

Submission from
Camden Council

Productivity Commission Housing Supply Regulation Interim Report

September 2026



Overview

As one of the fastest-growing communities in New South Wales, Camden Council understands the urgency of increasing housing supply.

The report frames planning regulation as a significant barrier for the development of large quantities of housing with little concern or consideration for the quality of housing being built and the quality of liveability outcomes in neighbourhoods.

Despite this being a report about housing supply, the single-minded focus on quantity of housing produced in service of a quantified housing goal flattens the important role of regulation in improving and maintaining liveability for people.

Increasing housing supply cannot be considered in isolation from the broader task of building functional, liveable and economically sustainable communities.

Camden's experience demonstrates that planning regulation is only one part of the housing delivery equation. In rapidly growing greenfield areas, the availability and timing of enabling infrastructure, coordination between government agencies, protection of employment opportunities and the provision of appropriate residential amenity are equally significant determinants of whether planned housing is ultimately delivered.

Council therefore cautions against a uniform approach to regulatory reform. Measures that may be appropriate in established, highly serviced and well-connected locations may produce very different outcomes when applied to rapidly growing communities in Western Sydney.

The four principles should ultimately support a planning system that enables more housing while maintaining the strategic planning necessary to ensure that growth is supported by infrastructure, jobs, services and amenity.

The objective should not simply be to make housing easier to approve, but to make well-planned housing and communities easier to deliver.

1. Adopt a Build Mindset

Recommendation: A national “build mindset” should focus on enabling well-planned housing, rather than simply maximising dwelling numbers.

- Council supports reforms that remove genuine and unnecessary barriers to housing delivery, including reviewing planning controls that unnecessarily restrict development or add cost without delivering a corresponding public benefit. However, this should not apply in growth area councils where development is outperforming state averages.
- Development in Camden is not being stifled by planning processes at a local government level. In the 2025/26 financial year, Camden was the second fastest Council in Greater Sydney in terms of DA timeframes, with an average assessment time of 58 days and an estimated development value of \$1.2Bn. Over the past 4 years we have consistently ranked in the top 5 Councils.
- Strategic planning remains critical. The objective should be to deliver more housing in the right locations, supported by the infrastructure, services, employment and amenity required to create liveable, thriving and resilient communities.
- **A one-size-fits-all approach to planning reform will not deliver good housing outcomes.** Housing markets, infrastructure availability, transport accessibility, heritage protections, environmental constraints and community needs vary significantly between locations.
- Growth area councils like Camden require a different policy response to infill councils because the key constraint is land fragmentation, infrastructure and servicing timeframes, not planning controls
- The data point included in the report of heritage protections “*cover at least 50% of residential land in 50 suburbs across Greater Sydney*” is used to emphasise issues with land-use controls. However, this is not relevant to Camden. This justification generalises the nature and presence of heritage across the city in service of deregulation in the service of unlocking land available for housing.
- There is a significant risk that this generalised approach will result in recommendations that are likely to strip cultural significance, character and meaning away from important town and

neighbourhood centres for communities across Greater Sydney and beyond.

- Council strongly supports greater housing diversity and affordability. However, measures designed to make construction cheaper need to be considered in their local context. For example, reducing minimum car parking requirements may be appropriate in highly accessible locations but is unlikely to achieve good outcomes in Camden, where households continue to have high levels of car dependency due to the lack of public transport options.
- Allowing 3-storey developments everywhere does not automatically equate to more homes – in low density areas this will allow the creation of larger and more unaffordable homes if it is applied simplistically.

Heritage Protection

Capturing the value of a heritage item in economic terms would be an incredibly difficult thing to measure but the absence of a quantitative measurement does not mean there is no value.

To recommend significantly reducing heritage protection without providing a clear explanation for the value that it holds is concerning. Economically valuing cultural value for a single heritage item is already complex, let alone valuing heritage overlays. In the NSW context, heritage conservation areas (HCAs) are important because of their ability to show the historical origins and relationships between various elements that create a sense of place that is culturally significant.

The removal of broad heritage protections by emphasising how they present a barrier to development with no explanation of their value or why they exist in the first place will have significant impacts.

The recommendation for “*more robust mechanisms to review and delist buildings*” offers little tangible benefit in terms of housing supply regulation but has the potential to remove an important method for storytelling and keeping heritage alive.

As this submission states, housing reform must be place-based. In the context of Camden LGA, the reduction of the coverage of heritage overlays on the housing supply will be small. However, when the impact of significantly reducing heritage protection is considered, the recommendations of this report will have an extremely negative impact on the LGA with little benefit provided.

2. Only Regulate Where Necessary

Recommendation: Regulation should not automatically be viewed as an impediment to housing supply. Well-designed planning controls protect amenity, manage competing land uses and support sustainable growth.

- Planning controls should be regularly reviewed to determine whether they remain necessary and proportionate. Where a control no longer serves a clear purpose, Council supports its amendment or removal.
- At the same time, **deregulation should not become an objective in itself**. Some controls are necessary to ensure new housing provides an appropriate level of amenity and responds to local environmental and infrastructure conditions.
- For example, minimum lot sizes, landscaping requirements and dwelling standards can play an important role in providing tree canopy, managing urban heat and ensuring residents have adequate internal and external living space.
- Similarly, proposals to allow housing more broadly within employment zones require careful consideration. Council strongly supports affordable and diverse housing, but this needs to be balanced against the need to **protect strategically important employment land and create jobs closer to home**. Converting employment land to residential development may deliver housing in the short term while undermining longer-term economic and employment objectives.
- Housing targets should be linked to employment opportunities within Camden, not just focussed on dwelling delivery to ensure that jobs are created closer to where the new homes are being built.
- Promoting the delivery of residential development within employment land is problematic and inconsistent with State policy (i.e. the Sydney Plan and Industrial Land Action Plan).
- Frequent changes to the planning system can themselves create uncertainty and inefficiency. Reform should therefore be evidence-based, targeted and given sufficient time to be implemented and evaluated before further significant changes are introduced.

