period when compared to other collector district due to new development within the Wilton Growth Area.

Table 15: Dwelling forecast by location, additional dwellings per five year period

	0 to 5 yrs (2021 to 2025)	**6 to 10 yrs (2026 to 2030)**	**11 to 15 yrs (2031 to 2035)**	**16 to 20 yrs (2036 to 2040)**
Appin - Cataract - Darkes Forest	104	8	8	8
Bargo - Yanderra - Pheasants Nest	64	63	52	52
Buxton - Couridjah	9	8	8	8
Camden Park - Mount Hunter - Cawdor	8	8	8	8
Douglas Park - Wilton	1,230	2,400	2,505	2,425
Menangle - Razorback	46	54	64	64
Oakdale - Nattai - National Park	38	44	44	44
Orangeville - Werombi & District	40	48	60	60
Picton - Mowbray Park - Maldon	155	157	172	172
Tahmoor	146	165	154	116
The Oaks - Belimba Park - Glenmore	69	24	24	24
Thirlmere - Lakesland	216	162	90	77
Wallacia - Warragamba - Silverdale	99	145	174	132
LGA total	2,224	3,286	3,363	3,190

Local growth, which is characterised by development within the capacity of current residential zoned land, is expected to contribute approximately 10% of total forecasted housing supply over the next 20 years. Approximately 90% of forecasted housing supply is associated with development in the Wilton Growth Area. Any planning proposals and further development currently subject to planning in the Greater Macarthur Growth Area will provide additional capacity for housing to the LGA.

Note that analysis has shown that there is a minor discrepancy between the potential capacity for housing within current residential zoned land (Table 13) and forecasts for the areas around Bargo, Picton and The Oaks. This may therefore be reviewed as part of a local housing monitor. There is however sufficient capacity in current residential zoned land across all towns and villages and through planned growth in the Wilton Growth Area to meet housing demand to 2041.

The COVID-19 pandemic may have short-term impacts on the data and development trends in the next 5 years. Refer Appendix A.

Table 16 provides an overview of the average number of dwellings to be delivered each year for the five-year periods for each collector district. Residential development is forecasted to be greater in Wilton from 2026 onwards.

Table 16: Average number of dwellings forecasted per annum by collector district

	0 to 5 yrs (2021 to 2025)	6 to 10 yrs (2026 to 2030)	11 to 15 yrs (2031 to 2035)	16 to 21 yrs (2036 to 2041)	Average per annum over the next 20 yrs
Appin - Cataract - Darkes Forest	30	2	2	2	9
Bargo - Yanderra - Pheasants Nest	17	16	13	13	15
Buxton - Couridjah	2	2	2	2	2
Camden Park - Mount Hunter - Cawdor	2	2	2	2	2
Douglas Park - Wilton	275	575	638	608	524
Menangle - Razorback	11	13	16	16	14
Oakdale - Nattai - National Park	9	11	11	11	11
Orangeville - Werombi & District	10	12	15	15	13
Picton - Mowbray Park - Maldon	38	39	43	43	41
Tahmoor	35	42	39	29	36
The Oaks - Belimba Park - Glenmore	18	7	6	6	9
Thirlmere - Lakesland	53	43	24	19	35
Wallacia - Warragamba - Silverdale	23	35	43	35	34

Source: .id

2.4 Land use opportunities and constraints

This section identifies opportunities and constraints, relevant to the local Wollondilly LGA context, that impact on delivery of additional housing in the LGA.

Rural, environmental and scenic values

Wollondilly is part of the MRA which aims to protect and enhance the character of existing towns, villages and rural lands.

Council's draft Rural Lands Strategy recognises the importance of safeguarding primary production and the environmental and cultural values of rural areas across the LGA. The draft Rural Lands Strategy provides guidance relating to the protection of rural lands and recommends that Council must protect rural land for primary production activities and scenic landscapes by:

- not rezoning any further land in Wollondilly for rural residential purposes; and
- locating further residential development within either town and villages or Growth Areas.

This approach responds to the directions set out for the MRA and as outlined in the *Wollondilly 2040 – Local Strategic Planning Statement*.

The local communities of Wollondilly highly value the bushland and rural aesthetic. Wollondilly is surrounded by natural landscapes with heritage value and which provide ecological services, high biodiversity and habitats for native flora and fauna, particularly koala communities. Protecting areas with environmental importance, such as areas identified in Council's Biodiversity Strategy, Urban Tree Canopy Plan, and Comprehensive Koala Plan of Management, is considered in identifying appropriate locations for housing.

Wollondilly also has a combination of fire and flooding risks which combined creates a very complex and challenging environment. Figure 37 shows a map of environmental constraints and considerations across the whole LGA.

The existing Wollondilly/Wingecarribee Bushfire Management Plan provides an extensive list of assets across the LGA that are exposed to a level of bushfire risk. This risk assessment includes identification of all assets that are exposed to the potential threat of bushfire, as well as ratings of the likelihood of exposure occurring and impact of consequences. Assets in the LGA with an 'almost certain' likelihood of exposure that would in turn have 'catastrophic' consequences, can be found in Yerranderie, The Oaks and Buxton.

The 2019/2020 bushfires saw, in Wollondilly alone, 15 homes destroyed, 16 homes damaged, eight facilities destroyed, three facilities damaged and 270 rural land holdings affected. Council plays a key role in ensuring bush fire risk is reduced by guiding the development and management of assets, such as housing, across the LGA.

The Stonequarry Creek Flood Study & Flood Management Plan updates and provides valuable data about the risks to lives and property within the vicinity of

Stonequarry Creek. Both direct risk of the impact of rising water and impact on evacuation routes for those in the Picton area. The study and plan recommend that any new development undertaken in flood prone areas take into consideration safe evacuation routes, and specifically lists land around Coull and Elizabeth Streets, in the Picton CBD, as unsuitable sites for development.

These risks, the ecological and aesthetic value of the natural environment and unique scenic and rural landscape are part of the local character of Wollondilly. These environmental values must be carefully considered and protected and risks specific to the local area avoided and managed, when planning for new housing.

Future operation of the Western Sydney Airport is also expected to impact on the capacity of residential development in the northern part of the LGA. Details on future flight paths and therefore airspaces requirements and likely noise impacts will be finalised in 2024. In the meantime, the most recent design information for the Western Sydney Airport should be considered in the assessment of any residential development in Wollondilly.

