



**ATTACHMENTS TO REPORTS OF THE BLAYNEY SHIRE COUNCIL MEETING  
HELD ON MONDAY 18 OCTOBER 2021**

**CORPORATE SERVICES REPORTS**

**07 Adoption of Fraud And Corruption Control Policy and Plan**

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## Fraud and Corruption Control Policy and Plan

<b>Policy</b>	2F
<b>Officer Responsible</b>	Director Corporate Services
<b>Last Review Date</b>	XX/XX/2021

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# POLICY

## INTRODUCTION

Council is committed to preventing fraud at its origin and believes that an emphasis on prevention and detection is the best way to deal with fraud. The focus of Council's policy and plan on fraud control is to encourage the public and staff to understand that fraudulent and corrupt acts against Council are unacceptable, may constitute a criminal offence and will be prosecuted.

This is required as Council is entrusted to manage its assets and resources in a responsible, ethical and efficient manner.

It is therefore important that all Councillors, Council staff, delegates, volunteers, contractors, consultants, committee members and customers have clear direction and an understanding of the expected behaviours and actions that they must abide by.

This policy has the following objectives:

- To ensure that councillors, staff and council representatives are aware of their responsibilities for identifying possible exposures to fraudulent activities and for establishing controls and procedures for preventing such fraudulent activities and or detecting such fraudulent activity when it occurs.
- To provide guidance as to the action which should be taken where fraudulent activity is suspected.
- To provide clear guidance as to the process of investigating fraudulent activities, and provide a suitable environment to report such matters.

This policy should be read in conjunction with Council's Code of Conduct and Business Ethics Statement and the Internal Reporting System.

## DEFINITIONS

**AS8001 – 2008** is the *Fraud and Corruption Control Standards by Standards Australia*.

**Corruption** – corruption and corrupt conduct are defined in the ICAC Act 1988 (s.7, 8, 9) as:

- Conduct of a person (whether or not a public official) that adversely affects, or could affect the honest and impartial exercise of public official functions, or
- Conduct of a public official that involves the dishonest or partial exercise of any of his or her public official functions, or
- A breach of public trust, or
- The misuse of information or material acquired in the course of a public official's functions.

*Additionally, corrupt conduct can also be the conduct of any person (whether or not a public official) that adversely affects or could affect the exercise of official functions and involves conduct such as bribery, blackmail, fraud, forgery and various other crimes.*

*For conduct to be corrupt it must be covered by one of the conditions above and also any one of the following:*

- A criminal offence;
- A disciplinary offence; and/or
- A situation where there are reasonable grounds for dismissal or dispensing or terminating the Councillor or a public official.



Fraud - Council has adopted the definition of fraud contained in the Australian Standard 8001-2008 on fraud and corruption control, which defines it as:

Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity.

This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit.

~~“obtaining a financial benefit by deception”. A basic test of fraud may include the following:~~

- ~~• Was deceit employed?~~
- ~~• Was the action unlawful?~~
- ~~• Did the action result in money or benefit being received, to which the person was not entitled?~~

~~Some examples of fraud include:-~~

- ~~• Unauthorised use of Council plant and equipment.~~
- ~~• Private use of Council's inventory and stores.~~
- ~~• Claiming unworked overtime on time sheets.~~
- ~~• Providing confidential Council information to unauthorised people or bodies.~~
- ~~• Allowing contractors to not fully meet contract requirements.~~

***Fraud Control Improvement Kit** - The kit that has been developed by the Audit Office of NSW to help organisations deal with fraud.*

***Public Official** - includes Councillors, Council staff, contractors, volunteers, Council committee members and delegates of Council.*

## **FRAMEWORK**

*The administration of this policy is based around a holistic approach to fraud, and involves actions on the following fronts:*

- Prevention – to establish and maintain a good governance framework through well established procedures that reduce the chances of fraud;*
- Detection – sound auditing and checking procedures to deal with any transactions or activities that do not align with the expected procedures, and*
- Response – detailed reporting and investigation procedures to deal with any potential fraud. A sound response system includes appropriate action to deal with any fraudulent activity.*

*The Audit Office has established a 10 attribute framework to deal with fraud as follows:*

- Leadership;*
- Ethical framework;*
- Responsibility structures;*
- Fraud control policy;*
- Prevention systems;*
- Fraud awareness;*
- Third party management systems;*
- Notification systems;*
- Detection systems; and*

- *Investigation systems.*

*The Council's fraud framework is built around the above 10 attributes, as detailed in the Fraud Control Improvement Kit.*

### **1 Leadership**

*A successful fraud control framework is led by a committed and accountable executive. The Council, General Manager and Directors will lead the organisation in the development of the fraud framework.*

### **2 Ethical Framework**

*The Council has adopted and established the following documents in delivering the sound and ethical culture and behaviour required of public officials in the prevention of fraud and corruption throughout the organisation:*

- *The Model Code of Conduct as developed by the Office of Local Government, and*
- *The Council's established set of Values.*

*Senior staff shall set the example in regards to exercising and demonstrating high levels of integrity in the execution of their roles and functions by regular training of and reinforcement through internal communications to staff of the importance of complying with Council's Code of Conduct and the Internal Reporting Policy and Procedure.*

### **3 Responsibility Structure**

~~The General Manager is ultimately responsible for the prevention and detection of fraud and is responsible for ensuring the appropriate and effective internal control systems are in place.~~

~~It is the responsibility of all Directors and Managers to ensure that there are mechanisms in place within their area of control to:~~

- ~~• Assess the risk of fraud.~~
- ~~• Promote employee awareness of ethical principles.~~
- ~~• Educate employees about fraud prevention and detection.~~
- ~~• Facilitate the reporting of suspected fraudulent activities.~~

*The General Manager and Directors are authorised to receive reports of fraud. If the suspected fraud relates to the General Manager, then the matter can be reported to the Mayor, as per the reporting mechanism for the Model Code of Conduct.*

*Reports regarding suspicious and/or illegal activities can also be reported directly to external agencies including:*

- *NSW Police Force*
- *Office of Local Government*
- *The NSW Independent Commission Against Corruption (ICAC)*
- *The NSW Ombudsman.*

*All staff are expected to report known or suspected fraud to the Mayor, General Manager or Directors as soon as possible.*

### **4 Fraud Control Policy**

*The Fraud and Corruption Control policy sets out the Council's system of fraud control and covers the responsibilities for managing fraud.*

## **5 Audit, Risk and Improvement Committee**

*The Audit, Risk and Improvement Committee (ARIC) has been established and assists in reviewing the effectiveness of Council's fraud and corruption control strategies and plan.*

## **6 Prevention Systems**

~~Council through its management team will create an environment and culture in which fraudulent acts will not be tolerated and which will be appropriately investigated when they are suspected or reported.~~

~~The General Manager, or appropriate staff delegated to carry out such activities, will conduct regular risk assessment reviews and audits with officers from the relevant operational areas. After identification and assessment of a potential risk, an implementation plan will be developed to minimise and control the identified risks.~~

*The Council's prevention system consists of the following features:-*

- Fraud Risk Assessments – as detailed in the Risk Framework;*
- Fraud Control Plan;*
- Fraud Database – register established to record all incidents;*
- Ethical workforce – pre-employment screening to ensure staff employed are of the highest ethical behaviour;*
- Separation of duties – to ensure no one staff member controls a process entirely;*
- Delegations of authority – to ensure measures are in place to control activities;*
- Position descriptions, Charters for Committees – limit the level of activity public officials can undertake;*

## **7 Third Party Management Systems**

*The Council establishes appropriate controls, segregation of duties and delegations of authority to deal with third parties.*

*The Council has established a Statement of Business Ethics Policy to reinforce the expected standards of behaviour for public officials and any third parties dealing with Council.*

## **8 Reporting**

~~All employees have the responsibility to report suspected fraud by immediately notifying their supervisor, and if the supervisor is suspected of involvement in fraudulent activity, the matter should be notified to the next highest level of supervision.~~

~~Such reporting is to be undertaken in accordance with Council's internal reporting procedures. Alternatively, if the employee is uncomfortable about reporting the alleged fraud within the organisation, the employee may utilise the mechanisms contained within the Protected Disclosure Act (NSW) 1994.~~

~~Supervisors have the responsibility to report the suspected fraud, confidentially to the General Manager and the General Manager is responsible for investigating the suspected fraud with the assistance of appropriate senior staff.~~

~~In the event that the General Manager is the subject of a suspected fraud, the matter must be reported to the Mayor and he Mayor is responsible for investigating the suspected fraud with the assistance of appropriate senior staff.~~

*Although audits and reviews may be undertaken to detect incidence of fraud and corruption, most incidences are identified by staff members or the public. All staff are encouraged to promptly report any suspicions of fraud and corruption that they become*

*aware of.*

*Consistent with its strong commitment to ensuring an ethical workplace, Council has developed an Internal Reporting Policy, in accordance with the Protected Disclosures Act 1994, which facilitates the reporting of suspicions of corrupt conduct, maladministration, or serious and substantial waste of public money. This guidance material helps staff and the public make protected disclosures and complements existing communication channels between supervisors and staff.*

*Staff and members of the public can make a Public Interest Disclosure and protect their identity, if they so desire.*

*Reporting directly to Council is an option for staff and the community. Reporting to an external entity as detailed under the "Responsibility Structure" is also available.*

## **9 Detection Systems**

*Various internal control measures have been established to help detect fraud and these include:*

- *segregation of duties*
- *approvals and authorisation*
- *verification*
- *reconciliations*
- *management reviews*
- *risk assessments*
- *physical security*
- *job rotation*
- *internal and external audits.*

## **10 Investigation Systems**

~~All complaints of suspected fraudulent behaviour be thoroughly, objectively and carefully investigated, providing for the protection of those individuals making the complaint.~~

~~The purpose of any internal investigation is to ascertain the facts surrounding the matter. The investigation is not an exercise in establishing the guilt of the person accused.~~

~~Confidentiality is paramount. Releasing information may result in serious damage to the investigation and may also damage the accused's reputation, which may leave persons open to an action in defamation.~~

~~All NSW State Agencies and Councils have a duty to report any suspected corrupt conduct to the Independent Commission Against Corruption (ICAC), pursuant to the provisions of the Independent Commission Against Corruption Act 1988.~~

~~The ICAC may decide to investigate the matter itself or it may ask Council to carry out the investigation. In the case of the latter option, the General Manager, with the assistance of the appropriate staff member (as outlined above), shall commence the investigation being mindful of the rights of the accused person.~~

~~However, if the allegation of fraud appears to carry the imputation of criminal conduct, the matter shall also (after an initial fact gathering investigation) be referred to the NSW Police Service. The Police Service may also ask Council to fully investigate the matter.~~

~~In the event that an internal investigation is carried out, the relevant officers shall carry out the investigation objectively, thoroughly and without prejudice.~~

~~The officers shall also be mindful of procedural fairness obligations and offer the accused~~

~~a right to respond if evidence appears to insinuate fraudulent behaviour and internal disciplinary action or any other form of internal action adversely affecting the accused is to be undertaken.~~

*When an allegation of fraud is made against an employee, the General Manager and / or Director(s), will discuss the matter with the person making the allegation. This person may be asked to make a written statement regarding the allegations.*

*The staff member alleged to have committed the fraud may be interviewed during this preliminary stage. Staff members can be accompanied during the interview by their manager or other nominated member of staff.*

*The applicable Director will organise a preliminary assessment of the allegation and provide details to the General Manager on the findings. If the allegation is serious enough and / or the evidence is compelling, then the matter may warrant a full investigation. In the event that the General Manager is the subject of a suspected fraud, the matter must be reported to the Mayor and the Mayor is responsible for investigating the suspected fraud with the assistance of appropriate staff (consistent with the Procedure for the Administration of the Code of Conduct or the Public Interest Act 1994 – Procedure for Assessing Disclosures and Investigations).*

*If a full investigation is to be followed, the General Manager / Mayor will need to determine whether the matter is referred to an external agency such as the NSW Police, ICAC or the NSW Ombudsman. The General Manager / Mayor may wish to refer it to the Code of Conduct Complaints Coordinator and have the matter referred to using the Code of Conduct Investigation procedures.*

*Investigations are to use appropriate and legal data gathering and analysis mechanisms to come to valid conclusions. (Refer Public Interest Act 1994 – Procedure for Assessing Disclosures and Investigations).*

*Table 1 Assessing Disclosures and Flowcharts, from Council's Procedure for Assessing Public Interest Disclosures and Investigations, provides an overview of the process.*

