

Overview of the *State Environmental Planning Policy (Housing) 2021* (Housing SEPP)

Background

The *State Environmental Planning Policy (Housing) 2021* (Housing SEPP) was gazetted on 26 November 2021.

The Housing SEPP replaces the *SEPP (Affordable Rental Housing) 2009* (ARH SEPP) and *SEPP (Housing for Seniors and People with a Disability) 2004* (Seniors Living SEPP). The Housing SEPP:

- Brings together those SEPPs which share the theme of housing into a single SEPP
- Streamlines a number of provisions, particularly those relating to boarding houses and seniors housing
- Introduces two new housing types, co-living housing and independent living units (seniors housing)

Importantly, the Housing SEPP provides controls for the following types of housing development:

- Boarding houses
- Co-living housing
- Build-to-rent housing
- Seniors housing
- Secondary dwellings (granny flats)

Summary of housing types under the Housing SEPP

The Housing SEPP provides controls with the aim to deliver more affordable housing. The Housing SEPP provides controls for the following housing types:

Boarding houses

The key change is that the definition of boarding houses has been amended to require that they are operated and managed by a registered Community Housing Provider (CHP), which ensures that they are built and remain affordable as the rents are capped.

This type of development is prohibited in the R2 Low Density Residential zone under the Burwood LEP 2012, but permitted in all other zones.

The Housing SEPP provides floor space incentives for boarding house developments – the controls allow consideration of up to 25% additional floor space (above Council's controls). Car parking is capped at 1 parking space per 5 rooms if the site is close to the public transport and 1 parking space per 2 rooms otherwise.

Co-living housing

Co-living housing has been introduced as a new housing type and is supported by a standard definition. Prior to its introduction, co-living housing was delivered using the boarding house provisions of the *State Environmental Planning Policy (Affordable Rental Housing) 2009*.

The Housing SEPP provides for floor space incentives for co-living housing – the controls allow consideration of up to 10% additional floor space (above Council's controls). Car parking controls are consistent with the requirements for boarding houses.

This type of development is prohibited in the R2 Low Density Residential zone under the Burwood LEP 2012, but permitted in all other zones.

Under the Housing SEPP, co-living housing:

- must provide a primary place of residence for all occupants – it may not be used for short-term tourist and visitor accommodation
- has private room sizes from 12m² for a single person or 16m² for a couple, excluding any space used for private kitchen or bathroom facilities
- may have as few as 6 private rooms but most co-living housing developments will typically have around 30 to 40 private rooms
- must provide indoor and outdoor communal space for residents to relax and socialise
- must provide adequate kitchen, bathroom and laundry facilities for all residents, either as private or shared facilities
- must have a manager, who will be responsible for implementing the plan of management for the property. The manager does not have to be always on site, but must be contactable by phone 24/7.

Built-to-rent housing

Build-to-rent housing is large-scale, purpose-built rental housing that is held in single ownership and professionally managed. There is no specific definition for build-to-rent housing other than the development will result in at least 50 dwellings occupied, or intended to be occupied, by individuals under residential tenancy agreements, and all buildings containing the dwellings are located on the same lot.

The provisions in the Housing SEPP:

- allow development to be used as build-to-rent housing anywhere that residential flat buildings is permitted, as well as in the B3 Commercial Core and B4 Mixed Use zones
- include minimum car parking rates and apply Councils' maximum car parking rates where relevant
- apply Council's height and floor space ratio standards
- prevent residential subdivision for 15 years in all zones, except the B3 zone where build-to-rent housing development can never be subdivided into separate lots in perpetuity.
- require active uses at street level in business zones for any part of a build-to-rent housing development that faces a road
- support the flexible application of the Apartment Design Guide, encouraging consideration of the amenity provided by common spaces and shared facilities

Seniors Housing

The seniors housing provisions, previously in the Seniors Living SEPP have been consolidated into the Housing SEPP. Seniors housing includes:

- Residential care facilities – sometimes also known as *nursing homes* or *aged care homes*. Residents receive full-time care.
- Independent living units – apartments or villas for seniors and people with disability. Residents can live independently.
- Hostels – includes single or shared residential accommodation staffed by support workers.

The key changes for seniors housing include:

- Bonus floor space incentives to encourage seniors housing developments in higher density areas. Incentives are between 15% and 25% bonus floor space above Council's controls.
- New internal and external communal space requirements, including at least 10sqm per bed for residential care facilities.
- Extending the moratorium on seniors housing in Heritage Conservation Areas until 31 December 2023.
- Allowing for subdivision of seniors housing in the R2 – Low Density Residential zones.
- Allowing all seniors living, including independent living unit developments in R2 Low Density Residential zones.

Secondary dwellings (granny flats)

The requirements for secondary dwellings have been transferred from the ARHSEPP without any changes.

Implications of the Housing SEPP for Burwood LGA

The introduction of the Housing SEPP has resulted in gaps and inconsistencies in our controls in the Burwood's DCP. City Strategy is currently undertaking a review of the requirements in the Burwood DCP to:

- Update the controls relating to boarding house development and, where appropriate include objectives and controls for co-living housing (these will be in addition to requirements under the Housing SEPP, but cannot be inconsistent with the Housing SEPP)
- Remove any inconsistencies in controls for boarding house (car parking requirements)
- Provide additional detail with respect to operational requirements (e.g. contents of the Plan of Management which are required to be submitted as part of a development application)
- Due to the requirement for Boarding Houses to be managed in perpetuity by a Community Housing Provider is anticipated that fewer applications for this use will be received. Instead applicants will adopt the Co-living House nomenclature.

For more information, please access the SEPP (Housing) 2021 on NSW Legislation website as below:

<https://legislation.nsw.gov.au/view/html/inforce/current/epi-2021-0714>