



Our Strategic Directions

September 2017

The NSW Government is taking action to improve housing affordability across the state, particularly in Sydney where the challenge is the greatest, and it has asked Landcom to reorient our business towards this goal. We now have a new and very clear mandate – to take a lead role in improving the supply, diversity and affordability of new housing in Sydney and NSW.

Despite near-record levels of residential approvals and delivery in recent years, housing affordability has declined significantly in Sydney and other metropolitan areas across NSW. Between 1996 and 2016, the Sydney median sale price increased 288 per cent.¹

The NSW population has grown 31 per cent over the past 25 years, from 5.9 million to 7.7 million people. By 2036 the NSW population is expected to reach 9.9 million, and the Greater Sydney population is expected to reach 6.4 million.²

Population growth alone means that Sydney needs around 36,000 new homes per year over the next 20 years.³

With population growth and the current backlog in undersupply, Sydney will need to provide around 40,000 new homes each year for the next 20 years.

Demographic household changes are also creating demands for a much more diverse mix of housing, to meet a wide range of lifestyle needs and budgets, including those of couples with children, lone person and couple only households, single parent households, and older people. This means we need a range of housing types, tenures and price points, to make it easier for people to own a home, together with rental housing, and Affordable and Social Housing for the most vulnerable.

To address these vital issues, Government has made housing affordability a priority, along with local infrastructure delivery and economic development, and it has asked Landcom to play a key role. Our new direction recognises our substantial record of accomplishment since the organisation was founded in 1975, and particularly since it was corporatised in 2002. We will leverage this success to help address the current challenges, with a focus on breaking down barriers and thinking more laterally about how to create affordable homes and sustainable neighbourhoods that meet the needs of current and future generations.

To help deliver on the Government's housing affordability agenda and broader urban management objectives, we will prioritise three strategic directions: housing, partnerships and leadership.

STRATEGIC DIRECTIONS

Housing

Increase the affordability, supply and diversity of housing

We will undertake strategic projects in Sydney and other parts of the state, demonstrating different potential housing solutions. New housing will include a mix of types, tenures and price points for a range of households, particularly moderate income households and first home buyers. We will also provide practical advice to Government on policy initiatives, and the cost impact of these to the private sector.

Partnerships

Partner with others to unlock development opportunities and improve delivery

Land development is complex. To ensure the Government's housing supply and diversity objectives are met, Landcom will initiate, undertake and facilitate the resolution of development issues, brokering across government and the private sector to take projects from planning to reality.

Leadership

Demonstrate excellence in sustainable development and planning practice

Landcom has a proud history of sustainability excellence and leadership – in what we do and how we do it. We will continue to seek the highest standards of sustainability performance, innovation and engagement in the work ahead. By demonstrating to industry the community and market acceptance and commercial value of innovative models, we will leverage outcomes beyond our immediate projects.

OBJECTIVES

1 Make it easier for people to own their own home

Home ownership is an important aspiration for Australians. Innovations in design, delivery and financing may give people access to new options.

2 Demonstrate new housing typologies to provide a greater choice of homes

Changing demographics and household structures mean that we need a much greater mix of home types now and in the future.

3 Deliver strategic projects across NSW

Sometimes Landcom's involvement will be required where development is not proceeding as planned or assistance is required to create new development opportunities.

4 Unlock potential in surplus or underutilised government and other large institutional land holdings

As government service provision continues to change, land may become surplus to needs or better suited to other uses.

5 Facilitate new homes and jobs through the delivery of enabling infrastructure

We will work with others to coordinate and deliver infrastructure that unlocks land supply.

6 Bring multiple landholders together to unlock fragmented land

Where land is owned by multiple parties, we may be able to facilitate neighbourhood partnerships and collaboration, reducing lag times and increasing opportunities for new affordable housing.

7 Deliver socially sustainable places for the people of NSW

Land use planning and development affects social wellbeing, and we are committed to creating places where communities of all income levels, backgrounds and ages can thrive.

8 Benchmark excellence in sustainable, healthy communities

Sustainability is fundamental to our approach – we invest in sustainable development, not because it is a requirement, but because it is the right thing to do.