## **TRAINING AND COMMUNICATION**

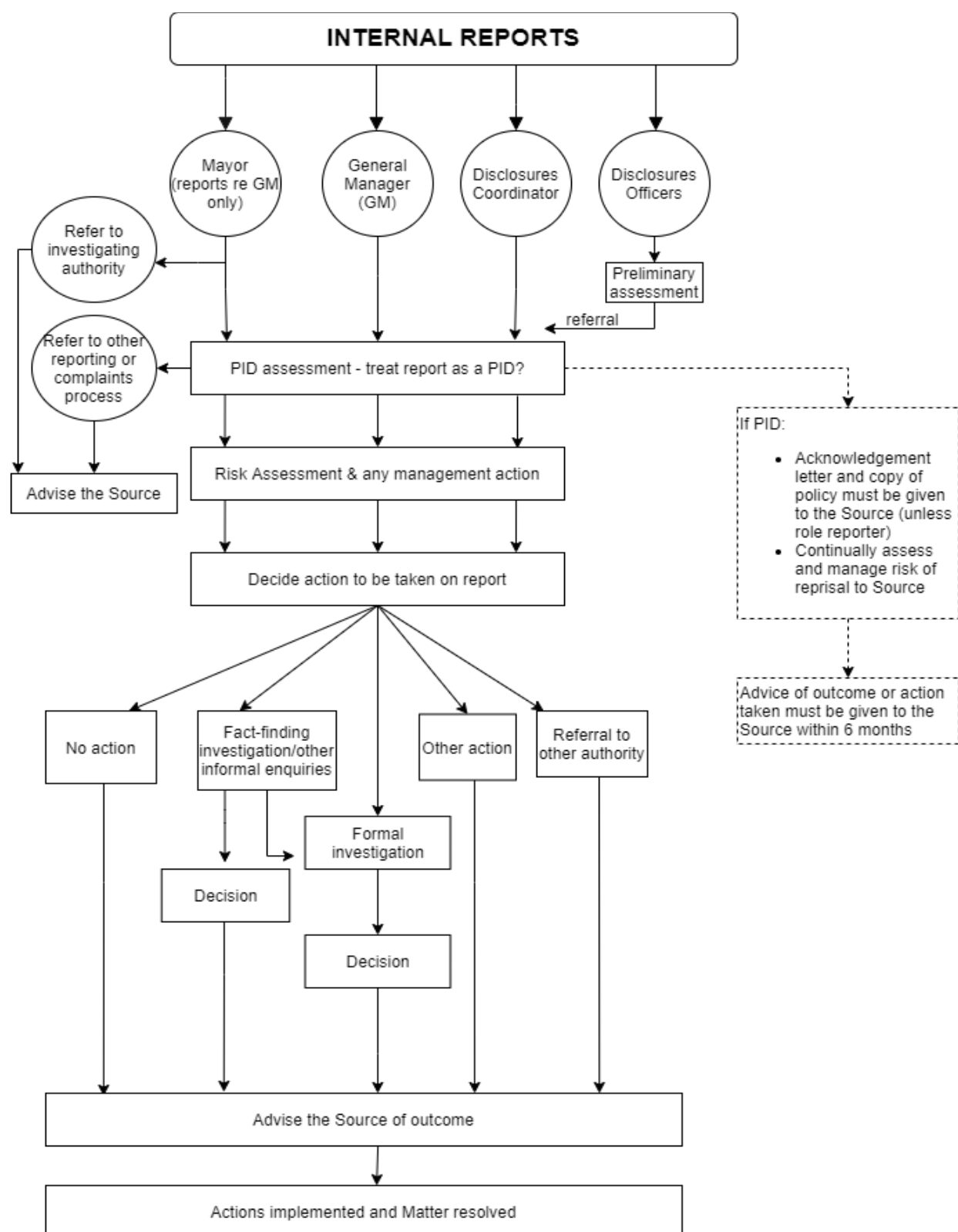
*This Policy will be communicated to staff through Council's Internal Communication methods.*

## **DISCIPLINARY ACTION**

Where internal investigations confirm fraud has occurred, appropriate disciplinary action will be recommended having regard to Council's Code of Conduct, the relevant industrial instrument and other relevant legislative provisions.

Pursuant to section 440D of the Local Government Act 1993, the General Manager may temporarily suspend a member of staff in connection with serious corrupt conduct. Serious corrupt conduct is defined as corrupt conduct that may constitute a serious indictable offence done in connection with the exercise of the staff member's duties.

Table 1: Assessing Disclosures and Flowcharts





# FRAUD AND CORRUPTION CONTROL PLAN

## INTRODUCTION

This plan provides the basis for various control strategies to address risk exposures associated with Fraud and Corruption. It also forms an integral part of the Corporation's integrity framework which consists of the following:

- Fraud and Corruption Control Plan
- Fraud and Corruption Control Policy
- Code of Conduct
- Statement of Business Ethics

The relationship of the above key drivers of integrity are presented in the following diagram:



A key element of the Fraud and Corruption Control Plan is the Fraud and Corruption Control Policy.

The Plan follows the guidelines of the Australian Standard 8001-2008, Fraud and Corruption Control (the Standard) and tailors the requirements of the Standard to the Council environment.

While it is recognised that even the most stringent of governance frameworks may not prevent all fraud and corruption, the Plan summarises the Council's framework for the prevention, detection, investigation and reporting of such activity.

## STATEMENT

Blayney Shire Council is committed to a work environment that is resistant to fraud and corruption and is dedicated to implementing effective measures to minimise fraud and corruption risks.

Blayney Shire Council does not tolerate fraudulent or corrupt behaviour and will take appropriate action against Council officers, contractors and elected members who have participated in such behaviour, and those who allowed it to occur.

## SCOPE

The Fraud and Corruption Prevention Plan applies to:

- Councillors
- Council Officers
- Contractors working for Blayney Shire Council
- Other people who perform public official functions on behalf of Council, such as volunteers

## DEFINITIONS

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- Conduct of a public official that involves the dishonest or partial exercise of any of his or her public official functions, or
- A breach of public trust, or
- The misuse of information or material acquired in the course of a public official's functions.

Additionally, corrupt conduct can also be the conduct of any person (whether or not a public official) that adversely affects or could affect the exercise of official functions and involves conduct such as bribery, blackmail, fraud, forgery and various other crimes.

For conduct to be corrupt it must be covered by one of the conditions above and also any one of the following:

- A criminal offence;
- A disciplinary offence; and/or
- A situation where there are reasonable grounds for dismissal or dispensing or terminating the Councillor or a public official.

**Fraud** - Council has adopted the definition of fraud contained in the Australian Standard 8001-2008 on fraud and corruption control, which defines it as:

Dishonest activity causing actual or potential financial loss to any person or entity including theft of moneys or other property by employees or persons external to the entity and where deception is used at the time, immediately before or immediately following the activity.

This also includes the deliberate falsification, concealment, destruction or use of falsified documentation used or intended for use for a normal business purpose or the improper use of information or position for personal financial benefit.

**External Fraud** - *Fraud committed against Council by non-Council staff such as by customers, suppliers or contractors.*

**Internal Fraud** - *Fraud that is also known as "workplace fraud". It is fraud that is committed by Council staff in the workplace of Council.*

*Whilst internal fraud forms part of corrupt conduct, it is delineated here as a separate entity due to the fact that internal fraud can be perpetrated by an individual acting alone, also fraud in its own right occurs predominately when governance systems in place fail. i.e. that fraud is possible when systems in place are deficient and an organisation's resistance to fraud is ultimately found within the structures of the organisation.*



## **AREAS WITHIN COUNCIL WHERE FRAUD AND CORRUPTION MAY OCCUR**

*Fraud and corruption may occur in Council in the following areas:*

- *Managing people – delegations, recruitment, supervision of staff, secondary employment.*
- *Managing external relationships – conflicts of interest, procurement, commercial activities, joint ventures, sponsorship.*
- *Managing services and products – client relationships, community affiliations, regulatory functions, and resource allocation.*
- *Managing money – accounts management, cash handling, credit cards, grants and program funding, payroll.*
- *Managing information – confidential information, electronic transactions, IT systems.*
- *Managing assets – disposal of goods and property, intellectual property, management of resources, use of resources.*

## **CORRUPT CONDUCT**

*In addition to the above definition, corrupt conduct is also any conduct of any person (whether or not a public official) that adversely affects, or that could adversely affect, either directly or indirectly, the exercise of official functions by any public official, any group or body of public officials or any public authority.*

*Conduct may amount to corrupt conduct under this section even though it occurred before the commencement of this policy, and it does not matter that some or all of the effects or other ingredients necessary to establish such corrupt conduct occurred before this policy was adopted and that any person or persons involved are no longer public officials.*

*Conduct committed by or in relation to a person who was not or is not a public official may amount to corrupt conduct under this section with respect to the exercise of his or her official functions after becoming a public official.*

*Conduct may amount to corrupt conduct even though it occurred outside the State or outside Australia, and matters listed in subsection (2) refer to:*

- *matters arising in the State or matters arising under the law of the State, or*
- *matters arising outside the State or outside Australia or matters arising under the law of the Commonwealth or under any other law.*

*The specific mention of a kind of conduct in a provision of this section shall not be regarded as limiting the scope of any other provision of this section.*

## **AREAS OF POSSIBLE RISK**

*Based on studies by ICAC the following public sector operational areas and functions are perceived to have high fraud and corruption risk ratings:*

- *Financial functions – such as the receipt of cash, revenue collection and payment systems, salaries and allowances, and entertainment expenses*
- *Construction, development and planning functions – ranging from land rezoning or development applications to construction and building activities*
- *Regulatory functions – involving the inspection, regulation or monitoring of facilities and operational practices, including the issue of fines or other sanctions*
- *Licensing functions – such as the issue of qualifications or licences to indicate proficiency or enable the performance of certain activities*
- *Demand driven or allocation-based functions – where demand often exceeds supply, including the allocation of services, or the provision of subsidies, financial assistance, concessions or other relief*
- *Procurement and purchasing functions – including e-commerce activities, tendering,*

- contract management and administration
- Other functions involving the exercise of discretion, or where there are regular dealings between public sector and private sector personnel (especially operations that are remotely based or have minimal supervision).

## **DETECTION**

Local Government is susceptible to fraud and no system of preventative controls can provide absolute assurance. As such, Council has systems established through the Fraud and Corruption Control Plan to assist with the detection of fraud as soon as possible after it has occurred, in the event that the Council's preventative systems fail.

The source of fraudulent activity may be:

**Internal:** perpetrated by an employee or contractor of an organisation;

**External:** perpetrated by a customer or an external service provider; or

**Complex:** involve collaboration between employees, contractors, and external service providers.

Measures to detect internal, external, and complex fraud fall into two main categories, passive measures and active measures:

<b>Passive measures</b>	<b>Active measures</b>
Include controls or activities that do not require the active and ongoing involvement of management, but exist as a means by which fraud is detectable within an organisation.	Include controls that require the assertive involvement of management and by their nature are designed to detect or assist in detecting fraud within an organisation.

Key elements of fraud and corruption detection will include:

### **Compliance with policies and procedures**

Management and staff are required to ensure that Council policies for which they are responsible or administer are implemented in accordance with not only the policy but also the associated procedural framework.

### **Integrity Reviews**

The Director Corporate Services will lead a program of integrity reviews in the application and administration of key Council policies, where fraud or corruption is identified as a risk. This may include:

- post transactional reviews of payroll
- post transactional reviews of payments
- procurement practices
- strategic information analysis

### **Annual Fraud Review**

The Director Corporate Services will lead an annual Fraud Review, reported to Manex and subsequently the Audit, Risk and Improvement Committee, including assessment against the following categories:

- Prevention
- Detection (passive measures)
- Detection (active measures)

### **Warning signs (red flags)**

Awareness of warning signs (red flags) for possible fraud or corruption is a useful method of detection. Often fraud indicators are inter-related and in some situations, evidence of one indicator may imply a potential risk but may not constitute fraud or corruption. The more inter-related indicators identified, the higher the risk of potential fraud or corruption.

### **Internal fraud**

*Examples of Internal Fraud perpetrated on Councils include:*

- *Unauthorised use of Council plant and equipment*
- *Claiming un-worked hours on time sheets*
- *Theft of money or goods from Council or its customers*
- *Allowing contractors to not fully meet contract requirements*
- *Deliberate transfer or miscoding of financial transactions to achieve favourable reported budget outcomes in a performance bonus environment*

*Early warning signs: people*

- *Unexplained and/or sudden sources of wealth*
- *Unwillingness to share duties, refusal to take leave*
- *A lifestyle above apparent financial means; the provision of gifts to other staff members*
- *Failure to keep records and provide receipts*
- *Refusal to implement internal controls*
- *The replacement of existing suppliers upon appointment to a position or unusually close association with a vendor or customer*
- *Employees who are aggressive or defensive when challenged, and/or controlling of certain colleagues*
- *Poorly reconciled cash expenses or customer accounts*
- *Employees known to be under external financial pressure*
- *Employees under apparent stress without identifiable pressure*
- *Employees making procedural or computer enquiries inconsistent or not related to their normal duties*
- *Managers/Staff who avoid using established procurement processes (e.g. Purchases with credit cards to purchase items outside the procurement framework or established practices)*
- *Employees who appear to make a large number of mistakes, especially those leading to financial loss*
- *Employees with competing or undeclared external business interests*
- *Employees (especially managers) with too much hands-on control*
- *An unusual number of customer complaints, and/or customers or suppliers insisting on dealing with just one individual*

*Early warning signs: areas and activities*

- *Financial information reported is inconsistent with key performance indicators*
- *High overheads*
- *Reconciliations of subsidiary ledgers to general ledger not up to date*
- *Abnormally high and increasing costs in a specific cost centre function*
- *Inadequate segregation of duties*

### **External fraud**

*Examples of External Fraud perpetrated on Councils include:*

- *Theft of money or goods from Council*
- *Obtaining benefits by use of false identity or false qualifications*
- *Supplying goods or services of a lower standard or quality than promised*
- *Client applications for government assistance with inconsistent signatures, mismatched fonts or handwriting on different pages of the same document*
- *Invoices which look different to previous invoices issued by the same provider*
- *Lack of supporting evidence, or falsified supporting evidence, that eligibility criteria for grant or community funding has been met*

- *Expenditure has exceeded approved budgets for grant funding but there is not adequate information to explain the variance*
- *A high volume of transactions from one service provider, such as a registered training organisation, used to support a licence, may indicate collusion between applicants and the provider*
- *A high volume of attempts to obtain sensitive information such as usernames, passwords and credit card details (e.g. Phishing emails, whaling attacks).*