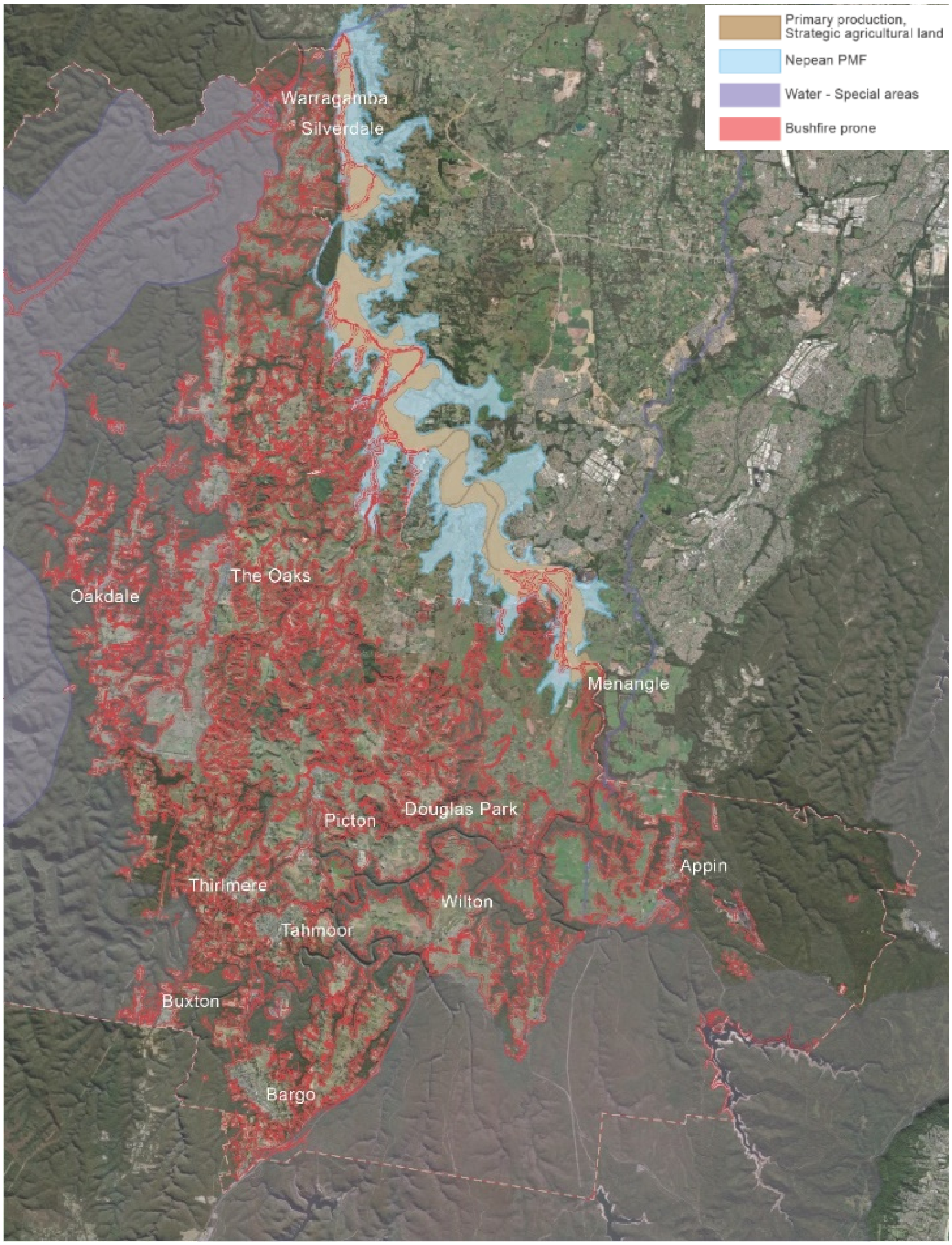


Figure 36: Environmental Constraints Map

Source: Spatial data supplied

Note the map does not reflect recent work on the Stonequarry Creek Flood Study & Flood Management Plan as this was still in progress at the time this LHS was completed

Connectivity and location and access to community facilities and services

Ease of access and location to services and social infrastructure influences community wellbeing and liveability of an area. These, along with recreation and open spaces are primarily concentrated in the towns and villages however many still require travelling outside the LGA to access healthcare, employment and education and other services.

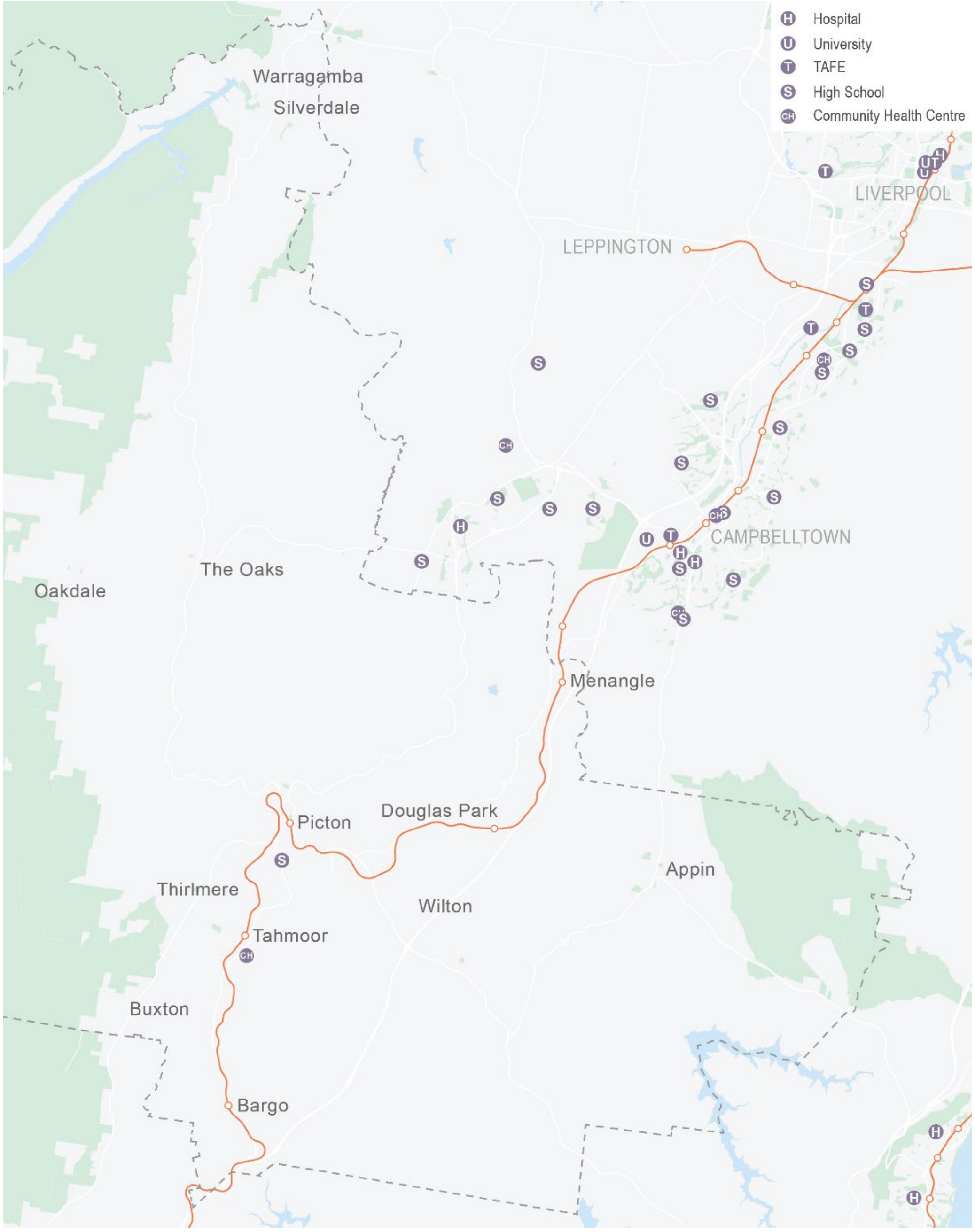


Figure 37: Local and regional facilities

Source: Facility locations recreated from Google Maps

The public transport connections between villages in Wollondilly and connections into the Greater Sydney network is limited due to Wollondilly's distance and resulting in a dependency on vehicles. The Greater Sydney Commission's *A*

Metropolis of Three Cities identifies the objective to create a 30-minute city, through planning for land use and the transport transport network, so that residents can access metropolitan centres within 30 minutes by public transport. The metropolitan centres for the Western City District include Campbelltown-Macarthur, Liverpool and the Western Sydney Aerotropolis.

Figure 39 and Figure 40 show catchment areas for 30 minute and 60-minute journeys by public transport and by private vehicle. 30-minute trips by public transport can access a limited area, whereas a greater catchment is accessible from Wollondilly by private vehicle. The delivery of state roads, some regional roads and public transport is not the responsibility of the Council. The limited capacity of the Council to expand and improve these networks may hinder the amount of growth that can be supported.

