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NSW Fair Trading
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Dear Sir/Madam

COMMENTS IN REPLY TO DEPARTMENT OF FAIR TRADING'S DISCUSSION PAPER – STATUTORY REVIEW OF THE RESIDENTIAL (LAND LEASE) COMMUNITIES ACT 2013

Thank you for the opportunity to make a submission on the review of the Residential (Land Lease) Communities Act 2013. At a meeting held on Monday 15 March 2021, Wollongong City Councillors resolved unanimously on a motion to make a submission to NSW Fair Trading regarding the above review.

The resolution is as follows:

1. Note that residential land lease communities are an important part of the housing mix in NSW and have provided a low-cost, affordable housing option over time.
2. Note that Council must ensure residential land lease communities, including caravan parks, operate in a safe, appropriate manner which is consistent with development approval, appropriate land use and the relevant Stage Government legislation.
3. Write to the Premier, Minister for Planning and Open Spaces, and Minister for Better Regulation and Innovation to:
 - a. Advice that requirements that allow residential land lease communities to operate are changing in some instances due to revised flood modelling and coastal erosion from climate change and fire safety regulations. This has the potential over time to impact the availability of a low-cost housing option in Wollongong and coastal NSW; and
 - b. Request information on any NSW Government support for homeowners in residential land lease communities whose lease arrangements may be affected by changed compliance requirements, particularly due to climate change and fire safety regulations.
4. Make a submission to the review of *The Residential (Land Lease) Communities Action 2013* to highlight the complexities of regulating this type of housing particularly when the roles and responsibilities of home owners, park operators, Council, NSW Fair Trading and State Government are not clearly understood in the community.
5. Inform the local state Members of Parliament of Council's resolution.

In addition to the above the following comments are provided -

Chapter 2

Disclosure Statement – should include:

- Does the community have necessary development consent for use of the land for long-term residency?
- Is the location of sites identified for long-term residency consistent with the development consent?

- Is the operator complying with their responsibilities under the development consent?
- Require the operator to attach a copy of development consent/s and endorsed plans as applicable to use of the community for long-term residency.

Chapter 4

- Recommend changes to Part 5 of the Act to include responsibility and obligations upon the home owner to comply with requirements of the *Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005*
- Consider the introduction of levy fee for on-going maintenance of community facilities (such as roads, improvements to community building, stormwater drainage disposal) and suggest that this is incorporated as component of site fee rather than as a separate levy.
- Recommend the compulsory training for operators include training regarding responsibilities regarding meeting obligations under a development consent and requirements of *Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2005* permitted work undertaken on a site and when required to have prior consent from Council.

Other Comments

It is recommended the Act is amended to incorporate responsibilities upon the purchaser to obtain a Planning Certificate under section 10.7 of the Environmental Planning and Assessment Act, 1979. The Act should also reference a model contract / agreement to improve clarity and certainty for residents.

Please contact me if you require further information.

This letter is authorised by

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