### **Corruption**

- *Taking or offering bribes (this could be in the form of cash, vouchers, gifts, free tickets, merchandise, product or services)*
- *Awarding contracts to family or friends*
- *Using or leaking privileged information for personal benefit*
- *An employee seeking or being offered a discount from a council supplier for a personal purchase / contract, where there may be a perceived or actual conflict.*
- *Continued use of suppliers or contractors that do not meet required performance standards*
- *Intentional steering or preference toward a particular supplier through a tender evaluation process by a panel member*

### **1. Responsibility**

~~The General Manager is ultimately responsible for the prevention and detection of fraud and is responsible for ensuring the appropriate and effective internal control systems are in place.~~

~~It is the responsibility of all Directors and Managers to ensure that there are mechanisms in place within their area of control to:~~

- ~~Assess the risk of fraud.~~
- ~~Promote employee awareness of ethical principles.~~
- ~~Educate employees about fraud prevention and detection.~~
- ~~Facilitate the reporting of suspected fraudulent activities.~~

### **2. Reporting**

~~All employees have the responsibility to report suspected fraud by immediately notifying their supervisor, and if the supervisor is suspected of involvement in fraudulent activity, the matter should be notified to the next highest level of supervision.~~

~~Such reporting is to be undertaken in accordance with Council's internal reporting procedures. Alternatively, if the employee is uncomfortable about reporting the alleged fraud within the organisation, the employee may utilise the mechanisms contained within the Protected Disclosure Act (NSW) 1994.~~

~~Supervisors have the responsibility to report the suspected fraud, confidentially to the General Manager and the General Manager is responsible for investigating the suspected fraud with the assistance of appropriate senior staff.~~

~~In the event that the General Manager is the subject of a suspected fraud, the matter must be reported to the Mayor and the Mayor is responsible for investigating the suspected fraud with the assistance of appropriate senior staff.~~

### **3. Prevention**

~~Council through its management team will create an environment and culture in which fraudulent acts will not be tolerated and which will be appropriately investigated when they are suspected or reported.~~

~~The General Manager, or appropriate staff delegated to carry out such activities, will conduct regular risk assessment reviews and audits with officers from the relevant operational areas. After identification and assessment of a potential risk, an implementation plan will be developed to minimise and control the identified risks.~~

#### **4. Investigation**

~~All complaints of suspected fraudulent behaviour be thoroughly, objectively and carefully investigated, providing for the protection of those individuals making the complaint.~~

~~The purpose of any internal investigation is to ascertain the facts surrounding the matter. The investigation is not an exercise in establishing the guilt of the person accused.~~

~~Confidentiality is paramount. Releasing information may result in serious damage to the investigation and may also damage the accused's reputation, which may leave persons open to an action in defamation.~~

~~All NSW State Agencies and Councils have a duty to report any suspected corrupt conduct to the Independent Commission Against Corruption (ICAC), pursuant to the provisions of the Independent Commission Against Corruption Act 1988.~~

~~The ICAC may decide to investigate the matter itself or it may ask Council to carry out the investigation. In the case of the latter option, the General Manager, with the assistance of the appropriate staff member (as outlined above), shall commence the investigation being mindful of the rights of the accused person.~~

~~However, if the allegation of fraud appears to carry the imputation of criminal conduct, the matter shall also (after an initial fact gathering investigation) be referred to the NSW Police Service. The Police Service may also ask Council to fully investigate the matter.~~

~~In the event that an internal investigation is carried out, the relevant officers shall carry out the investigation objectively, thoroughly and without prejudice.~~

~~The officers shall also be mindful of procedural fairness obligations and offer the accused a right to respond if evidence appears to insinuate fraudulent behaviour and internal disciplinary action or any other form of internal action adversely affecting the accused is to be undertaken.~~

#### **5. Disciplinary Action**

~~Where internal investigations confirm fraud has occurred, appropriate disciplinary action will be recommended having regard to Council's Code of Conduct, the relevant industrial instrument and other relevant legislative provisions.~~

~~Pursuant to section 440D of the Local Government Act 1993, the General Manager may temporarily suspend a member of staff in connection with serious corrupt conduct. Serious corrupt conduct is defined as corrupt conduct that may constitute a serious indictable offence done in connection with the exercise of the staff member's duties.~~

### **BUILDING A FRAUD AND CORRUPTION RESISTANT CULTURE**

Council will at all times promote an organisational culture that demonstrates complete intolerance of corrupt behaviour or misconduct. The foundation of these principles is to be found in the Model Code of Conduct that each member of the organisation must adhere to. The Fraud Control Plan is framed to build upon the Code of Conduct and translate the emphasis on the individual to include the organisation and the systems by which it operates.

It is vital for any public organisation to maintain public confidence to ensure the organisation has the credibility to carry out its function with the authority of its stakeholders. Council must deal with any corruption or fraud related issue, whether perceived or realised, in the following manner to maintain such public confidence:

- Any matter is to be dealt with expediently with no undue delay



- Any matter is to be dealt with as transparently as practicable with accountabilities and responsibilities clearly defined
- Any matter must be dealt with thoroughly to ensure all possible elements of corruption or misconduct have been considered and examined

All levels of the organisation must remain vigilant and committed to maintenance of a resistant culture to unethical behaviour. Ultimately the General Manager and Directors are to provide leadership and direction at all times in exemplifying the principles of Council's Code of Ethics.

## **FAIRNESS AND DUE PROCESS**

Whilst it is important to be diligent in dealing with any allegation of fraudulent or corrupt conduct by staff, it is equally important to ensure that the basic civil rights and welfare of Council staff involved are not inappropriately managed. This means that all staff must be presumed innocent until sufficient proof is found to establish otherwise. Staff under investigation will continue to be given support in particular with regard to welfare if they find themselves subject to such an investigation or inquiry. Equally however, Council will take all steps to ensure a vigorous and thorough examination is carried out within the legal and ethical parameters available.

In a similar vein, Council staff who report fraudulent or corrupt behaviour and/or are witnesses to such incidents, disclosed under the Public Interest Disclosures: Internal Reporting Policy, will also be given every support reasonably available to them as they are entitled to under present legislation. Confidentiality for all involved parties will be protected as much as is practicable in any given circumstance by Council.

Staff will have the Council's support if mistakes or omissions arise whilst the officer is acting in good faith. This plan and Council's associated policy should not be construed as a departure from this approach.

## **RELATED INFORMATION**

### Legislation

Local Government Act (LGA) 1993  
Local Government (General) Regulation 2005  
Independent Commission Against Corruption Act 1988  
Public Interest Disclosures Act 1994  
NSW Audit Office Fraud Control Guidelines  
Australian/New Zealand Standard on Risk Management  
Workplace Video Surveillance Act 1998  
Ombudsman Act 1974  
Public Finance and Audit Act 1983  
Police Integrity Commission Act 1996  
Government Information (Public Information) Act 2009

### Council Policies

1A Payment of Expenses and Provision of Facilities to Mayor and Councillors Policy  
1B Code of Conduct  
2C Complaints Management Policy  
2D Internal Reporting Policy  
2D Internal Reporting Policy  
2E Gifts and Benefits Policy  
2H Business Ethics Policy  
2I Enterprise Risk Management Policy & Plan  
3G Procurement of Goods and Services Policy  
4C Corporate Credit Card Policy

8A Internet and Email and Internet Policy  
8C Information Technology Security and Usage Policy  
8G Information Security Policy  
11C Privacy Management Plan

**End**

Adopted:	11/08/2008	08/209
Last Reviewed:	12/11/2012	1211/01
	19/03/2018	1803/01
	20/04/2020	2004/008
Next Review:	16/03/2022	





REGIONAL HOUSING TASKFORCE

## Findings Report

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Summary of Stakeholder Engagement

September 2021



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## Acronyms and abbreviations used in this report

<b>ABS</b>	Australian Bureau of Statistics
<b>ACHIA</b>	Aboriginal Community Housing Industry Association
<b>ACHIF</b>	Aboriginal Community Housing Investment Fund
<b>ACHP</b>	Aboriginal Community Housing Provider
<b>ACT</b>	Australian Capital Territory
<b>AHCS</b>	Affordable Housing Contributions Scheme
<b>AHO</b>	Aboriginal Housing Office
<b>ALR Act</b>	<i>Aboriginal Land Rights Act 1983</i>
<b>ARHSEPP</b>	State Environmental Planning Policy (Affordable Rental Housing) 2009
<b>CHIA</b>	Community Housing Industry Association
<b>CHIF</b>	Community Housing Innovation Fund
<b>CHP</b>	Community Housing Provider
<b>Codes SEPP</b>	State Environmental Planning Policy (Exempt and Complying Development Codes) 2008
<b>DCP</b>	Development Control Plan
<b>DPIE</b>	NSW Department of Planning, Industry and Environment
<b>DRNSW</b>	Department of Regional New South Wales
<b>EP&amp;A Act</b>	<i>Environmental Planning and Assessment Act 1979</i>
<b>GPI</b>	Government Property Index
<b>Housing 2041</b>	NSW Housing Strategy 2041
<b>Housing SEPP</b>	Housing State Environmental Planning Policy
<b>LAHC</b>	Land and Housing Corporation
<b>LALC</b>	Local Aboriginal Land Council
<b>LEP</b>	Local Environmental Plan
<b>LG Act</b>	<i>Local Government Act 1993</i>
<b>LGA</b>	Local Government Area
<b>LHS</b>	Local Housing Strategy
<b>LSPS</b>	Local Strategic Planning Statement
<b>NHFIC</b>	National Housing Finance and Investment Corporation
<b>NSW</b>	New South Wales
<b>PIA</b>	Planning Institute of Australia
<b>RAA</b>	Regional Architecture Association
<b>RFS</b>	NSW Rural Fire Service
<b>Seniors SEPP</b>	State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004

<b>SEPP</b>	State Environmental Planning Policy
<b>SEPP 21</b>	State Environmental Planning Policy No 21—Caravan Parks
<b>SEPP 36</b>	State Environmental Planning Policy No 36—Manufactured Home Estates
<b>SEPP 65</b>	State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development
<b>SEPP 70</b>	State Environmental Planning Policy No 70—Affordable Housing (Revised Schemes)
<b>SILEP</b>	Standard Instrument Local Environmental Plan
<b>STRA</b>	Short Term Rental Accommodation
<b>UDIA</b>	Urban Development Institute of Australia
<b>UDP</b>	Urban Development Program
<b>WA</b>	West Australia

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## Chair's Foreword

Housing is a critical need providing both shelter and stability. Access to safe, secure housing has a profound impact on the health, wellbeing, and overall quality of life of the people of NSW. Beyond meeting individual needs, the provision of the right type of housing in the right place and at the right time is critical to the economic and social wellbeing of the whole community. It is the importance of housing as the foundation of success across a range of social and economic indicators that sees housing policy feature so prominently in public discourse and the drivers of housing pressures so fiercely debated.

While the focus of the Regional Housing Taskforce is on the role of the planning system, we heard from a great many contributors that housing is a whole-of-government issue. While the Taskforce acknowledges that the planning system has a key role in shaping housing outcomes, it is my belief that the NSW Government ought to continue to resist the diagnosis of housing pressures as being driven simply by the imposition of red-tape and simple supply and demand calculations.

With that said, supply and demand are of course part of the equation and the sharp price rises and tight vacancy rates currently being experienced in regional NSW have shone a light on underlying housing issues and trends, perhaps in the past masked by the reputation of regional NSW as a more affordable alternative to Greater Sydney.

In this respect, it is clear that while housing pressures in the regions are not altogether new or solely fuelled by COVID-19, the pandemic's influence on traditional migration patterns has exacerbated existing housing pressures in many regional areas.

What we also heard loudly and clearly is that regional NSW is not homogenous, with housing pressures and their drivers varying across regional NSW. In some areas, rising demand is closely associated with the jobs and economic opportunities brought about by major investment in infrastructure such as Special Activation Precincts, Snowy 2.0 and Inland Rail, whereas other areas are attracting lifestyle migration. Elsewhere, the impact of recent natural disasters like bushfires and floods is still being felt by communities.

While housing is of course complex, the lived experience of those feeling acute housing pressures in much of regional NSW undoubtedly points to the need for targeted interventions to support a more responsive pipeline of new housing that provides more social, affordable and diverse housing options that better meet the needs of those most feeling the weight of housing stress.

It is also important to reflect on the extensive reform of the NSW planning system over the last decade in response to calls for streamlined approval pathways and incentives for diverse and affordable housing types, and these changes have undoubtedly made an impact in making parts of the system faster and enabling development of housing to meet specific needs.

In my observation the NSW planning system is not seen as being inherently restrictive with many reporting that there is sufficient zoned land available for housing, however, we heard that there are a number of challenges that must be overcome when it comes to realising this theoretical capacity.

While this report is focused on articulating what we heard from the diverse range of stakeholders – who I'd sincerely like to thank for their extremely valuable contributions – the Taskforce will now consider the report's findings as we develop our recommendations. In this regard it appears to me that the most impactful solutions will be those which are place-based and carefully targeted at untangling the complexities specific to the particular area in which they arise and those that address the systemic issues that impact all communities.

**Garry Fielding**  
**Regional Housing Taskforce Chair**  
September 2021



## Executive Summary

### Background

Regional NSW faces significant housing supply and affordability pressures across various indicators. Over the past year, these pressures have become more acute with rents and house prices growing at a faster rate than in Greater Sydney and low rental vacancy rates impacting the availability and affordability of housing for low- and even moderate-income households. The impacts of the COVID-19 pandemic, the 2019-20 bushfires, and flooding in 2020 and 2021, among other events, have highlighted the housing challenges faced by regional communities and the importance of having an adequate supply of affordable, appropriate, well-designed, and well-located homes for regional communities' physical, social, and economic wellbeing.