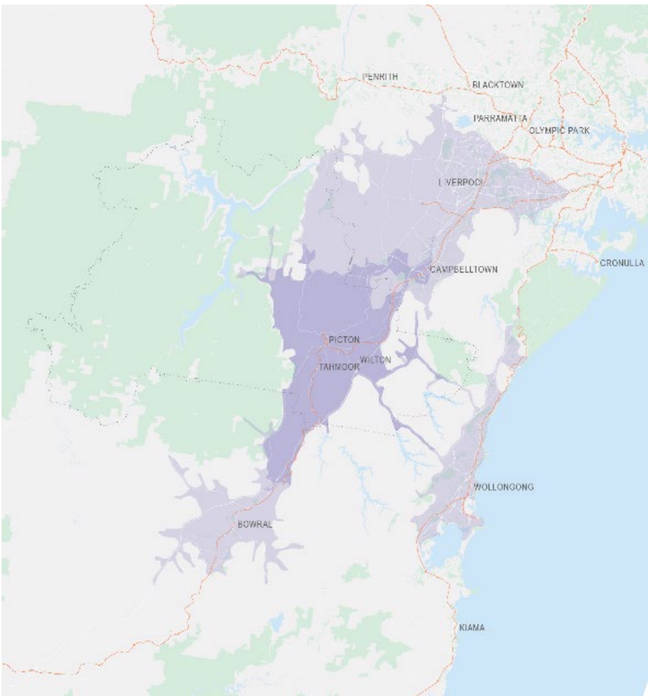


Figure 38: 30-minute and 60-minute public transport catchments

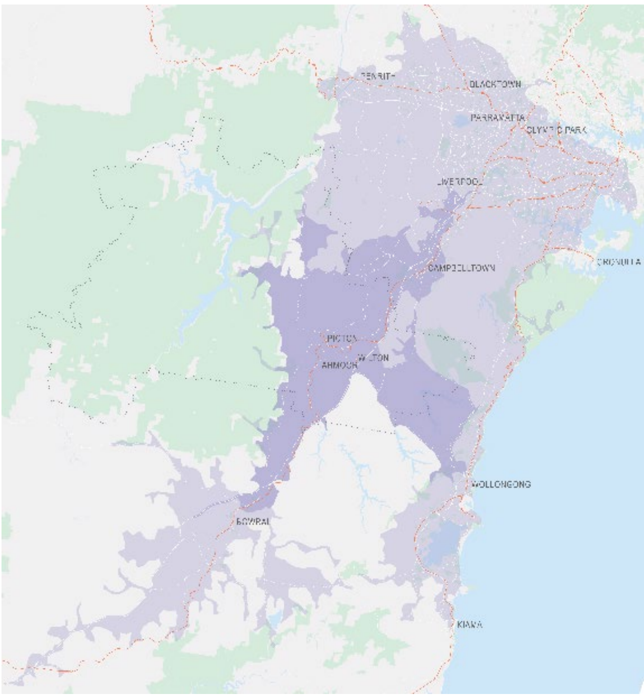


Figure 39: 30-minute and 60-minute vehicular catchments

There are several major transport projects being planned or under investigation in the Western City District that coincides with the development of the Western Sydney Airport and the Greater Macarthur Growth Area. These include the electrification of rail, Picton bypass (and the Picton Road highway), the Outer Sydney Orbital (M9) and the North-South Rail Link, SWIRL (also known as Maldon Dombarton).

Transport for New South Wales is also preparing a Sub-district Integrated Network Plan for Wollondilly, Campbelltown and Camden LGAs. This plan will identify initiatives that contribute to improve the transport network and connectivity, in line with future growth, across the Sub-district.

In early 2020 under the Western City Deal Liveability Fund Wollondilly was awarded grants to undertake upgrades to the Tahmoor Sporting Complex and for the redevelopment of the Wollondilly Community, Cultural and Civic Precinct. These two significant projects present opportunities to stimulate a broader regeneration in Tahmoor around the sporting facility, and in Picton around the cultural and civic centre.

Utilities

While Wollondilly has land capacity to accommodate new housing and growth, the LGA is hindered by limitations to access of utilities, particularly water and wastewater. Water and wastewater are not the responsibility of the Council and is provided by Sydney Water. Villages and towns dispersed across a large geography increase serviceability challenges and connecting into the Sydney Water and wastewater network.

There is currently no further capacity in the wastewater network for the next four to five years in Picton and limited capacity in Oakdale, Warragamba and Silverdale which limits the ability of the network to support additional residential development in these locations.

Sydney Water prepares growth servicing plans to align infrastructure provision with planned growth in the broader south west Sydney area. Council works with Sydney Water to ensure that development can be serviced.

Current land use zoning and development controls

There is capacity for additional housing development within land currently zoned for residential development in Wollondilly. Housing is currently permitted within the R2 Low Density Residential, R3 Medium Density Residential and R5 Large Lot Residential zones.

Section 2.3.1 shows that there is zoned residential land in Thirlmere, Tahmoor and Picton that has capacity for additional housing. There is capacity in:

- R2 zoned land in all three towns (equating to approximately 77 hectares)
- R3 zoned land mostly in Picton (equating to approximately 3 hectares)
- R5 zoned land in all three towns (equating to approximately 158 hectares)

As noted in Section 2.3.2 there has been limited take-up of the land zoned R3 Medium Density Residential in some towns and villages under the Wollondilly LEP 2011, which was upzoned from R2 Low Density Residential. Under the current controls, the R3 Medium Density Residential zone is not anticipated to accommodate significant additional supply of medium density housing in the short-term (0 to 5 years, 2021 to 2025).

Capacity within residential zoned land provides opportunity for new housing to be delivered within towns and villages that are better serviced by infrastructure and are in close proximity to established retail and community facilities and services.

Focussing additional housing within current residential zoned land also avoids residential development in new locations where impacts on the environment, cultural or scenic landscapes, and agricultural land need to be managed.

2.5 Analysis of the evidence base

Sections 2.1 to 2.2 outline the current housing needs in Wollondilly based on an analysis of population and demographics. Sections 2.3 to 2.4 identify the various sources that will contribute to housing supply in Wollondilly Shire over the next 20 years and more.

There is currently enough supply in the number of houses planned and supported to be delivered in Wollondilly to meet demand from the number of households projected for the LGA over the next 20 years. Section 2.6 will provide more detail on the housing supply forecasts for the LGA.

2.6 Housing supply gaps

This section identifies the housing supply gap between expected population growth and expected demand for housing and housing supply trends outlined in Sections 2.2 and 2.3.

Wollondilly does not have a housing supply gap and can meet local housing demand over the next 20 years to 2041. Table 17 shows that housing supply forecasted to be delivered through local growth and the Wilton Growth Area to 2041 (16,829 additional dwellings) will exceed the implied demand for dwellings (13,800 additional dwellings) projected by the NSW Department of Planning, Industry and Environment.

Table 17: Wollondilly housing supply forecasts

Timeframe	Total number of dwellings completed	Forecasted additional dwellings within timeframe	Implied demand for dwellings
2016 to 2019	1,132		17,500
0 to 5 years (2020 to 2025)		2,654	
6 to 10 years (2026 to 2030)		3,988	
11 to 15 years (2031 to 2035)		4,268	
16 to 21 years (2036 to 2041)		4,787	31,300
Total additional dwellings (2016 to 2041)		***16,829***	***13,800***
Housing capacity beyond 2041		22,060	

Local growth, which is characterised by development within the capacity of current residential zoned land, is expected to contribute approximately 10% of total forecasted housing supply over the next 20 years. Approximately 90% of forecasted housing supply is associated with development in the Wilton Growth Area. Any planning proposals and further development currently subject to planning in the Greater Macarthur Growth Area will provide additional housing supply to the LGA.