9 Lead industry innovation in design excellence and inform urban policy through strategic advice

Landcom will focus on advances in housing delivery, including testing new housing types and designs for smart, compact homes.

FOCUS AREAS

We will deliver new housing, focussed in areas where there is current or future infrastructure, giving communities improved access to public transport and services. We will pursue innovative financial options, and provide an advisory role for Government, testing potential policy initiatives and their impacts on costs and affordability.

We will implement our Housing Affordability and Diversity Policy. Smart, compact housing will be our focus and we will promote universal design. We will also advise Government on effective and proportionate regulation of the private sector, in line with Government's housing affordability objectives.

We will develop a pipeline of opportunities for the private sector. Strategic projects will include unlocking housing and jobs in regional locations. We will also work closely with local councils to facilitate development opportunities that meet local housing needs and contribute to local housing targets.

We will work closely with other government agencies including Property NSW, Land and Housing Corporation, Office of Strategic Lands, Department of Planning and Environment, and the Commonwealth, where land is surplus or could be better used for housing and jobs.

We will support the Greater Sydney Commission's initiatives to align infrastructure planning and delivery and, in particular, we will work with Transport for NSW to maximise new housing and jobs near public transport infrastructure. We will forward fund capital works where consistent with our objectives, and resolve infrastructure related blockages.

We will facilitate and broker neighbourhood partnership agreements to drive property amalgamation for large sites that can materially contribute to housing supply and choice. We will also provide an advisory role to Government on working better with communities and industry on land amalgamation issues.

We are committed to engagement excellence and continued improvement, and we will engage meaningfully with all project stakeholders. We will ensure masterplans reflect best practice urban design and sustainability principles, we will work with providers to deliver social infrastructure, and we will support community development.

We will finalise and embed the Sustainability Strategy into all project plans, including aiming for world-class performance outcomes and net positive project outcomes. We will undertake sustainability monitoring and international sustainability reporting for all projects and policies, including new design and sustainability based metrics.

We will road-test new approaches in design and construction through practical implementation, and continue to share knowledge across government and industry.

About Landcom



We Are

the NSW Government's land and property development organisation.

We exist to help the Government achieve its urban management objectives. We are a State Owned Corporation working across government and with the private sector to produce quality housing and communities that deliver social, environmental and economic benefits to the people of New South Wales.



Our Role

is to develop, enable and demonstrate new homes and neighbourhoods across NSW, through partnerships and leadership.

We are not a conventional developer. We provide the link between the Government's social, environmental and economic objectives and housing affordability outcomes, and the commercial imperatives of the private sector.

We work on strategic and complex residential projects on vacant land and established sites. We use Government-owned sites and our close working relationships with the private sector to deliver quality residential neighbourhoods that demonstrate industry-leading sustainable development.



Our Vision

is to deliver city shaping projects that are more affordable, vibrant, connected and sustainable places to live.

We will deliver innovative, productive urban places with world class standards of liveability, resilience, inclusion and environmental quality, that are affordable for a range of households.

We will create a legacy of sustainable places for future communities.



Our Ambition

is to increase the supply and diversity of housing choices, and increase opportunities for people to own their own home.

We will develop exemplar models of new housing that is fit for the needs of our growing and changing population, including models for home ownership and rental.

We will lead industry innovation in design excellence and investigate other mechanisms to improve housing affordability and diversity, including innovative financial options with the finance sector.

Leverage

Increasing benefits for the community and the State

Delivery

Providing a pipeline of ready-to-market sites

Integrity

Protecting the public interest

We add value through

Leadership

Leading new thinking

Excellence

Investing in world class sustainable development

Collaboration

Facilitating success by others

References

- 1) NSW Department of Family and Community Services, as cited in A fair go for first home buyers: A plan to improve housing affordability, NSW Government, 2017, p4
- 2) NSW Planning and Environment, 2016 NSW State and Local Government Area Population Projections. <http://www.planning.nsw.gov.au/Research-and-Demography/Demography/Population-projections>
- 3) A fair go for first home buyers: A plan to improve housing affordability, NSW Government, 2017, p4