### The Regional Housing Taskforce

It was within this context of increased housing pressure in the regions that the NSW Regional Housing Taskforce was established in July 2021 by the Hon. Rob Stokes MP, Minister for Planning and Public Spaces. The aim of the Taskforce is to investigate challenges and barriers to housing supply in the NSW planning system and to develop recommendations on how the planning system and other NSW State Government levers could be used to achieve better housing outcomes for regional NSW.

The Taskforce is made up of independent Chair, Garry Fielding, and senior representatives from the Department of Planning, Industry and Environment's Planning and Assessment and Housing Property groups, and the Department of Regional NSW. The Taskforce's Terms of Reference can be found in Appendix A.

This report is the first of two reports being prepared by the Taskforce. It details the consultation and engagement undertaken by the Taskforce and documents the views expressed by a range of stakeholders during the consultation and submissions, structured by theme. The Taskforce will consider these findings and finalise its recommendations in a second report that will be provided to Minister Stokes in October 2021.

### Related Work

The Taskforce's investigation follows sustained work by the NSW Government to address housing issues. Over a number of years, various planning policies and mechanisms have been introduced to facilitate housing supply in general, improve the design and sustainability of new dwellings, and encourage development of affordable and diverse housing types. This includes NSW's housing strategy, Housing 2041, which was released in March 2021 and sets out a long-term vision and objectives for better housing outcomes across NSW.

Consultation by the Taskforce was undertaken in parallel with reviews of other policies that will have implications for housing supply in the regional NSW. These include:

- the Commonwealth Standing Committee on Tax and Revenue Inquiry into the contribution of tax and regulation on housing affordability and supply in Australia;
- consultation on the draft Housing State Environmental Planning Policy (Housing SEPP);
- the commencement of the NSW state-wide regulation of Short Term Rental Accommodation in November 2021;
- the drafting of the new Design and Place State Environmental Planning Policy (Design and Place SEPP);
- the implementation of the recommendations of the NSW Productivity Commission's Review of Infrastructure Contributions in NSW; and,

- the implementation of the Planning Reform Action Plan including process improvements and other measures to reduce assessment times and facilitate faster planning decisions.

## Consultation

The Taskforce undertook extensive consultation through July and August 2021, holding meetings with various Government and non-Government stakeholders, including 11 virtual roundtables with stakeholders from across regional NSW and from local government, the development and construction sectors, the community housing sector, Local Aboriginal Land Councils, architects, planners, and members of the general public. The Taskforce also received written submissions.

The Taskforce also worked with stakeholders within Government to review data and evidence to understand both broad and local trends in regional housing and their impacts on regional communities. The Taskforce has consulted within Government to understand the implications of the related work listed above.

## Key Findings

**While housing issues in regional NSW need to be understood in the context of broader housing trends, there are also unique factors and challenges in regional housing markets that frustrate the delivery of the right types of homes in the right locations and at the right time.**

Declining affordability has been a trend over several decades in NSW and across Australia, with housing outcomes driven by various demand side and supply side factors, including the planning system and land availability, as well as taxation, interest rates, financial regulation, and other drivers that sit outside of the scope of the Taskforce's investigation. The Taskforce heard that, while the planning system plays an important role in influencing the type and location of housing and coordinating development, a planning-led response directed at supply alone is highly unlikely to solve affordability issues.

The Taskforce also heard planning responses need to consider the influence of regionally specific market factors on housing delivery in order to develop effective mechanisms and incentives to bring about needed supply beyond simply releasing land and approving development. These factors include development feasibility, the size and expertise of the local development sector, and variance in cost and availability of materials by location, as well as local constraints such as infrastructure and environmental factors.

**There is a need for improved upfront strategic planning to resolve issues earlier in the planning process, including better alignment of the work of planning and other State agencies, to ensure that subsequent planning processes can be streamlined, and that development can be timely and well-coordinated.**

Stakeholders emphasised the importance of 'upfront' strategic planning so that issues and constraints are identified and resolved earlier in the planning process. For example, there was an identified need for up-to-date regional and local strategies that are well supported by detailed technical studies and well-aligned with other government agency strategies. Sub-regional approaches that reflect broader housing markets and needs and allow for co-ordinated responses across local administrative boundaries were also supported to overcome local differences in planning approaches.

The Taskforce heard about the impact of lengthy decision-making processes and the complexity of navigating the planning system on time-critical housing provision, with a common perception being that processes are duplicated, and the same issues re-examined across rezoning and

development approval stages. Better information at the strategic planning and rezoning stages, including input from State agencies, was identified as being necessary to ensure land-use decisions in the regions are well-aligned and supported, which has the potential to reduce delays in planning decision-making processes and in development delivery.

There is understood to be sufficient residential zoned land across most of regional NSW to accommodate forecast demand over a number of years, but not all land that is currently zoned for housing can or will be developed.

Rather than there simply being a lack of zoned land, stakeholders identified that there were issues with activating latent zoned supply to bring housing 'to market' due to barriers such as infrastructure provision and servicing, development feasibility, and unaddressed environmental constraints. It was identified that approaches are needed to unblock latent supply and that a distinction between development-ready land and zoned land must be made when considering housing supply and the future pipeline of housing to enable better planning and coordination and more efficient use of finite resources.

Even where zoned land is unconstrained and serviced, development may not be realised in the short term if it is not feasible or optimal to develop at a given point in time due to market factors. Many stakeholders indicated that incentives were needed to encourage development where it was feasible to address the practice of land banking, which was seen as preventing the delivery of needed supply.

Approaches to infrastructure planning, delivery and coordination need to be improved to unblock regional housing supply.

The coordination and delivery of infrastructure to support housing delivery was commonly cited as a major barrier to the provision of new housing in the regions. The feasibility of development in many parts of regional NSW is more marginal than in Sydney, with more limited capacity for developers to pay the contributions required for enabling infrastructure such as roads, water, and sewer, and regional councils reporting limited capacity on their part to make up the gap. The Taskforce heard about the need for greater effort and resources applied to the upfront planning of infrastructure delivery including prioritisation, staging and coordination.

Regional communities recognise the need for more diverse and affordable housing to better meet current and future needs, including smaller homes and housing for older people, but delivery of diverse and affordable housing is a significant challenge.

A mismatch between the housing that is needed and what is provided in existing and new housing is a ubiquitous issue across regional NSW. A lack of housing diversity in terms of housing types, size, tenure and price, was raised by stakeholders as a serious issue that will worsen over time if the types of housing that are supplied, predominantly large detached houses, do not change to meet changing housing needs. Smaller, accessible dwellings that are located close to centres and services are needed to house regional NSW's ageing population and to provide appropriate accommodation for smaller households. The Taskforce also heard of the broader environmental, social and economic benefits of minimising urban sprawl in favour of more compact growth patterns.

The majority of regional councils have actively sought to encourage greater housing diversity through changes to zoning and development standards. The Taskforce heard of a range of challenges in delivering more diverse housing, including barriers within the planning system, such as poorly targeted planning controls, and other barriers such as market factors that limit feasibility and community concern. The need to demonstrate how density can be done well in regional contexts was frequently raised to help create a market precedent for these types of development,



to alleviate community concerns, and to help councils set controls that can facilitate well-mannered infill housing that enhances local character.

The Taskforce also heard that regional communities were experiencing an urgent need for more social and affordable housing, including appropriate housing for Aboriginal people, with recent events highlighting that many people's needs are not being met by the private housing market. Having access to secure, appropriate and affordable housing has significant impacts on the wellbeing and health of individuals and broader ramifications for the whole community.

It was identified that current planning policies and mechanisms to encourage diverse and affordable housing may not be well calibrated to regional contexts or may be of limited impact. Streamlined and depoliticised assessment pathways for social and affordable housing were suggested, as was the utilisation of government levers outside of the planning system to help facilitate affordable housing supply. The community housing sector and local government sectors signalled a strong willingness to partner with the NSW Government to activate government land holdings to provide social and affordable housing, but that more action was needed on the part of Government to bring these opportunities forward.

### Regional housing markets are vulnerable to spikes in demand, including from temporary and seasonal workers, short-term holiday letting, and planning needs to better anticipate and respond to these impacts.

Regional housing markets can be particularly vulnerable to spikes in demand caused by seasonal or temporary workers especially in the agriculture, mining, and construction sectors, or by tourism. While these sectors are important for regional economies and productivity, the Taskforce heard that they can negatively impact on housing affordability and availability for existing communities, who struggle to plan for and accommodate additional demand both over the short term, for example, when linked to smaller infrastructure projects, and when they lead to longer term changes in the housing market, for example, through the growth of the tourism industry.

Stakeholders indicated that the planning system needed to better assess the housing impacts of State and Regionally Significant Development projects, to review approval pathways and controls for various types of temporary and short-term accommodation, to effectively regulate Short Term Rental Accommodation, and to incentivise the provision of long-term rental accommodation.

## Next Steps

Throughout October the Taskforce will continue to consider the depth and breadth of issues raised through its engagement and within written submissions as it prepares its recommendations report.

The Taskforce's recommendations will consider the key issues highlighted by stakeholders and build on work already being undertaken by the government to improve housing outcomes for regional communities in NSW.

## Introduction

### The Regional Housing Taskforce

The Regional Housing Taskforce (the Taskforce) was formally announced in June 2021 by the Hon. Rob Stokes MP, Minister for Planning and Public Spaces, to identify barriers in the planning system that are preventing the delivery of housing supply and to formulate recommendations to improve housing outcomes in regional NSW.

The scope of the Taskforce's investigation and recommendations relates specifically to Regional NSW (including all 95 regional councils) and does not include Greater Sydney.<sup>1</sup>

The Regional Housing Taskforce is chaired by Garry Fielding.

The Taskforce members are:

- Monica Gibson, Executive Director Local and Regional Planning, Department of Planning Industry and Environment (DPIE)
- Ben Hewett, Executive Director, Innovation, Strategy, and Integration, DPIE
- Ash Albury, Executive Director Regional Housing Supply, Department of Regional NSW

### Terms of Reference

The Terms of Reference set for the Taskforce by the Minister are in Appendix A. In particular, the purpose of the Taskforce is:

- To undertake consultation with local government and experts from the development and housing sectors to identify barriers in the planning system to new supply and develop potential solutions
- To advise the Minister for Planning and Public Spaces on the findings of the consultation and research and recommendations to achieve better housing outcomes for regional NSW through the planning system
- To contribute to the evidence base identifying housing challenges and planning barriers to housing delivery, building on existing background work to inform future government housing initiatives and provide advice to the Housing Expert Advisory Panel (when established).

The focus of the Taskforce is on how the planning system and other government levers can be utilised to stimulate housing supply that addresses housing needs, including the need for affordable housing, both through the removal of impediments within existing policies and processes and through the introduction of new potential planning mechanisms or government housing initiatives.

### Context for this Report

Regional NSW faces significant housing supply and affordability pressures across a range of indicators. Many of these pressures are not new; declining housing affordability has been a trend in NSW and across Australia since the mid-90s, particularly in major metropolitan areas and large regional centres. In this time, house price growth has outpaced income growth and rental affordability has worsened, particularly for very low- and low-income households but increasingly also for moderate-income households.

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<sup>1</sup> Regional NSW is defined as the 9 regions declared in the [Environmental Planning and Assessment \(Regions\) Order 2020](#), being Central Coast, Central West and Orana, Far West, Hunter, Illawarra-Shoalhaven, New England North West, North Coast, Riverina Murray, and South East and Tablelands.

Over the past year, housing pressures have become more acute across regional NSW with rents growing at a faster rate than in Greater Sydney, low rental vacancy rates, and relatively high house price growth. The COVID-19 pandemic, 2019-20 bushfires, and flooding in 2020 and 2021, among other events, have highlighted the housing challenges faced by regional communities and the importance of having an adequate supply of affordable, appropriate, well-designed, and well-located homes for regional communities' physical, social, and economic wellbeing.

In this context, the Regional Housing Taskforce was established to investigate how the planning system and other NSW State Government levers could be used to achieve better housing outcomes for regional NSW.

The planning system is one of several key mechanisms influencing housing supply and affordability. Other relevant key factors influencing housing supply and affordability which have not been examined by the Taskforce include population growth and mobility, financial and taxation settings, interest rates, economic growth, Federal and State housing policy (including housing assistance), and construction activity.

The role of the NSW planning system as outlined in the objects of the *Environmental Planning and Assessment Act 1979* (EP&A Act) includes the promotion of the orderly and economic use of land and development and the delivery and maintenance of affordable housing, with these objectives balanced against other considerations such as ecologically sustainable development, environmental protection, the management of built and cultural heritage, and the promotion of amenity, design, and construction quality.

The Taskforce's investigation follows sustained work by the NSW Government to address housing issues. Over a number of years, various planning policies and mechanisms have been introduced to facilitate housing supply in general, improve the design and sustainability of new dwellings, and encourage development of affordable and diverse housing types. These policies are listed in the table below.