Forecasted additional dwellings in Wollondilly to 2041 will contribute almost 9% of the Western City District's 20-year strategic housing target of 184,500. This is significant considering that the current housing stock in Wollondilly comprises approximately of 5% of total dwellings in the Western City District.

In addition to the number of houses needed, diversity in typology and affordability also needs to be considered in relation to the needs of households in Wollondilly.

Diversity in housing types and size for different households

There are low levels of housing diversity, with over 93% of dwellings across the LGA being single detached houses. Some parts of the LGA provide a marginally greater offer of housing diversity, such as Picton and Tahmoor, where single detached houses comprise of 89% and 95% of housing stock respectively. Lot sizes in existing towns and villages are also quite large, with over 80% of lots in Picton, Tahmoor, Thirlmere and subdivided lots in the Wilton Growth Area over the size of 700 square metres.

Providing diversity in housing enables a broader spectrum of households find housing that is appropriate for the size of housing and cost of housing they need.

AHURI research into 'ideal dwelling type' preferences further indicate that the preferences of multiple age groups are not being met by the housing stock available in Wollondilly. Table 18 compares the findings from the AHURI research (on ideal dwelling type) with the actual (2016 census) percentage of Wollondilly residents living in each dwelling type.

Table 18: Comparison of current Wollondilly housing stock against housing preferences

Dwelling type	***WSC (20-24)***	***AHURI (18-24)***	***WSC (25-34)***	***AHURI (25-34)***	***WSC (65-74)***	***AHURI (65–74)***
Separate (detached dwelling)	94%	44.2%	96%	56%	91%	69%
Attached dwelling (semi-detached/ terrace/ townhouse etc.)	1%	10.7%	1%	12%	6%	11%
Apartment (less than 4 storeys)	1%	14%	1%	10%	1%	8%
Apartment (more than 4 storeys)	N/A	19.7%	N/A	11%	N/A	4%

When considering general housing preferences for different age groups, there is a gap in the offer of attached dwellings and medium density apartments of up to four storeys.

The AHURI research also highlights that the younger (18-34) and older (65-74) age groups prefer the same dwelling types, and are likely to be competing for similar, and already limited housing stock in Wollondilly. This is particularly the case with attached dwellings with 2-3 bedrooms.

Providing greater diversity in the type and size of dwellings in Wollondilly can also contribute to providing housing that is more affordable across all stages of the housing continuum.

Affordability across the community

There is a housing supply gap for renters and for a very large proportion of households earning a very low and low income.

There is currently a low proportion of renters in Wollondilly, where 15% of households are renting in the LGA when compared to 31% of households across Greater Sydney. The low proportion of renters may be due to the low number of rental properties that are available in the LGA. When considering the housing continuum, provision of private rental housing is an important component of the private housing marking. Renting needs to be a choice for households that either cannot afford to or prefer not to purchase housing.

There is currently a very few social and sub-market rental housing available in Wollondilly. Income levels of households in Wollondilly and levels of housing stress suggest there is a need for more private rental housing to support the various levels of household affordability for housing across the community.

Approximately 82% of very low-income households (571 households) and 53% of low-income households (556 households) in Wollondilly experience rental stress. In addition, a very high proportion of Wollondilly residents working in the top five industries of employment receive either very low or low incomes. According to research by Gurran, Gilbert and Phibbs' (2018), rents in Wollondilly are affordable for single key workers and key worker households, however there is very low rental stock in Wollondilly and not enough supply for those seeking affordable rents.

2.7 Housing opportunity areas

This section identifies housing opportunity areas with development capacity to deliver additional housing supply in Wollondilly in the future.

Delivery of additional housing in Wollondilly can be achieved through planned growth in the Wilton Growth Area, with the focus on coordinated planning and infrastructure delivery across State and Local Government. Local growth within existing towns and villages will also be important for future housing supply. Acknowledging the existing challenges around connectivity and accessibility to infrastructure (social infrastructure as well as utilities and services), three areas have been identified as having the greatest opportunities and capacity to accommodate growth in the future – Tahmoor, Thirlmere and Picton.

Currently these towns have better access to infrastructure, services, and community facilities within established town centres. Tahmoor and Picton are located along the Old Hume Highway and are serviced by the Sydney Trains network. Thirlmere, near Tahmoor has several regional roads leading into the town centre. Council will need to continue working with Sydney Water to determine whether water and wastewater networks will need to be augmented to support additional residential development in these locations.

Encouraging growth around these centres, leveraging on existing infrastructure, promotes resource efficiency and assists in the planning of upgrades, improvements and allocation of funds in the future

Planning for the Greater Macarthur Growth Area will provide capacity for additional housing in Wollondilly over the longer term, beyond 2041.