3. Coordinate with Infrastructure

Recommendation: Develop an upfront funding mechanism to deliver enabling infrastructure and essential transport services alongside housing delivery.

- There are numerous examples across Camden where inadequate or delayed infrastructure has constrained housing delivery, at present this is most evident in Leppington Stages 2–5 and Leppington Town Centre. This will continue to result in constrained housing delivery in the Camden LGA as other planning proposals are approved which consist of high fragmentation of land ownership.
- Leppington provides a particularly important case study. Planning for significant growth has occurred over many years, yet the coordination and delivery of enabling infrastructure has not kept pace with the housing ambition for the area.
- Council therefore supports the intent of Reform Direction 4.2 and recommends a much stronger focus on **aligning housing targets with funded infrastructure delivery programs**.
- Governments need mechanisms to forward fund critical enabling infrastructure so that roads, water, sewer, public transport and community infrastructure are delivered **before or alongside housing**, rather than after communities have already been established.
- Effective coordination also requires stronger whole-of-government accountability. Council's experience in Leppington demonstrates the difficulty of progressing development where multiple State agencies have different requirements, priorities and delivery timeframes.
- Simply creating another coordination process is unlikely to resolve the problem. **There needs to be clear responsibility, authority and accountability for bringing agencies together and resolving infrastructure barriers to housing delivery, this includes providing confidence to Local Government on the funding of state infrastructure and clear timeframes for its delivery.**
- Housing targets should consequently be accompanied by an assessment of the infrastructure required to support those dwellings, identification of the responsible delivery agency and a realistic funding and delivery pathway.

4. Keep the Process Simple

Recommendation: Simplify planning and approval processes where there is demonstrated duplication, unnecessary complexity or delay, while ensuring reforms are evidence-based, place-responsive and consider the operation of the planning system as a whole.

- Council has concerns about an increasing reliance on State Significant Development and alternative State assessment pathways, such as the State Accelerated Rezoning Process (SARP) as a solution to housing delivery.
- Councils possess detailed local knowledge, established assessment functions and technical expertise. Where councils are performing effectively, there should be a clear rationale for transferring assessment responsibility to the State.
- State-led planning reform should not undermine locally adopted strategic plans, Local Strategic Planning Statements, housing strategies and infrastructure planning frameworks.
- Alternative pathways can also create an expectation among proponents that established local planning processes can be circumvented rather than improved.
- The creation of multiple pathways risks making the system **more fragmented rather than simpler**, particularly where State agencies do not have the capacity or local knowledge required to manage increased assessment workloads.
- Recent changes to plan-making processes also increasingly front-load agency coordination requirements onto councils. While early coordination is supported in principle, it can become an additional bottleneck where councils are dependent on responses or agreement from State agencies before proposals can progress.
- Reform should therefore focus on identifying and removing the **actual sources of delay** within the system rather than simply moving responsibility between levels of government.

Case Study | Leppington: Housing Needs More than Planning Approval

Leppington demonstrates why housing supply must be supported by coordinated, place-based infrastructure planning.

The area has been identified for significant housing growth for more than 15 years, yet the delivery of essential enabling infrastructure has not kept pace with development expectations. Constraints relating to sewer servicing, the road network and other infrastructure have delayed housing and created significant challenges for the emerging community.

Council's experience has also highlighted the complexity of coordinating multiple State agencies, each with different responsibilities, priorities and delivery timeframes. While coordination mechanisms have been established, bringing agencies together does not necessarily resolve barriers where there is no clear responsibility, funding or authority to deliver the required infrastructure.

Leppington demonstrates that **rezoning land or increasing theoretical development capacity does not, on its own, deliver homes**. Housing targets need to be supported by a place-based infrastructure plan, clear agency responsibilities and committed funding, with local government at the table to contribute its local knowledge and understanding of infrastructure and community needs.

Key lesson: Plan for the community, not just the dwelling number.

A place-based approach to increasing housing supply essential. Housing policy cannot be developed or applied through a one-size-fits-all lens. Decisions about where and how communities grow must be informed by a detailed understanding of local conditions, infrastructure capacity, employment needs, environmental constraints and the characteristics of the communities that will ultimately live there.

Local government must have a meaningful role at the decision-making table. Councils are the custodians of significant local knowledge and insight, understand how communities function at a local level, and see first-hand the cumulative impacts of growth and development. This expertise should inform the design of housing policy and planning reform from the outset, rather than councils being consulted after key policy directions have already been determined.

For high growth areas such as Camden, the challenge is not securing planning approval for more housing. It is ensuring that housing is delivered alongside the roads, public transport, utilities, jobs, services, open space and amenity required to create successful communities. Increasing theoretical housing capacity without resolving these constraints will not, on its own, deliver more homes.

Regulatory reform should therefore be targeted, evidence-based and responsive to place. Removing unnecessary barriers is important, but so too is retaining the strategic planning and appropriate development standards that protect liveability and support sustainable growth. Reform must also be matched by stronger infrastructure planning, funding and coordination across all levels of government.

The measure of successful housing reform should ultimately be not how many planning controls are removed or how quickly approvals can be issued, but whether more well-located, well-designed and infrastructure-supported homes are actually delivered.

The goal should not simply be to make housing easier to approve, but to empower local and state governments to work together to make great communities easier to deliver.

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camden
council



13 22 63



advocacy@camden.nsw.gov.au



www.camden.nsw.gov.au/advocacy