**Table 1 Housing-related NSW State Planning Policies**

Mechanism/s	Relevant Policies
Planning incentives and expanded permissibility for targeted housing types	<ul style="list-style-type: none"> <li>State Environmental Planning Policy (Affordable Rental Housing) 2009 (ARHSEPP)</li> <li>State Environmental Planning Policy (Housing for Seniors and People with a Disability) 2004 (Seniors SEPP)</li> </ul>
Inclusionary zoning	<ul style="list-style-type: none"> <li>State Environmental Planning Policy No. 70 – Affordable Housing (Revised Schemes) (SEPP 70)</li> </ul>
Fast-tracked assessments	<ul style="list-style-type: none"> <li>State Environmental Planning Policy (Exempt and Complying Development Codes) 2008 (Codes SEPP)</li> <li>Including: <ul style="list-style-type: none"> <li>The Housing Code</li> <li>The Rural Housing Code</li> <li>The Low Rise Housing Diversity Code</li> <li>The Greenfield Housing Code</li> <li>The Inland Code</li> </ul> </li> </ul>
Improved built form standards	<ul style="list-style-type: none"> <li>State Environmental Planning Policy No 65 – Design Quality of Residential Apartment Development (SEPP 65)</li> <li>State Environmental Planning Policy (Building Sustainability Index: BASIX) 2004</li> </ul>

Dedicated approvals framework for alternative accommodation	<ul style="list-style-type: none"> <li>State Environmental Planning Policy No 21—Caravan Parks (SEPP 21)</li> <li>State Environmental Planning Policy No 36—Manufactured Home Estates (SEPP 36)</li> </ul>
Regulation of short-term rental accommodation	<ul style="list-style-type: none"> <li>State Environmental Planning Policy (Affordable Rental Housing) 2009 (ARHSEPP)</li> </ul>

There has also been work to facilitate housing supply and affordability through regional and local strategic planning, the role of which has been strengthened through amendments to the *Environmental Planning and Assessment Act 1979* passed in 2017 that gave these plans a statutory role. The roll out of Local Strategic Planning Statements (LSPS) across all NSW Local Government Areas (LGAs) and of Local Housing Strategies (LHS) across the Greater Sydney Region and in some parts of regional NSW, was supported by the publication of Local Housing Strategy Guidelines and a Template that created a standardised and consistent format for LHS for the first time in NSW.

In addition to these planning specific initiatives, the whole of government NSW Housing Strategy 2041 (Housing 2041) was released in May 2021. Housing 2041 is a 20-year vision for housing in NSW that has been endorsed by the NSW Cabinet. The 20-year vision is supported in the four pillars of supply, diversity, affordability and resilience (see Info Box 1) and the 2021-22 Action Plan which sits alongside *Housing 2041* is structured around five priority areas for NSW Government. An Expert Advisory Panel will oversee the implementation and development of future actions plans.

#### Info Box 1: Housing 2041

##### *Housing 2041: NSW Housing Strategy*

##### **20-year vision**

People and communities have:

- access to housing security, diversity, and support, irrespective of whether they live in metropolitan or regional areas
- Choices that enable them to afford a home without compromising on basic needs
- support and opportunity in differing circumstances, including people in crisis, social housing residents, private rental tenants and those who aspire to home ownership.

Homes in NSW are:

- accessible and suitable for different stages of life or changing circumstance
- connected to local facilities, jobs, and social networks, with infrastructure, services, and spaces that people need to live sustainably
- designed to support human wellbeing and respond to the environment, maximise technology and support local character and place.

##### **Pillars**

- Supply: housing supply delivered in the right location at the right time.
- Diversity: housing diverse, meeting varied and changing needs of people across their life.
- Affordability: housing that is affordable and secure.
- Resilience: Housing that is enduring and resilient to natural and social change.

##### **Objectives**

- Enhanced partnerships and cross-sector collaboration by:
  - Increasing availability of housing data.
  - Evidence and research.
  - Making continuous improvements to reduce planning assessment processing times and red tape across all tiers of government.



- 
- d. Collaborating to test new ways of living.
  2. Increased support to those most in need by:
    - a. Rejuvenating the social housing portfolio.
    - b. Supporting growth in the community housing sector.
    - c. Increasing the supply of affordable housing.
  3. More investment and support for housing that is adaptable to changing needs and environments, with government-led residential development being an exemplar of carbon neutral design and applying smart technology housing design and construction.
  4. Improved alignment of housing with infrastructure and community services for NSW communities by:
    - a. Establishing and implementing strategic planning principles at the state and local level, effectively supporting how people want to live now and into the future.
  5. Additional support for first homebuyers and for new housing products that have the potential to increase affordability for those who seek to purchase homes.
  6. Continued support for people in the private rental market, and a look at ways to ensure secure and safe housing, including support for new types of housing products such as build-to-rent housing.
- 

The Taskforce's investigation was undertaken in parallel with other reviews of policy and the planning system that will have implications for housing supply in the regions.

At the Commonwealth level, the Standing Committee on Tax and Revenue is holding an inquiry into the contribution of tax and regulation on housing affordability and supply in Australia.

At the State level, concurrent policy work includes the commencement of the state-wide regulation of Short Term Rental Accommodation in November 2021 and consultation on the draft Housing State Environmental Planning Policy (Housing SEPP), which consolidates the ARHSEPP, Seniors SEPP, SEPP 70, SEPP 21, and SEPP 36, and introduces new provisions for co-living housing, independent living units and build-to-rent housing. It also includes the drafting of the new Design and Place State Environmental Planning Policy (Design and Place SEPP), which will introduce new design considerations into the delivery of housing, and the implementation of the recommendations of the NSW Productivity Commission's Review of Infrastructure Contributions in NSW, which will have implications for regional LGAs' capacity to support growth.

In addition, the ongoing implementation of the Planning Reform Action Plan will enable more responsive housing approvals through various process improvements and other measures to reduce assessment times and facilitate faster decisions. The Taskforce has consulted within Government to understand the implications of this concurrent work, as well as the planned review of the group home, caravan park, and manufactured home estates provisions as Phase 4 of the new Housing SEPP.

Within this complex policy context, the role of the Taskforce is to consider whether current planning policies and processes meet the needs of regional communities specifically, and how policies, strategies, and mechanisms could be better targeted or expanded in response to the immediate pressures and longstanding housing issues facing regional communities.

## Purpose of this Report

This report summarises the key findings of the consultation, engagement and research undertaken by the Taskforce in July and August 2021. A second report will be prepared by the Taskforce and presented to the Minister in October 2021 containing the Taskforce's recommendations in response to these findings.

## Structure of this Report

The remainder of this Report is structured as follows:



- **Overview** includes the Taskforce's consultation and engagement methodology, the data and evidence considered by the Taskforce, and a summary of consultation and submissions.
- **Housing Trends** provides an analysis of key housing trends in Regional NSW, including demand, supply, affordability, diversity and resilience data.
- **What We've Heard** contains a high-level overview of the key topics raised by stakeholders.
- **Detailed Findings** discusses at length the issues raised by stakeholders in consultation and submissions, structured by theme.
- **Next Steps** outlines the next steps for the Taskforce in developing its recommendations to Government.

## Investigation Overview

### Methodology

The Regional Housing Taskforce undertook a stakeholder engagement process over 4 weeks from 2 August to 27 August 2021. This comprised virtual roundtable sessions, one-on-one meetings, and a call for written submissions. Meetings with stakeholders provided an open forum to discuss housing issues, drivers of housing pressures, and to identify barriers in the planning system to housing supply and affordability. The Taskforce's investigation also included a review of data and evidence on regional housing trends.

### Data and Evidence

In addition to extensive stakeholder engagement, the following data and evidence was considered as part of the Taskforce's investigation:

- Vacancy rates over time
- CoreLogic hedonic home value index
- CoreLogic hedonic rental value index
- ABS net migration data
- ABS census data
- DPIE population projections (currently being updated)
- ABS housing approvals data
- DPIE planning proposal data
- Rental stress data for multiple income cohorts
- CoreLogic house price to income ratio
- Purchaser housing stress data for multiple income cohorts
- NSW social housing waitlists
- Socio-Economic Indexes for Areas (SEIFA)
- NSW State-wide Street Count 2021
- ABS overcrowding data

Key insights from these data sources are summarised in the next section of this report, Housing Trends.

### Consultation Summary

During the consultation period, the Taskforce held 11 public roundtable sessions. Prior to these sessions, briefings were held with representatives from peak bodies, and the Taskforce attended the Orange Housing Mini-Summit and the Regional Development Australia Inland Growth Summit. The first 4 roundtable sessions were targeted at specific stakeholder groups: local councils and Local Aboriginal Land Councils, Community Housing Providers (CHPs), the development sector and the general public. A series of face-to-face meetings were planned across regional NSW. These were shifted to 7 virtual sessions due to the state-wide COVID-19 lockdown. These 7 sessions were focussed on specific regions within NSW and their local concerns and were open to all stakeholders and community members: Central Coast and Hunter; North Coast; New England and North West; Central West, Orana and Far West; Riverina Murray; Illawarra Shoalhaven; and the South East and Tablelands. Over 400 people attended the sessions.

**Table 2 Regional Housing Taskforce Roundtable Sessions**

Session Title	Number of Attendees
Local Councils and Local Aboriginal Land Councils	77
Community, Crisis, Disability, and Aged Care Housing Providers	33
Development and Construction Industry	54
Community and Local Businesses	12
Central Coast and Hunter Region	31
North Coast Region	52
New England and North West Region	21
Central West, Orana and Far West Regions	28
Riverina Murray Region	39
Illawarra Shoalhaven Region	25
South East Tablelands Region	29
<b>Total</b>	<b>401</b>

A series of discussions were also held with individual stakeholders including representative from Government agencies and Members of Parliament.

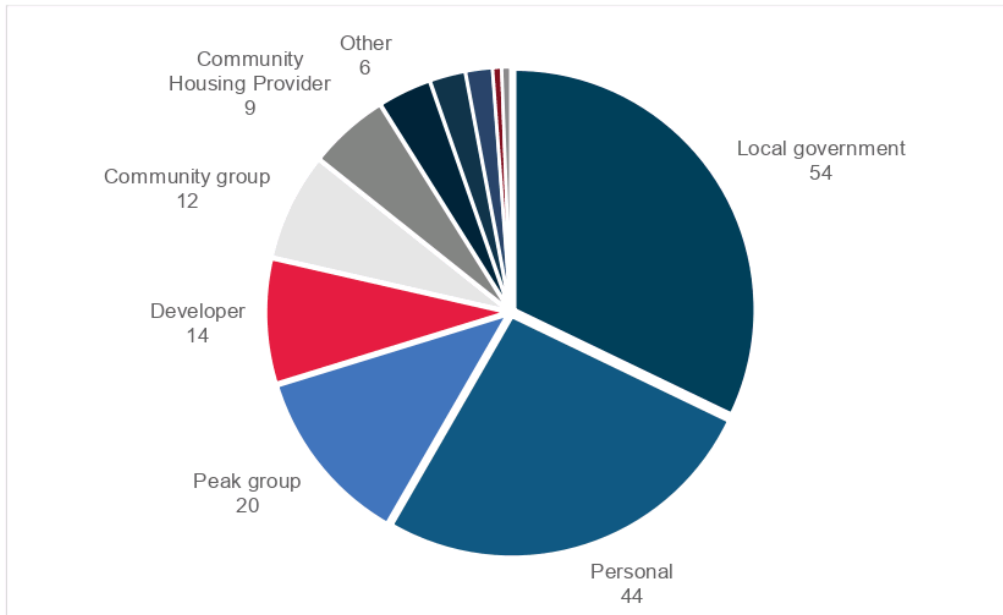
## Submissions Summary

Public submissions to the Taskforce were open for 4 weeks from 2 August to 27 August 2021, available via the Planning Portal on the NSW Department of Planning, Industry and Environment's website. The Taskforce received 168 submissions via email and through the planning portal, including responses from industry, peak bodies, local government, Community Housing Providers (CHPs), community groups and individuals. A full list of submissions is in Appendix B.

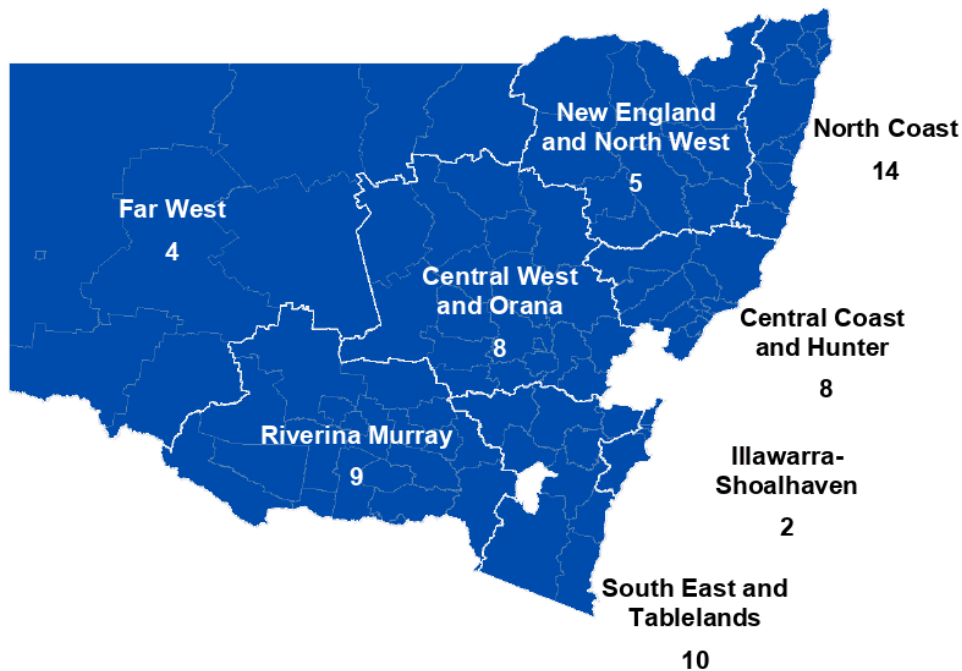
**Table 3 Regional Housing Taskforce Submissions**

Stakeholder Group	Number of Submissions
Local government	54
Personal	44
Peak group	20
Developer	14
Community group	12
Community Housing Provider	9
Other	6
Planning consultant	4
Architect	3
Government owned corporation	1
Indigenous advocacy group	1
<b>Total</b>	<b>168</b>

**Figure 1 Regional Housing Taskforce Submissions by Stakeholder Group**



**Figure 2 Submissions received by region**



Note: Personal submissions and submissions on behalf of organisations operating across multiple regions not included above

A broad range of housing issues and pressures experienced in regional communities were raised by stakeholders. Common threads between regional areas became apparent through the stakeholder engagement process, with issues such as a lack of housing diversity, rental shortages, challenges in infrastructure delivery, and the need for additional affordable and social housing commonly raised by stakeholders. While some housing issues appeared relatively universal, variation in both the drivers behind those issues and potential solutions issues vary between regions and council areas, highlighting the need to consider issues in their context when developing recommendations. Table 5 below provides an overview of the key topics raised in submissions, including the number of submissions that raised each issue. Table 6 provides an overview of the top five issues raised per region.