2.7.1 Growth Areas

Wilton Growth Area

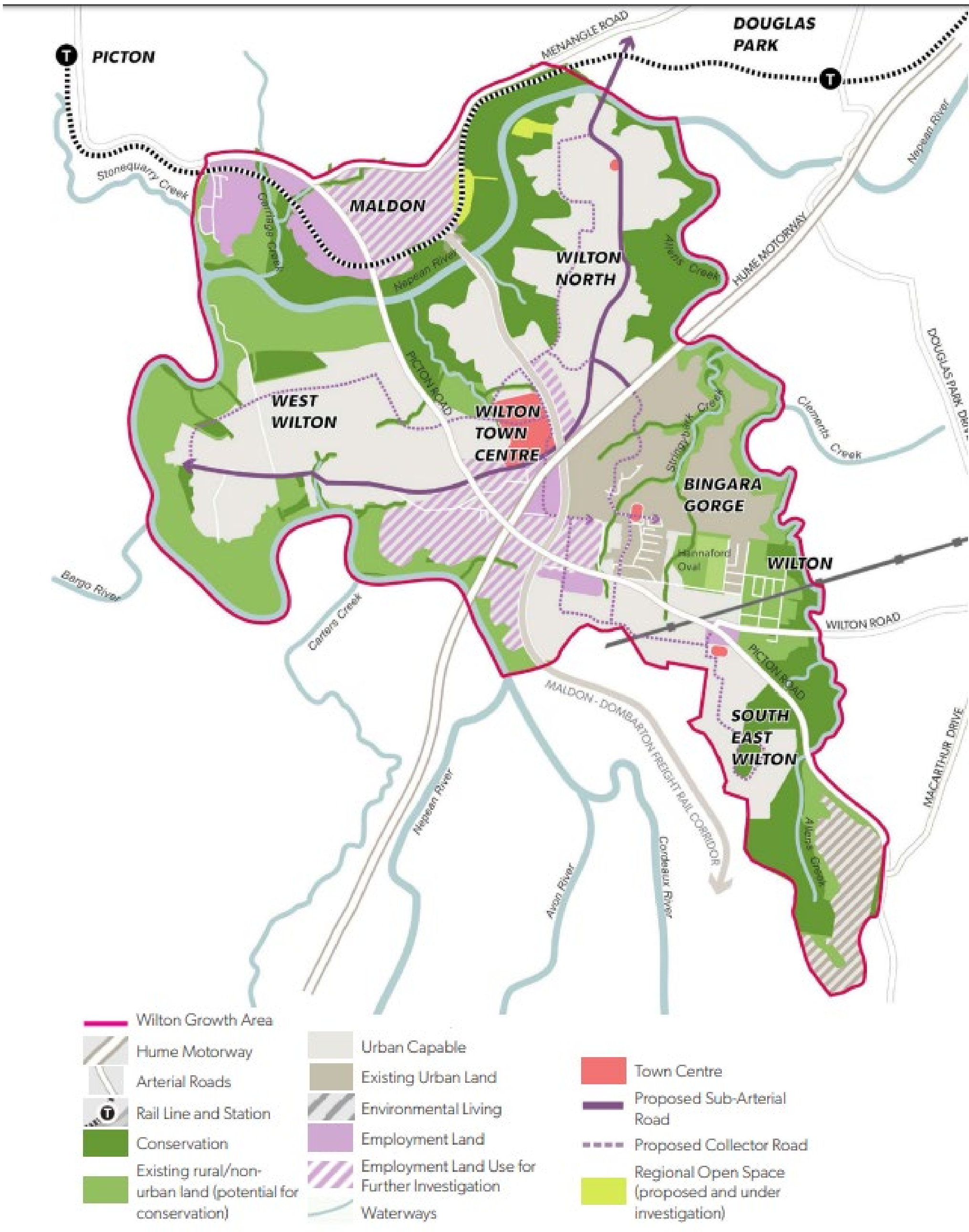


Figure 40: Wilton context map

Source: Wilton 2040

Overall Growth area housing provision:
15,000 dwellings

Dwelling caps per Precinct
- 1,800 Bingara Gorge
- 3,600 South East Wilton
- 5,600 Wilton North
- 1,600 Wilton Town Centre
- 2,350 West Wilton

Future land use
Residential; Retail; Community; Enterprise and Employment; Conservation; Regional Open Space; Education

Strategies and Programs
- Wilton 2040 – A Plan for the Wilton Growth Area
- Cumberland Plain Conservation Plan
- Wilton Green Plan
- Wilton Health & Wellbeing Strategy
- Wilton Development Control Plan
- State Environmental Planning Policy (Sydney Region Growth Centres 2006)

Barriers and opportunities for housing

- Coordinated and aligned staging of development with infrastructure to service growth
- New infrastructure and community facilities that benefit the broader community
- A greater mix of housing types and sizes, as well as affordable housing options
- Design of new housing for sustainability and resilience
- Some areas subject to bushfire risk

Councils vision for Wilton (source LSPS)

Our new town at Wilton will be strategic centre, with new job opportunities, regional facilities, greater advantages for healthcare and education and a variety of open spaces.

In 2040, Wilton will be (source Wilton2040):

It will be:

- A connected, accessible, walkable and liveable urban community
- A place that is set in a protected and enhanced environment, and respects its green surroundings
- A diverse, inclusive place with a variety of housing types and sustainable design
- An employment hub for logistics, providing 15,000 new job opportunities that benefit from its strategic location near Great Macarthur, Wollongong, and the Aerotropolis.

Greater Macarthur Growth Area

The Draft Greater Macarthur 2040 Interim Plan, released in 2018, is yet to be finalised and planning of the area is still in the early stages.

It is expected that the North Appin (partial) and Appin Precincts, which are the precincts in the Greater Macarthur Growth Area located within the Wollondilly LGA, will be delivering housing supply in the longer term and beyond the 2041 timeframe of this LHS.

Continuing collaboration between the NSW Department of Planning, Industry and Environment and Council is required to ensure sustainable and appropriate development within the Greater Macarthur Growth Area. The priority should be on developing a plan that focuses on the delivery of transport infrastructure, essential services and utilities required to support development. Planning for new Growth Areas trigger an opportunity to set a policy on inclusionary zoning to require delivery of a proportion of new housing to be affordable housing for purchase or rental.

Development in the Greater Macarthur Growth Area will change the character of the area and will likely impact on Menangle and Douglas Park, villages outside of the growth area. Under the Wollondilly LEP 2011, Menangle is subject to several heritage and conservation areas. A strategy needs to be developed to align with the objectives of the MRA to ensure the character, cultural and scenic values of these towns are maintained and protected.

Council will work with the NSW Department of Planning Industry and Environment to strengthen protection of the natural environment and waterways in Wollondilly which are important to the Western City District as well as to Greater Sydney. The unique koala colonies are highly valued to the community and play an important role in the conservation of the species. Council and neighbouring councils have protected key habitat corridors and established conservation programs.

2.7.2 Local Growth

Tahmoor, Thirlmere and Picton have been identified as areas with greatest opportunity for accommodating sustainable local growth, in which new development can be accommodated on land that is already zoned for residential purposes.

Tahmoor

Figure 41: Tahmoor context map

Capacity for additional housing

- 662 low density lots
- 56 large residential lots

Current population
5,075 (2016 ABS)

Current dwellings
1,932 (2016 ABS)

Current land use
Residential (R2, R3, R5); Recreation (RE1); Local Centre (B2); Industry; Natural Parks and Nature Reserves (E1)

Future land use
Business Development (B5); Special Activities – Seniors Living (SP1)

Barriers and opportunities for housing

- Established retail and commercial centre with open space and community facilities
- Capacity for additional housing within existing residential zoned land and shop top housing within B2 zone
- Water and wastewater servicing are at capacity and limits further rezoning of residential land in the short term
- Residential areas have limited access to public transport. Seek to improve public transport services on the Southern Highlands Rail Line
- Some areas subject to bushfire risk

Local Character and Community Values

- Improve access to and protection of natural surrounding environment
- Protect the local heritage
- Central to the community's identity is sports and recreation

Thirlmere

Figure 42: Thirlmere context map

Capacity for additional housing

- 118 low density lots
- 30 large residential lots

Current population
4,509 (2016 ABS)

Current dwellings
1,456 (2016 ABS)

Current land use
Residential (R2, R3, R5); Public Recreation (RE1); Local Centre (B2)

Future land use
Medium density (R3); Special Activities – Seniors Living (SP1)

Strategies and Programs

- Stage 1 DCP review focus on Design and Heritage

Barriers and opportunities for housing

- Established retail and commercial centre with open space and community facilities
- Capacity for additional housing within existing residential zoned land and for shop top housing in B2 zone
- Water and wastewater servicing are at capacity and limits further rezoning of residential land in the short term
- Improve liveability by increasing amenity – strengthen retail hub
- Continue to investigate options to strengthen and expand heritage protection in and around Thirlmere heritage conservation area
- Access to natural areas and rural landscapes
- Some areas are subject to bushfire risk

Local Character and Community Values

- A strong sense of community centred around the town's rich historical and natural assets including the World Heritage Thirlmere Lakes
- Connection to nature and sense of place

Picton

Figure 43: Picton context map

Capacity for additional housing

- 77 low density lots
- 44 environmental living lots

Current population
4,876 (2016 ABS)

Current dwellings
1,799 (2016 ABS)

Current land use
Residential (R2, R3, E1); Heritage Conservation area; Light Industrial (IN2); Public Recreation (RE1);

Future land use
Recreation (RE1)

Strategies and Programs

- Picton Place Plan

Barriers and opportunities for housing

- Water and wastewater servicing are at capacity and limits further rezoning of residential land in the short term
- Picton Place Plan (currently underway) to consider support for greater diversity of housing within the B2 and R3 zones
- Improve liveability by increasing amenity – education, strengthen retail hub and leisure facilities
- Residential areas have limited access to public transport
- Some properties subject to flooding and bushfire risk

Local Character and Community Values

- Administrative, commercial and service hub of Wollondilly
- Rich heritage and colonial architecture
- Improve connection to nature through open space pedestrian and cycle links improving general health and wellbeing

3 Priorities for housing

3.1 Local housing strategy objectives

The LHS objectives are informed by the evidence base established in Section 2 and an understanding of community values and priorities identified as part of the LSPS process.