Issues raised in the submissions are discussed in depth in the section Detailed Findings.

**Table 4 Key topics raised in written submissions**

Issue	Number of submissions
Shortage of rental properties	86
Affordable Housing	79
Infrastructure alignment & sequencing	72
Housing diversity	63
Planning controls (general)	61
Temporary housing	54
Social housing	53
Community housing sector	42
Migration	42
Council resourcing	36
Land banking	35
Skilled worker shortages	35
Infill development	34
Cost of development	33
Housing targets	33
Short Term Accommodation and impact of STRA	32
Zoned land capacity	31
Zoning process	28
Infrastructure contributions	26
Tax and financial settings	26
Assessment timeframes	26
Seniors/disability housing	20
Strategic planning	18
Biodiversity offsets	16
Community opposition	15
Overlap of assessment processes	9
Housing impacts of major projects	6
Other	6
Site consolidation	3
Design and construction quality	1

**Table 5 Top 5 issues raised in written submissions by region**

Region	Top 5 issues raised in submissions
Hunter	Infrastructure alignment and sequencing Shortage of rental properties Affordable housing incentives and requirements Housing diversity Migration changes
Central West and Orana	Housing diversity Shortage of rental properties Infrastructure alignment and sequencing Affordable housing incentives and requirements Cost of development
Far West	Infrastructure alignment and sequencing Shortage of rental properties Council resourcing Skilled worker shortages Infill development
Illawarra Shoalhaven	Infrastructure alignment and sequencing Affordable housing incentives and requirements Community housing sector Migration changes Housing diversity
New England and North West	Housing diversity Affordable housing incentives and requirements Infill development Shortage of rental properties Community housing sector
North Coast	Affordable housing incentives and requirements Temporary housing Shortage of rental properties Tax and financial settings Short term accommodation
Riverina Murray	Shortage of rental properties Infrastructure alignment and sequencing Skilled worker shortages Housing diversity Planning proposal process
South East and Tablelands	Shortage of rental properties Short term accommodation Temporary housing Land banking Housing diversity



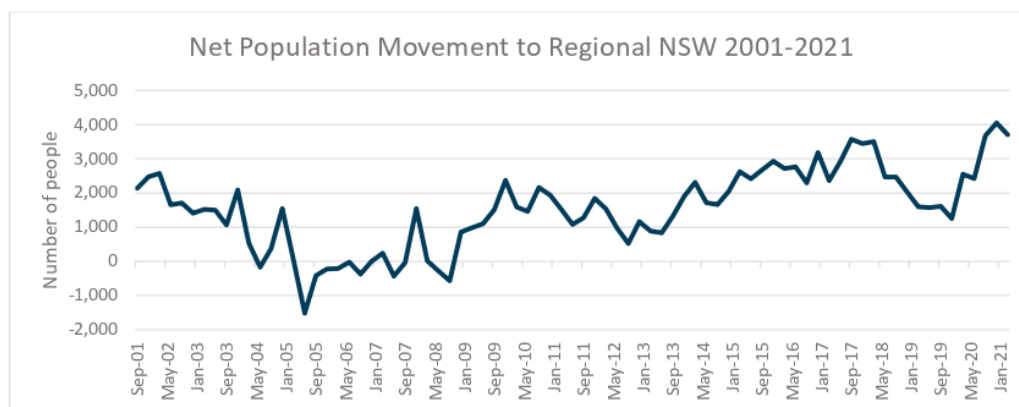
## Housing Trends

This section contains an analysis of key housing trends in regional NSW, including demand, supply, affordability, diversity and resilience data.

### Demand

*There have been higher than average volumes of people coming to and moving around in regional NSW during 2020-21. While potentially accelerated, movements have been generally in line with existing trends. The increased population has contributed to higher demand for housing, especially along the coast and within a half day drive from Sydney.*

Figure 3: Net Population Movement to Regional NSW 2001-2021



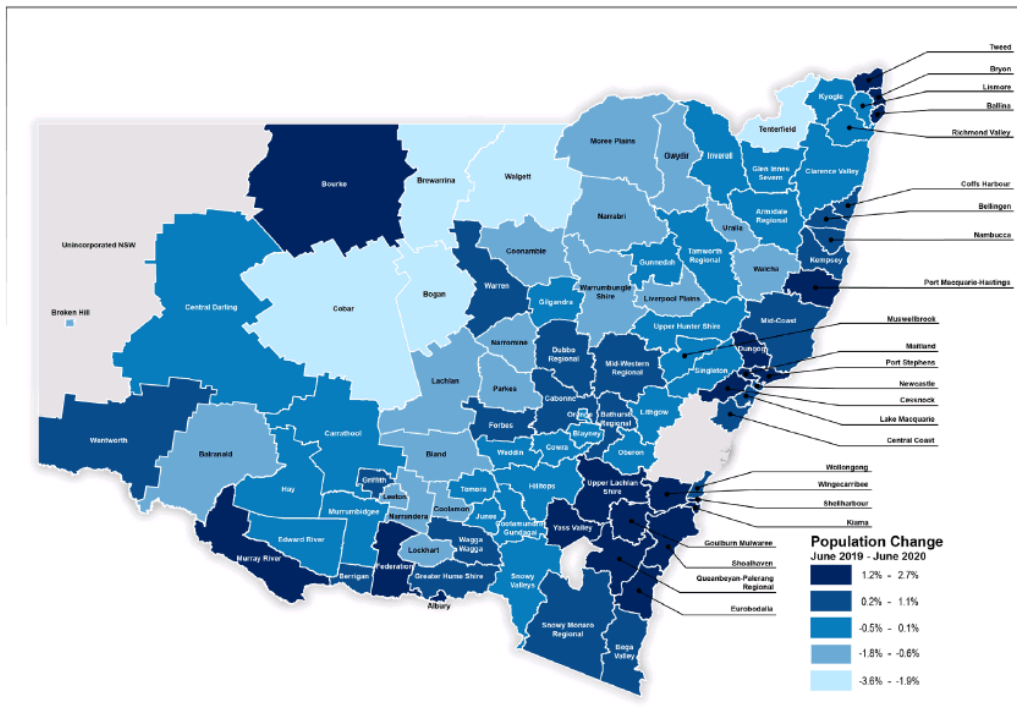
Source: ABS, [Regional internal migration estimates, provisional](#), accessed September 2021. **Note:** data includes arrivals and departures from Greater Sydney as well as interstate.

The biggest source of net positive migration into regional NSW is Greater Sydney, with about two people moving to regional NSW from Sydney per one person moving to Sydney from regional NSW. Most movers from Sydney seek lifestyles in peri-urban areas, being regional centres and coastal locations within a half day's drive of Sydney.

Typically, people who leave regional NSW move interstate, but border closures and changing lifestyle factors during the COVID-19 pandemic have resulted in a decrease of people leaving the regions, including for Sydney. It is difficult to determine exactly what trends signal a long-term shift and what will be temporary, however short-term migration trends related to the pandemic are expected to return to normal during 2023-24<sup>2</sup>.

<sup>2</sup> Bernard, A et. al. 2020, 'Anticipating the impact of COVID-19 on internal migration', Centre for Population Research Paper, The Australian Government, Canberra.

Figure 4 Population change by LGA



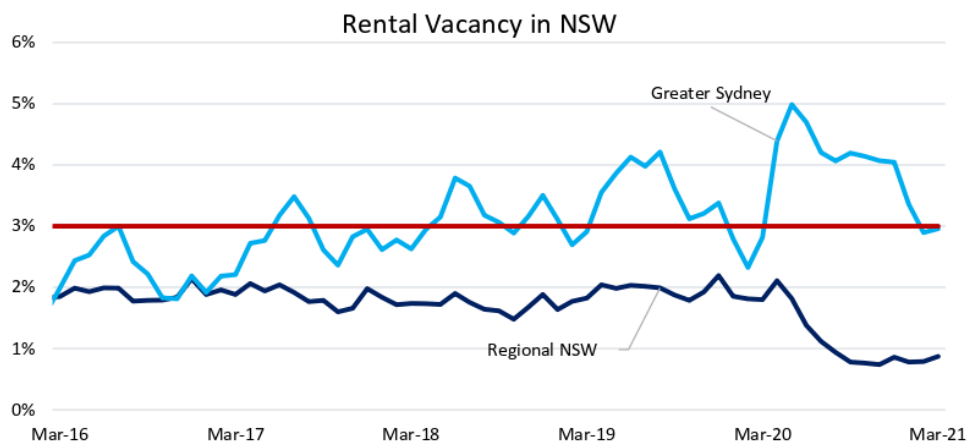
Source: ABS, [Regional Population 2019-2020](#), accessed September 2021.

Regional NSW is home to about 40% of the state's population, and experiences varying levels of population growth (see Figure 4). In 2019, the NSW Government estimated that the regional NSW population will increase by 400,000 to 3.5 million by 2041, requiring an additional 290,000 homes. However, current scenarios indicate that the population will grow to the high end of expectations over the next 5-10 years.

## Supply

*Increased demand during COVID-19 has highlighted that housing supply in some parts of regional NSW has been tight for some time and that it is difficult to rapidly increase supply during times of increasing need.*

**Figure 5 Rental Vacancy in NSW**



Source: SQM 2021, Custom Rental Vacancy Data, DPIE Analysis

Given the flexibility of rental leases, rental vacancies are one of the most responsive indicators of whether housing supply is 'balanced'. Rental markets with a rental vacancy rate of 3% are generally considered to be well balanced between supply and demand. Rental vacancy rates have been falling across regional NSW from June 2020 and are currently very low. Prior to COVID-19, rental vacancy rates were steady but tight across regional NSW, however, since COVID-19, rental vacancy has dropped substantially in regional NSW. While vacancy rates vary between different areas, all of regional NSW appears to be experiencing tight rental markets (see Figure 6).

High levels of demand are a trigger for new development, with developers rarely investing in a low demand market, and given the length of the development process from design to completion, supply balance can also be thought of as part of a baseline measure for long term changes rather than short term fluctuations (for example, changes experienced in less than one year). When compared with ABS building activity data, implied dwelling demand from population numbers indicates that most of regional NSW has balanced long term supply, being within 0.5% of estimated household demand<sup>3</sup>, however this varies across regional NSW. Looking forward, investment in economic growth across Regional NSW may result in changes to housing needs and impact long term supply requirements.