The Wollondilly LHS seeks to provide for the future housing needs of the LGA and with the objectives for housing to be:

- affordable,
- diverse, and
- serviced by infrastructure.

To achieve the LHS objective, four directions will guide sustainable growth in both greenfield and infill areas that align with community expectations and, protects and enhances the local character of Wollondilly.

The four directions are:

1. **Provide housing in areas that are adequately serviced by infrastructure**

   Growth is appropriately serviced by infrastructure.

2. **Promote housing diversity and affordability**

   Diversity in housing and tenure to cater for all stages of life, meeting the needs of the current and future residents of Wollondilly.

3. **Plan and coordinate growth for emerging communities**

   New housing in Growth Areas is planned and co-ordinated with the adequate provision of hard and social infrastructure, and access to services.

4. **Build sustainable and resilient communities that protect and celebrate our environment**

   Housing is safe, built to a high quality and that is located away from areas at high risk to flooding and bushfires and respects and enhances the local character of the LGA.

Each direction is outlined in detail with mechanisms, a suite of actions and indicators in Chapter 4.

3.2 Land use planning approach

As demonstrated in the evidence base presented in Section 2, there is sufficient capacity in land zoned for housing or planned for housing in Wollondilly. While there is no need to create more land supply to accommodate future growth, the challenge for Wollondilly is around managing growth.

To support the liveability for Wollondilly residents Council will need to carefully manage growth, encouraging sustainable housing developments that protect the environment and celebrates local character.

The following principles set out the land use planning approach to respond to the local context in Wollondilly and its unique challenges for housing over the next 20 years. These principles support Planning Priority 16 – Enhancing and protecting the diverse values of the Metropolitan Rural Area in the *Wollondilly 2040 – Local Strategic Planning Statement*.

These principles are:

- Adopt a place-based approach to planning. Decisions regarding future growth and development should respond to the local context, to the unique qualities, characteristics, challenges and needs of the local community.
- Support new housing in locations that are supported by adequate infrastructure and have access to community services and facilities in towns such as Tahmoor, Thirlmere and Picton.
- Prioritise new housing within current zones permitting residential development, as part of Council supported planning proposals that are compatible with local strategic planning objectives, and in the Wilton Growth Area.
- Further release of land for residential development will not be supported.
- Release of land in the Greater Macarthur Growth Area, will not be supported unless subject to detailed planning and commitment to infrastructure servicing.
- An evidence-based approach supported by regular monitoring and review of housing indicators will inform changes to the local planning framework and decisions on planning proposals to support new housing development.

3.3 Mechanisms to deliver housing opportunity areas

There are four categories of actions explored in Section 4 that Council can lead on to implement this LHS. These categories are:

- Planning and design
  Council can prepare plans, undertake technical studies and master plan to influence housing outcomes
- Policy change
  Council policies can dictate priorities and requirements for housing development through the LEP and DCP

- Partnerships and stakeholder relationships
  Council can work with other partners and stakeholders to coordinate planning, share information for decision making, and influence housing outcomes
- Monitoring and review
  Council can lead on monitoring activities and review the outcomes of the monitor to better understand the challenges, opportunities, and changes in context to inform decision making

3.4 Evaluation and options for housing

The LHS recommendations provide guidance for sustainable housing development and growth across the LGA. The LHS demonstrates how Wollondilly LGA will contribute to meeting the housing needs of Greater Sydney over the next 20 years and to support local growth to meet the needs of Wollondilly residents.

The LHS delivers on Planning Priorities in the *Wollondilly 2040 – Local Strategic Planning Statement*, which aligns with broader Western City District Plan Priorities. Table 19outlines the Wollondilly LSPS Planning Priorities that are delivered through each Direction of the LHS.

Table 19: LSPS Planning Priorities corresponding to the Strategy's Directions

Direction 1: Provide housing in areas that are adequately serviced by infrastructure
Planning Priority 1 – Align infrastructure provision with community needs
Planning Priority 3 – Establish a framework for sustainable managed growth
Direction 2: Promote housing diversity and affordability
Planning Priority 5 – Provide housing options that meet local needs and match the local character of towns and villages
Planning Priority 6 – Embed health and wellbeing considerations into land use planning for healthy places
Planning Priority 8 – Enhance the vibrancy and sustainability of local towns and villages
Direction 3: Plan and coordinate growth for emerging communities
Planning Priority 1 – Align infrastructure provision with community needs
Planning Priority 2 – Embrace innovation to enhance liveable, connected and sustainable communities
Planning Priority 3 – Establish a framework for sustainable managed growth

Planning Priority 4 – Create vibrant, healthy and sustainable communities in the new town of Wilton
Planning Priority 7 – Cultivating a creative and cultural destination connecting people with places
Direction 4: Build sustainable and resilient communities that protect and celebrate our environment
Planning Priority 2 – Embrace innovation to enhance liveable, connected and sustainable communities
Planning Priority 3 – Establish a framework for sustainable managed growth
Planning Priority 8 – Enhance the vibrancy and sustainability of local towns and villages
Planning Priority 12 – Value the ecological health of Wollondilly's waterways
Planning Priority 13 – Protect biodiversity and koala habitat corridors
Planning Priority 15 – Delivering an urban tree canopy
Planning Priority 18 – Live with climate impacts and contribute to the broader resilience of Greater Sydney

4 Actions

4.1 Implementation and delivery

This section outlines a set of recommended actions for Council, under the four LHS directions, to deliver on the objectives of this LHS and meet the housing needs of the LGA over the next 20 years. These actions reflect the breadth of issues to be considered, and may require further investigation, additional community and stakeholder engagement, as well as Council support before implementation.

Indicators for success are measures that Council can track to indicate whether the actions taken are achieving the LHS objectives and progress made on the four directions. Indicators may be captured through monitoring across other Council projects and programs, such as through *Create Wollondilly – Community Strategic Plan 2033*.

These recommended actions and indicators were developed through a workshop with Council's internal working group for the LHS.

Direction 1: Provide housing in areas that are adequately serviced by infrastructure

Growth is adequately serviced by infrastructure.

Planning and Design

1.1 Encourage and prioritise development within existing residential zoned land in Tahmoor, Thirlmere and Picton that are already serviced by infrastructure and supported by public transport services.

1.2 Prepare an update to the Wollondilly Social Planning Strategy to identify social and community infrastructure needs to support growth (funding and resources permitting).

Partnerships and Stakeholder Relationships

1.3 Continue to work with the NSW Department of Planning, Industry and Environment and other State Government agencies to ensure that infrastructure servicing commitments and delivery staging plans are in place before land is rezoned for housing.

1.4 Continue to work with Councils in the Western City District on the planning of regional infrastructure to ensure new land supply is co-ordinated with infrastructure development and site servicing.

1.5 Continue to work with utility providers, particularly Sydney Water, to co-ordinate growth servicing plans in line with forecasted housing growth.

Monitoring and review

1.6 Establish and maintain a local housing monitor to track and report on delivery of housing which can inform infrastructure planning.

Indicators for success

a. Community satisfaction for living in the LGA increases

b. Housing completions in the LGA increases

Direction 2: Promote housing diversity and affordability

Diversity in housing and tenure to cater for all stages of life, meeting he needs of the current and future residents of Wollondilly.

Planning and Design

2.1 Identify opportunities for additional housing development as part of future town centre masterplanning. Opportunities need to consider local environmental conditions and flooding and fire risks and potential to encourage a mix of smaller dwellings within town centres. This would be subject to further investigation to understand the barriers and potential incentives to encourage medium density housing development on R3 zoned land.