<sup>3</sup> ABS, 2021, [Building Activity, Australia](#), DPIE Analysis

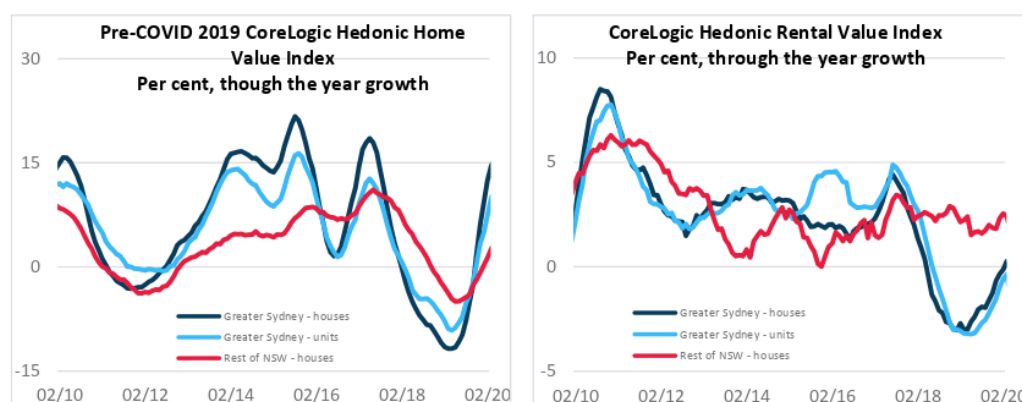
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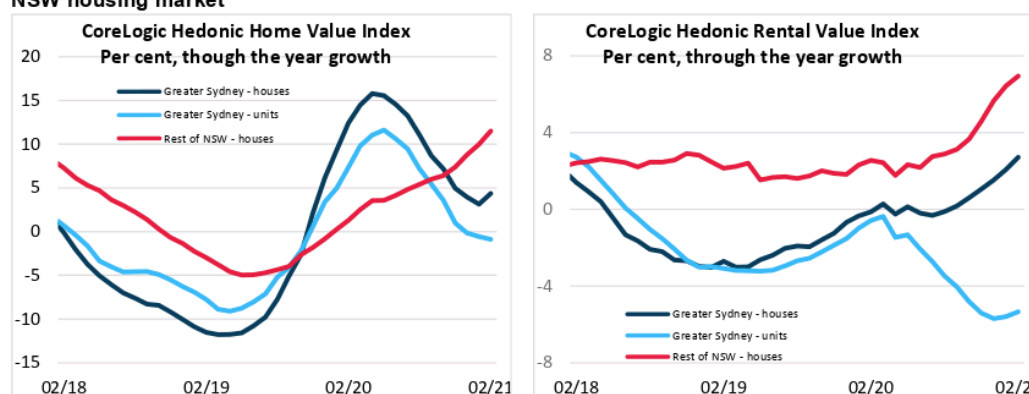
## Affordability

*House prices, especially for rentals, has increased across most of regional NSW, at times dramatically. This has led to decreasing housing affordability, resulting in reported population displacement and increased demand for food and other support services*

**Figure 7 Comparison of Sydney and Regional NSW rent and house price growth in pre-COVID19 NSW housing market:**



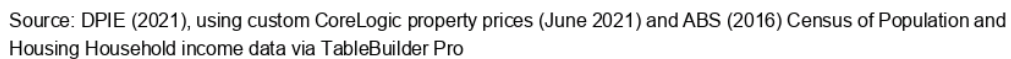
**Figure 8 Comparison of Sydney and Regional NSW rent and house price growth in in post-COVID19 NSW housing market**



In contrast to typical pre-pandemic trends, regional NSW has recently seen greater housing market price growth than Greater Sydney, especially across the rental sector. This price growth can be attributed to supply constraints and changing dwelling preferences as people look for more space, and potentially changing household dynamics such as group households. Given the smaller size and disparate nature of rental and sale markets in some regional areas compared to Greater Sydney, they may be more sensitive to pricing and supply shocks.

Trends in household incomes vary across the state, impacting household's ability to pay rent, save for deposits, access debt and service a mortgage. Households moving from areas with higher incomes to either commute further, work remotely or retire can place additional upward pressure on housing prices. With greater levels of disadvantage in some regional areas than in Greater

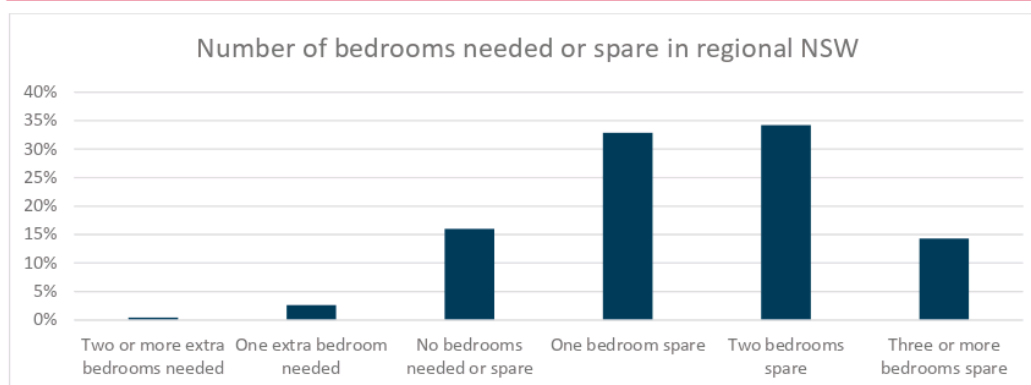
**Figure 9 House price to income ratio by LGA**





## Diversity

*Regional NSW has largely homogenous housing stock, typically being detached dwellings. Future housing development needs to include small dwellings close to services to cater for an ageing population as demand for this type of housing increases. This runs contrary to current community preferences toward detached housing, providing more space and a 'regional lifestyle'.*



Source: ABS 2016, Housing Suitability HOSD from 2016 Census data via TableBuilder Pro, DPIE Analysis

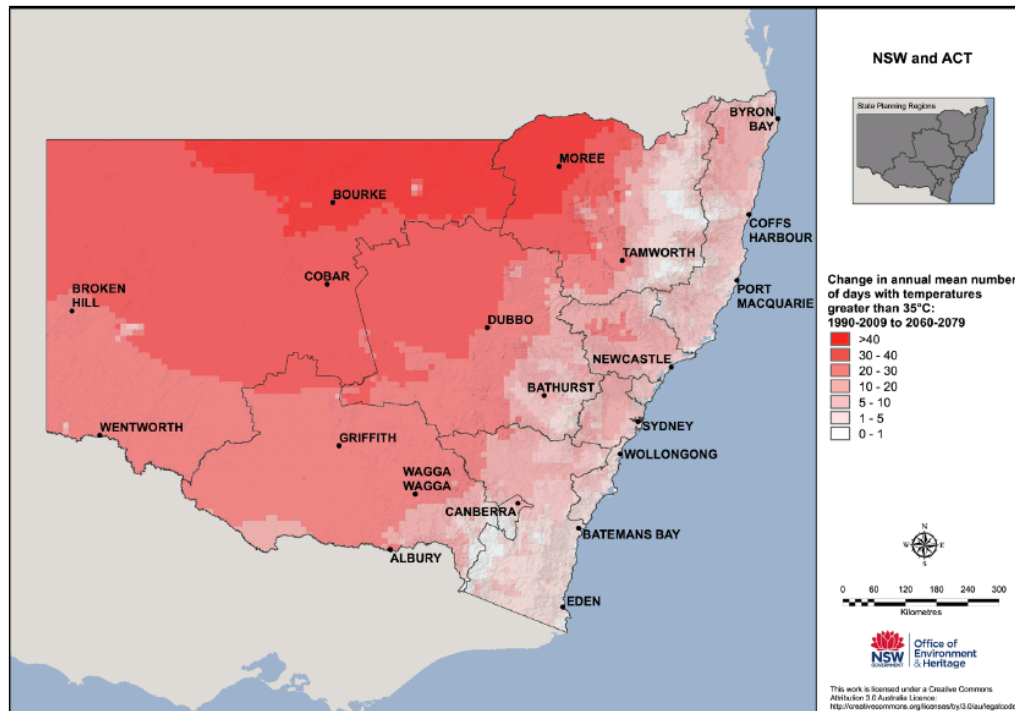
Using Census data and the Canadian National Occupancy Standard, a standard which is used internationally, we can understand how many bedrooms a 'typical' household needs and compare this to the number of rooms in their dwelling. Almost half (48%) of households across Regional NSW have two or more spare bedrooms in their dwelling. At the same time, looking at regional NSW averages hides pockets of overcrowding, such as in the far west, where Brewarrina, Central Darling, Bourke, Walgett, Griffith, and Coonamble all have over 5% of dwellings considered overcrowded.



## Resilience

*Driven by climate change and other factors regional dwellings and communities are forecast to be at increasing risk of extremes of heat, flood, fire, sea level rise, drought, as well as other weather and climate impacts. Planning for future climate now is necessary to maintain long term liveability.*

Figure 10 Estimated change in annual number of days over 35°C to 2060-2079



Source: AdaptNSW, n.d., [NSW Climate projections map for 2060-2079](#), NSW Government

Current modelling demonstrates that NSW will be warmer and experience more hot days (>35°C), experience changed rainfall patterns and more rainfall extremes, and experience an increase in severe fire weather. These will adversely impact human health and challenge state water resources. Increased bushfire risk is likely to increase housing costs in parts of regional NSW due to likely increases to insurance costs, building costs and rental costs<sup>4</sup>

The impacts of climate change are likely to be greatest for those already experiencing disadvantage. They are more likely to live in areas that will experience the worst effects of climate change, and have less resources to move, adapt and afford the increased costs of living and disaster preparedness<sup>5</sup>. Residents of rural and remote areas of Australia are already more likely to

<sup>4</sup> Australian Urban and Housing Research Institute 2020, [Bushfires likely to increase the cost of living in regional Australia](#).

<sup>5</sup> Resilient Community Organisations 2021, [Disasters, Climate Change and Disadvantage](#), viewed 28 May 2021.

experience poorer health outcomes, have lower incomes, and must pay more for goods and services<sup>6</sup>.

Regional NSW is going to be disproportionately affected by climate change and extreme weather, being on the forefront of direct impacts with housing that generally has lower sustainability standards than that in metropolitan Sydney, as well as experiencing higher levels of disadvantage. It is critical that housing in regional NSW is resilient and safe.

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<sup>6</sup> Australian Institute of Health and Welfare 2019, [Rural and Remote Health](#), cat. no. PHE255.

## What We Heard

The Taskforce hosted **11** virtual roundtable meetings across all regions

Taskforce roundtables were attended by **401** people across the State

The Taskforce received **168** written submissions

The **top 10 topics** raised were:

1. Shortage of rental properties

2. Affordable housing

3. Infrastructure alignment & sequencing

4. Housing diversity

5. General Planning controls

6. Temporary housing

7. Social housing

8. Community housing sector

9. Migration

10. Council resourcing

## Detailed Findings

Throughout its engagement the Taskforce sought the views of stakeholders in relation to the particular housing challenges and pressures being experienced across the regions, the challenges in housing delivery and the potential solutions to overcome those challenges.

This section of the report provides a more detailed picture of the views and issues raised by stakeholders throughout the Taskforce's engagement. Feedback and submissions to the Taskforce have been reviewed and categorised into key focus areas.

The Taskforce's consideration of this valuable feedback is a critical first step toward developing recommendations for improvements to the planning system and identifying other important issues for further consideration by the NSW Government.

## Regional Housing Market Dynamics

This section of the report outlines issues stakeholders raised in relation to the factors driving housing supply and demand. It was noted that numerous demand side and supply side factors create housing outcomes, not all of which the NSW Government has a direct influence over.

Demand side factors are largely outside of the control of the planning system and include:

- Income and wealth
- Population and migration
- Taxation
- Interest rates and financial regulation
- Demographic change and household growth
- Employment opportunities
- Amenity

Several supply side factors fall within the influence of the planning system, including the availability of land, planning controls, and assessment timeframes. Other supply side factors include rates of construction, the depth and size of the development industry, materials and skills availability, and infrastructure investment and availability. The relative influence of these various demand and supply side factors on housing availability and affordability varies across different markets and regulatory contexts.

The Taskforce heard a range of views from stakeholders about the relative influence of these factors in the context of regional NSW and the impact of recent events on housing supply and demand. These views are summarised below by theme.

### Demand Side Factors

#### Taxation and Financial Settings

A significant number of submissions referenced the impact of broad financial settings on housing outcomes, particularly affordability, noting that cost of debt, access to finance and tax incentives for housing investment have a substantial impact. Many stakeholder submissions recommended that the scope of the Taskforce be broadened to look not only at supply side factors in the planning system but demand side factors such as financial and tax settings. It was suggested that boosting housing supply via the planning system has been a near constant focus of Federal and State Governments but that this policy approach has made minimal difference with housing affordability continues to deteriorate across Australia.

It was raised that housing outcomes are often discussed in terms of population growth and the ability of new housing supply to 'keep pace' and address undersupply. However, it was noted that negative population growth and relatively sustained new dwelling completions in Sydney during

COVID-19 has coincided with significant rises in housing prices and deteriorating affordability. This was seen to suggest that the role of market drivers beyond a simple balance between private market housing supply and population growth is significant, and that there are limitations of a strictly supply-based response to affordability, as new dwellings account generally for a small subset of the overall dwelling supply.

Sustained historically low interest rates were noted to have increased household's borrowing power and support an increasing level of private debt, much of which is invested into housing with the effect of increasing prices. In addition to the role of low interest rates and financial settings on housing affordability, the role of property investors was commonly raised as having a significant impact on housing market dynamics and outcomes. It was noted that sustained rising property values has provided significant windfall gains to some households, enabling them to leverage their growing equity to purchase additional dwellings and increasingly compete with prospective first home buyers who do not have such advantages. The need to review tax conditions that support property investors, such as negative gearing and capital gains discounts was raised, as it was claimed that they make investment in property even more attractive, and increase purchasing power and relative advantage of investors at a time when home ownership rates are dropping.

### **Population and Migration**

Stakeholders noted that patterns of migration in regional NSW are substantially different than those in capital cities, with a unique mix of push and pull drivers that vary across the state. Outward population movement from major cities to regional areas in NSW was noted to have typically been influenced by different life-stages. People moving away from Sydney to other parts of NSW often locate to other metropolitan areas (such as the Central Coast, Newcastle, and Wollongong), coastal locations (referred to as "sea-change" migration), or inland locations within easy reach of Sydney (referred to as "tree-change" migration). These movements are characterised by a net out-flow of young families, and older Sydneysiders.

Changes in population and migration pressures raised by stakeholders are discussed below in Impact of Recent Events and Regional Housing Trends.

### **Supply Side Factors**

#### **Land Availability and Planning Controls**

The degree to which land availability and planning controls impact housing supply was an issue that was frequently raised by stakeholders.

Many council respondents indicated that their LGA had adequate zoned land supply to meet projected demand for 20 or more years. Instead of a lack of zoned land, they identified that there were issues with activating latent zoned supply to bring dwellings to market. Infrastructure provision, servicing, market factors, development feasibility, restrictive planning controls and environmental constraints were commonly cited barriers. Land banking, or the practice of holding land for capital accumulation, was also commonly noted. Other respondents, particularly from the development sector, indicated that there was an urgent need to release additional land for housing.