2.2 Ensure a review of the Wollondilly DCP 2016 is concurrently undertaken with any development of future masterplans.

Policy Change

2.3 Protect current social and sub-market housing stock in the LGA to remain as affordable housing.

2.4 Consider the opportunities to address housing affordability in Wollondilly, as aligned with the Regional Affordable Housing Study by the Western Parkland City Councils when complete.

2.5 Support and facilitate the renewal of social housing dwellings in coordination with the NSW Land and Housing Corporation and Community Housing Providers when required.

Partnerships and Stakeholder Relationships

2.6 Liaise regularly with neighbouring Councils to understand market demand and changes and a district view of housing affordability challenges.

Monitoring and Review

2.7 Establish and maintain a local housing monitor to track and report on delivery of housing which can inform the success of Council planning and policy changes to promote housing diversity and affordability.

Indicators for success

a. Community satisfaction for living in the LGA increases

b. Mix in housing typologies increases

c. Percentage of households experiencing rental and mortgage stress decreases

Direction 3: Plan and coordinate growth for emerging communities

New housing in Growth Areas is planned and co-ordinated with the adequate provision of hard and social infrastructure, and access to services.

Planning and Design

3.1 Continue to work with the NSW Department of Planning, Industry and Environment to develop development and infrastructure staging and sequencing plans.

3.2 Continue to encourage a mix of smaller and larger dwellings that meet a range of small and larger sized households and affordability ranges.

3.3 Continue to design neighbourhoods so that housing is accessible to sustainable transport options, open space, community services and facilities, retail and job opportunities.

Policy Change

3.4 Continue to collaborate with the NSW Department of Planning, Industry and Environment to finalise the Draft Wilton DCP 2019.

3.5 Advocate to introduce inclusionary zoning where feasible.

Partnerships and Stakeholder Relationships

3.6 Continue working as an active partner with the Department of Planning, Industry and Environment to plan for the Wilton and Greater Macarthur Growth Areas.

Monitoring and Review

3.7 Engage with the community to understand housing preferences, affordable living challenges, and the level of satisfaction living in Wollondilly. This can be incorporated as part of Council's current bi-annual survey of residents.

3.8 Establish and maintain a local housing monitor to track and report on delivery of housing which can inform approaches to future planning and policies for Growth Areas.

Indicators for success

a. Community satisfaction for living in the LGA increases

b. Mix in housing typologies increases

c. Percentage of households experiencing rental and mortgage stress decreases

Direction 4: Build sustainable communities that protect and celebrate our environment

Housing is safe, built to a high quality and that is located away from areas at high risk to flooding and bushfires and respects and enhances the local character of the LGA.

Planning and Design

4.1 Develop local character statements for each town and village and update the Wollondilly DCP 2016 to require new housing to be consistent with local character.

4.2 Monitor sustainability performance of existing residential and growth areas collecting base line data, that will inform future Council policy and design requirements. This could be done in collaboration with the NSW Department of Planning, Industry and Environment as a pilot program.

4.3 Work with the NSW Department of Planning, Industry and Environment to integrate a focus on sustainable communities in the future planning of Wilton and the Greater Macarthur Growth Areas.

4.4 Collaborate with the NSW Department of Planning, Industry and Environment to define requirements for a sustainable neighbourhood and housing the Wilton Growth Area.

4.5 Consider the evidence base developed as part of the final Wollondilly Hazards Analysis and Emergency Management Study when making planning decisions regarding the future growth framework for Wollondilly.

Policy Change

4.6 Amend the Wollondilly DCP 2016 landscaping requirements for new housing to align with Urban Tree Canopy Study (currently being undertaken).

4.7 Review and update the Wollondilly DCP 2016 to ensure greater certainty of sustainable and environmental performance outcomes for new developments, and reflect outcomes from updates to bushfire management planning in Wollondilly.

Partnerships and Stakeholder Relationships

4.8 Expand on existing Council 'Environment and Sustainability' initiative to promote sustainable housing design and resilience. This could include community outreach programs, providing guidance on sustainable renovations, integrating 'smart technology' and improving the sustainability of people's homes.

Indicators for success

a. Change in emissions associated with the residential sector

b. Measure change in tree canopy coverage across the urban area

c. Land area of environmental and rural zone land maintained

d. Community satisfaction for living in the LGA increases

e. Measure average decrease of household waste and energy consumption

4.2 Monitoring and reviews

Monitoring and review of this LHS is critical to ensure that housing objectives are being achieved and that the strategies remain appropriate to achieve these housing objectives.

Note the COVID-19 pandemic may affect trends and development activity in the short-term and impact on some of the data presented in the LHS evidence base. Refer to Appendix A. This highlights the importance of continued monitoring to inform Council's approach to future housing supply.

A key recommendation outlined in Section 4.1 is to establish a local housing monitor, which can enable Council to monitor housing across the LGA on an annual basis.

It is recommended that the local housing monitor is established as a priority. The local housing monitor should identify development precincts and towns and villages within each collector district and monitor the following indicators:

- Capacity for housing (number of lots and houses)
- Timeframes for development
- Known barriers for housing development, such as water and wastewater servicing, roads and access, environmental constraints and natural hazards such as flooding and bushfire risk
- Residential zoning status
- Number of Development Applications for residential development approved for the precinct over the past 12 months
- Number of lots or houses completed over the past 12 months

- Precinct, town or village capacity for housing – percentage developed
- Housing typology mix – percentage of single detached houses, dual occupancies, multi-unit dwellings, apartments

The local housing monitor should be updated each year. An update to indicators can align with the Department of Planning, Industry and Environment's review and publishing of housing completions following the month of June each year.

The local housing monitor can be shared across Council to understand trends in development activity, monitor housing supply, and monitor remaining capacity of residential zone land and planned growth areas for housing supply.

Additional precincts can be added to the monitor to reflect planning proposals being considered by Council, master plans for towns and villages, and updated information from growth area planning with the Department of Planning, Industry and Environment to reflect new information as planning for the Wilton and Greater Macarthur Growth Areas progresses.

It is recommended that this LHS is initially reviewed in a years' time to understand the impacts of COVID-19. Following this, the LHS should be reviewed in 5 years' time to understand population and demographics, housing demand and update on the status of housing supply. The review should include a

- review on whether the actions (in Section 4.1) have been completed
- update on the evidence base and review housing demand and supply in the LGA
- incorporate analysis of trends and understanding developed through 5 years of data collected through the Council local housing monitor and community feedback.

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Supplied data

NSW Land and Housing Corporation, data supplied

Wollondilly Shire Council record of Development Applications, January 2019 to 14 May 2020, supplied by Council

Spatial data supplied by Council:

- Zoning
- Lot Size
- Collector districts
- Cadastre
- Bushfire prone land
- PMF and 1 in 100 Flood
- Growth areas

Appendix A

Impacts of the COVID-19 pandemic

In recent months, Wollondilly Shire has faced significant challenges through the catastrophic bushfires and the COVID-19 pandemic. Impacts on the centres, people and places within the LGA and the resulting changes to the demand and supply of housing are anticipated to be considerable.

The impacts of COVID-19 relate to the complex interplay of economic and social factors. There is no historical precedent for the current situation, and we are currently working in a context of constantly changing information and forecasts. Changes to populations growth rates, demographics, immigration and migration, travel patterns and mobility are all a certainty in the short-term – The flow-on effects for national and regional economies and then through to local housing markets are expected to be significant.

Recent data released for Wollondilly LGA by Economic Id (*COVID 19 Economic Outlook Tool*) shows the potential employment and economic outlook impacts.

Table 20: COVID 19 Economic Outlook: GRP and Employment Impacts

	Wollondilly	**Campbelltown**	**Camden**	**Greater Sydney**
Gross Regional Product	-8.80%	-13.60%	-9.70%	-15.00%
Local Jobs	-5.50%	-9.10%	-6.20%	-15.00%
^ JobKeeper recipients	-9.30%	-14.40%	-11.00%	
Employed residents	-7.20%	-9.00%	-7.30%	-15.00%
^ JobKeeper recipients	-11.50%	-14.40%	-11.70%	

Source: economyid.com.au

Table 21: COVID 19 Economic Outlook: Sector Impacts

Employed residents impact (including JobSeeker) - June Quarter 2020 (% in/decrease, compared to 4-quarter 18/19 quarter average)	
Wollondilly - Top 5 resident employing sectors	
Construction	-5.80%
Health Care and Social Assistance	13.65%
Retail Trade	-14.44%
Education and Training	-13.39%
Manufacturing	-8.87%

Source: economyid.com.au

Recovery for the economies, communities and places within the LGA will depend on Wollondilly's unique local and regional attributes, coupled with national and international trends and drivers. In terms of economic impact for example, the role and function of the economy and its sectoral mix, are key considerations that will impact recovery at a local level. In the longer-term, recovery will be impacted to varying degrees by wider drivers such as the significant declines in overseas migration, disruptions to supply chain and trading relationships, wealth impacts and private sector debt. Government's commitment to stimulus through major infrastructure construction projects in Western Sydney like Metro–Western Sydney Airport rail will help support the retention and creation of jobs in the short-term for economic recovery.

While data is starting to emerge about the economic impacts of COVID-19 on Wollondilly and other local economies, the full impact on the housing market is less certain. Housing trends usually take longer to reflect what is happening elsewhere in the economy. However, commentary and data that is emerging, suggests that house prices and values will fall, coupled with reduced access to finance, this is expected to significantly impact on the amount and scale of residential development activity in the LGA in the short-term.

In coming months, we would expect that broader policies that support housing markets more generally, like low interest rates, mortgage relief and support for first home buyers, could play an important role in mitigating some of the negative effects on housing supply and demand. However, sudden economic hardship disproportionately falls on low-income households and it is anticipated that dramatic falls in employment across key sectors for residents of the LGA (shown above), will put increased pressure on demand for private rental, affordable and social housing. Access to diverse and affordable housing choice for residents of Wollondilly Shire will be increasingly important.

Appendix B

Data assumptions

Appendix B provides notes on data sources and assumptions applied in preparing the LHS evidence base.

B1.1 Id. population and housing data

One of the key data source for the LHS evidence base (refer to Section 2) is id. Id. provides ABS Census data on historic population, demographic and household data for the LGA and information is shown for the whole LGA and collector districts within Wollondilly.

Id. forecasts for households and dwellings are based on analysis of Council information on local development. The forecasts are prepared for collector districts, which are groups of suburbs. These forecasts are determined, with Council's input, and informed by the timing and quantum of growth proposed for approved and active development sites, planning proposals and knowledge of local development activity. The various datasets used to develop the evidence base contain different reference geographies, which may have resulted in small discrepancies in aggregated data. These discrepancies are not expected to have a significant impact on strategy directions.

B1.2 Housing forecasts

Housing forecasts referred to in this LHS were sourced from id. In September 2019, Council resolved that these housing forecasts will establish a common set of planning assumptions for the LGA and will be applied across all Council planning. On 30 April 2020, the forecast.id team provided an email to explain the potential impacts of the COVID-19 pandemic on the forecast data.

Text from forecast.id team (30 April 2020)

As things stand, we believe that although COVID-19 is a health crisis, the most important impact upon population projections will come from a profound economic change. We are currently undertaking economic forecasting to estimate the impact of COVID-19 on jobs and residents. This models the short-term immediate impacts on jobs and industry, the roles of stimulus packages, and planning throughout the recovery phase. Please get in touch via return email to hear about the roll out of this information for your Council.

In many communities the key impact on the future shape of the population will be from changes to migration, both from overseas and interstate. However, these impacts will differ based on the economic and demographic role and function of your place.

It is important to recognise that this is an unprecedented shock and many of the impacts are yet to play out. We will revise forecasts to reflect these changes when we can update them with confidence, using a solid evidence base, to support informed decision making. In the interim, your existing population forecasts have an important role to play in the current environment for two reasons:

- *They provide important information about the current population – post the Census. They are an indication of the potential number of people in different age groups in different parts of your community. This provides you with solid information about the composition of your population, at the small area level, to assist with immediate planning needs.*
- *Current forecasts also form a baseline (or base case) for the world that was. This baseline enables planners, policy makers and service providers to understand how things may have*

played out, without this external shock. Once forecasts can be reviewed to incorporate new assumptions, the benchmark allows us to understand how population growth has been impacted as a result of COVID-19.

B1.3 Household Income

The household income categories were calculated based on the current median household income for the Greater Sydney (Greater Capital City Statistical Area) according to the ABS ($1,750[3]) and as defined by Family and Community Services[4] (FACS). These categories are:

- Very low-income household: less than 50% of the current median household income for Greater Sydney
- Low income household: 50 or more but less than 80% of the current median household income for Greater Sydney
- Moderate income household: 80–120% of the current median household income for Greater Sydney

For the purposes of this analysis, definitions of very low, low and moderate income have been adjusted based on the closest brackets made available by the ABS. For 2016, the median household income for Greater Sydney was $1,750. Based on the definition below, and the income brackets released by the ABS, the categories considered in this study are as follows:

- Very low: < $799/week
- Low: $800 - $1,499
- Moderate: $1,500 - $1,999

For comparison, the 'actual' categories are:

- Very low: < $875
- Low: $875 - $1,399
- Moderate: $1,400 - $2,099

As household income and rent & mortgage payment data is made available in brackets, the median of each bracket was used to calculate the number of households experiencing stress across the LGA (>30% of income being spent on cost of housing).

For example, a household with a weekly income in the $1,250 - $1,499 bracket, was taken to have the median income of $1,375. Similarly, all household's with weekly rent or mortgage costs in the $425 - $449 bracket, were taken to have the median payment of $437.

[3] https://quickstats.censusdata.abs.gov.au/census_services/getproduct/census/2016/quickstat/1GSYD?opendocument
[4] https://www.facs.nsw.gov.au/providers/housing/affordable/about/chapters/who-are-very-low-to-moderate-income-earners

In turn, all households falling in the $1,250 - $1,499 bracket, that have housing costs within the $425 - $499 bracket, are considered to be experiencing housing stress (as $437 equate to 32% of $1375)[5 6].

B1.4 Income of residents in Wollondilly for the top five industries of employment

ABS TableBuilder Pro[7] allows individual income to be broken down by industry of employment. This data presents the total number of Wollondilly residents employed in an industry. It also breaks down the number of residents that earn within each specified income bracket within each industry.

As noted in B1.2, for the purposes of this study, definitions of very low, low and moderate income have been adjusted based on the closest income brackets made available by the ABS. This study considers the adjusted income brackets to ensure consistency with other analysis developed throughout the evidence base. The ‘adjusted’ categories used are as follows:

- Very low: < $799/week
- Low: $800 - $1,499
- Moderate: $1,500 - $1,999

For comparison, the ‘actual’ categories are:

- Very low: < $875
- Low: $875 - $1,399
- Moderate: $1,400 - $2,099

[5] Households earning negative or nil income were not considered as part of this analysis
[6] Households that did not state their rent repayments or selected ‘not applicable’ were not considered as part of this analysis
[7] https://www.abs.gov.au/websitedbs/censushome.nsf/home/tablebuilder