The question of what constitutes an adequate supply of undeveloped zoned land was also raised. For example, the UDIA's position was that planning in a given region should deliver "a minimum of twice the supply relative to annual forecast demand" in order to ensure adequate supply. Conversely, many councils noted that providing an excess of undeveloped residential land posed problems for orderly settlement planning and the efficient use of council resources, including in the sequencing of infrastructure and servicing.

It was identified that in many cases, undeveloped residential land had been rezoned prior to the introduction of the current policy framework, and that there were new considerations in the planning system and development approval process that meant the land was no longer suitable or feasible to develop. Considerations include biodiversity impacts, environmentally sensitive land



and risk from natural hazards such as bushfires, coastal processes like inundation, and flooding. Satisfying these requirements in retrospect can present significant barriers for subdivision and development approvals.

It was raised that there is a need for more sophisticated measures of land supply that go beyond residential zoning or 'paper subdivision' to consider issues such as servicing and suitability for development when quantifying the adequacy of the current zoned land to meet future needs.

### **Shortage of Rental Properties**

As noted previously, rental vacancy rates are considered a responsive indicator of available supply. A shortage of appropriate and affordable rental properties is an issue near ubiquitous to all regional areas and was raised as an issue by a wide range of stakeholders. Prior to COVID-19, rental vacancy rates were tight but relatively steady across regional NSW. However, since June 2020 rental vacancies have been falling across regional NSW. Rental markets with a rental vacancy rate of 3% are generally considered to be well balanced between supply and demand, but currently no regional LGA has a vacancy rate above 3% and some regional LGAs have vacancy rates close to 0%.

The impacts of rental shortages on regional communities were raised as a significant concern by stakeholders, with many households struggling to find appropriate accommodation, businesses struggling to attract workers (including required key workers), increasing rates of housing stress, and even some households being forced out of their communities. The Tenants Union of NSW noted instances of practices indicating a highly competitive rental market, such as real estate agents demanding prospective tenants complete a full rental application before inspecting a property or 'rent bidding' where applicants offer bids above advertised price, were once rare in regional NSW but are now being commonly reported in regional areas, particularly the Central Coast, Illawarra, the Hunter, New England and Riverina regions of NSW.

Many regional rental markets are comparatively small where seemingly minor changes in demand stemming from altered migration patterns, influxes of seasonal or temporary workers, or conversion of rental stock to short term holiday letting, can have a meaningful impact on the availability and affordability of rental properties.

### **Rates of Construction**

Stakeholders reported that the rate of construction across regional NSW had slowed due to the impacts of the COVID-19 pandemic. The development process from strategically identifying an area for development through to issuing occupation certificates is a lengthy process resulting in a lagging response of supply to adjust to changes in demand patterns. A need to ensure the planning process does not create duplicative processes and require unnecessary considerations that may lead to development delays was raised.

### **Regional Development Sector**

Stakeholders noted that the size and expertise of the development sector varied across regional NSW. A shortage of workers, particularly skilled workers and apprentices, in some inland regional areas was viewed as a significant barrier to housing supply. Costs associated with getting workers and materials to more remote regional areas can have a considerable impact on development feasibility. A lack of capacity to deliver well designed and high-quality housing types beyond detached dwellings was cited.

Recent disruptions in supply chains for building materials was also raised as having an impact on the construction industry's ability to deliver housing. Bushfire impacts on timber production, reduced manufacturing capacity due to social distancing requirements, capped order volume on certain materials to avoid panic buying, shipping delays and increased freight costs, were raised as having an impact on the industry's ability to convert approvals into dwellings.

## Mismatch Between Supply and Demand

Many respondents noted that housing issues stem from a mismatch between local housing needs and current housing provision, including the supply of housing at different prices, tenures and types, rather than just the quantum of homes. The majority of housing stock in regional areas is large detached houses with three or more bedrooms, however, there is growing demand for smaller dwellings due to the rising number of lone person households, shrinking household size and an ageing population. New housing supply in regional areas continues to be dominated by large, detached dwellings that are not aligned with growing unmet housing needs for smaller, accessible and affordable housing.

Many councils identified the need to deliver more diverse and accessible housing. A number of councils reported having amended local planning controls to allow for higher density forms of development in accessible areas, but that there was limited take-up of infill development capacity. Development feasibility and market factors were cited as significant barriers to infill and affordable and diverse housing delivery. Community opposition and an aversion to risk of 'untested' products in regional markets were also reported as playing a factor.

## Impact of Recent Events and Regional Housing Trends

### COVID-19

Stakeholders noted that the number of people moving to regional NSW has accelerated and that the regions have been less impacted by the net loss of overseas migration due to COVID-19 border closures. Regions in close proximity to Sydney such as Newcastle and Wollongong reported that they have especially seen a rise in people moving to those areas, although most councils across regional NSW indicated that they had also experienced this trend to some degree.

The data indicates that the increased level of migration to regional NSW has coincided with a reduction in the number of people moving out of regional areas. An increased ability to work and study remotely, a shift in housing preferences toward larger dwellings with access to open space to accommodate working from home, and reluctance to move to capital cities during times of lockdown have likely contributed to this trend. These changes in migration patterns have positive benefits for regional areas, however, it was noted that housing markets are slow in responding to changing patterns of demand.

Further research is required to fully understand the scale, drivers and impacts of these changes in migration patterns, however, early indications and anecdotal evidence are that the rise of remote working has 'untethered' some households to Sydney; households are increasingly returning to regional NSW to be with family; households are delaying or no longer wanting to move out of regional areas; and locational preferences have shifted due to lifestyle appeal and comparative affordability of regional areas.

### Bushfire and Floods

The 2019-20 bushfires had a severe impact on many regional communities, with 17 million hectares of land burnt, 2,429 homes destroyed and over 1,000 homes damaged in NSW, and 25 deaths. The floods following the bushfires in 2020 further damaged property, displaced residents and resulted in multiple deaths, further impacting those communities. For many communities these natural disasters followed an extended period of drought, which collectively have caused significant hardship, disruption and loss.

In 2021, changes were made to the NSW planning system to enable councils to approve appropriate applications to repair or rebuild homes even if planning rules have changed since the home was originally built to ease the procedural burden of rebuilding, however, the impacts are still being felt. Impacted councils reported that they are still struggling to replace homes lost as a result of the bushfires, with materials prices, timber and skilled labour shortages, insurance costs, and financial hardship contributing to the length of time to rebuild. Natural disasters have impacts on



regional communities beyond just loss of life or homes, in causing many households to relocate, placing stress on existing rental and crisis accommodation, as well as impacts on local businesses and employment.

The need to 'build back better' and develop more resilient housing was raised, as was the need to ensure that environmental hazards were adequately considered early in the planning process to ensure that communities are protected, and risks balanced.

### Subregional Housing Markets

While this report discusses broad trends in regional housing markets and common threads have been identified across regional communities, it is clear from stakeholder input that there is significant diversity in regional NSW with each area facing its own unique challenges. Feedback to the Taskforce suggested that policy and planning settings do not always consider the range of these regional contexts in which they are applied.

The table below provides a non-exhaustive list of some of the specific pressures facing particular regions, based on region specific virtual roundtables and written submissions from stakeholders within each respective region.

**Table 6 NSW Planning Regions: Housing Demand Pressures and Supply Constraints**

Region	Demand Pressures	Supply Constraints
Central Coast	<ul style="list-style-type: none"> <li>High demand from Sydney residents relocating and others looking to access Sydney's employment market.</li> <li>High levels of stated preference for medium density housing.</li> </ul>	<ul style="list-style-type: none"> <li>Fragmented land release and multiple growth fronts present challenges for infrastructure coordination.</li> <li>Strategically identified growth areas have not been substantially reviewed since being established.</li> <li>Infrastructure investments, particularly transport, would facilitate supply in some release areas.</li> <li>Environmental constraints in high-demand locations.</li> </ul>
Central West and Orana	<ul style="list-style-type: none"> <li>Temporary worker demand from major projects such as solar farms.</li> <li>Inland rail likely to increase housing demand.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of council strategic planning resources.</li> <li>Shortage of skilled labour and serviced zoned land.</li> <li>Community opposition to denser housing forms.</li> </ul>
Hunter	<ul style="list-style-type: none"> <li>Williamstown SAP will spur demand for additional housing.</li> </ul>	<ul style="list-style-type: none"> <li>Coastal inundation may impact supply of homes along certain parts of the coast.</li> </ul>
Illawarra-Shoalhaven	<ul style="list-style-type: none"> <li>Pressure from Sydney residents relocating</li> <li>High recent demand for affordable rentals.</li> </ul>	<ul style="list-style-type: none"> <li>Short term rental accommodation has reduced available dwellings in some areas.</li> <li>Shortages in some building materials from rebuilding after bushfires.</li> </ul>

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Far West	<ul style="list-style-type: none"> <li>Unique housing and cultural needs of remote Aboriginal communities, including larger dwellings.</li> </ul>	<ul style="list-style-type: none"> <li>Lack of local development industry.</li> <li>Stock of social housing is generally low quality.</li> <li>Development feasibility is generally low.</li> </ul>
New England-North West	<ul style="list-style-type: none"> <li>Some demand for basic 'demountable' style homes.</li> <li>SAPs at Moree and Narrabri and major mine approval likely to spur demand.</li> </ul>	<ul style="list-style-type: none"> <li>Shortage of construction workers in some areas e.g. Gunnedah.</li> <li>Lack of diversity in housing stock noted.</li> </ul>
North Coast	<ul style="list-style-type: none"> <li>Pressure from expansion of South-East Queensland and migration from Sydney.</li> <li>Demand for alternative forms of accommodation including micro apartments.</li> <li>Demand for on farm accommodation for seasonal workers.</li> </ul>	<ul style="list-style-type: none"> <li>Environmental constraints in high-demand locations, including agricultural lands and land with high environmental values</li> <li>Land banking slows rate of new housing available.</li> <li>Short-term rental accommodation converts dwellings to tourist accommodation and thereby reduces supply available to buy or rent.</li> </ul>
Riverina-Murray	<ul style="list-style-type: none"> <li>Inland Rail and Snowy Hydro will add to demand for housing.</li> <li>Seasonal agricultural workers cause influxes of demand.</li> </ul>	<ul style="list-style-type: none"> <li>Managing the urban-rural interface, balancing growth needs with protection of productive rural land.</li> <li>Lack of qualified council staff to assess and approve development.</li> </ul>
South East and Tablelands	<ul style="list-style-type: none"> <li>Increased demand for housing arising from Snowy 2.0 and overflow growth from the ACT.</li> <li>Demand from construction workers on windfarms and seasonal agriculture.</li> </ul>	<ul style="list-style-type: none"> <li>Recent bushfires have destroyed some house stock and planning for bushfires limits new development.</li> <li>Large minimum lot sizes may unnecessarily restrict development.</li> </ul>

## Planning System and Processes

Broadly, the planning system sets the regulatory framework and strategies that guides housing outcomes in regard to what is built and where and plans for the range of infrastructure and services supporting that housing provision. The planning system contributes to shaping housing outcomes and affordability by providing opportunities for housing supply, setting requirements for the kind of housing to be provided and in some cases facilitating the direct provision of affordable housing. The planning system must also balance housing needs against other considerations such as environmental protection, economic development, sustainability, risk management, good design, amenity and community participation.

There is a hierarchy of plans, policies, and strategies in NSW that link broad, regional scale objectives to local planning controls that directly impact development. The planning system is often considered to have two components: statutory planning, which sets specific rules that regulate land use, and strategic planning, which sets the direction for future land use changes and directly informs the content of statutory planning instruments and other guidelines that support decision makers.

**Figure 11 Statutory hierarchy of development regulation in NSW**



Figure 12 Line of sight for strategic direction



The planning system attempts to find a balance between providing certainty and flexibility in decision making. There is a general expectation that government will set clear and definitive requirements for development to provide greater certainty for investment. For example, the State Environmental Planning Policy (Exempt and Complying Development Codes) 2008, which establishes a streamlined approval process which can be utilised if proposals meet strict 'black and white' development standards, has been expanded in recent times to include an expanded range of more complex development types. While these approval avenues provide a clearer and simplified path to approval, the downside is there is the lack of flexibility and consideration of the broader merit of a proposal. A proposal may be in line with the overall objectives for development in an area but not benefit from a simplified assessment pathway if it is unable to meet pre-defined development standards, acting as a disincentive for innovative proposals.

### Influence of the Planning System on Housing Supply and Affordability

As previously noted, there were a diversity of views on the extent to which barriers within the planning system impacted on the supply and affordability of housing. The planning system is often viewed as a barrier to housing supply, with assessment requirements causing delays and increased development costs. Stakeholders raised the need to reduce the burden of assessment on developers and provide clarity and certainty in decision making to encourage housing supply. It was also noted that planning authorities have an obligation and duty to ensure efforts to reduce assessment timeframes do not compromise planning priorities such as reducing natural hazard risks, maintaining biodiversity, minimising land use conflicts, delivering sustainable development, ensuring efficient use of land and infrastructure, and facilitating well designed development.

Faster assessments and reduction of development costs in the planning system are often raised as a way to improve housing affordability, with reductions in development costs being passed on by developers to end purchasers. Some stakeholders challenged this notion, noting that developers need to achieve certain profit margins and will seek to sell dwellings for the maximum amount, with staged releases to market reducing the ability for competition to drive prices down and savings in development costs potentially increasing developer profit margins rather than making housing cheaper.

Submissions from the development sector indicated that unexpected changes in planning costs and processes impact on development feasibility and affect the ability of developers to predict costs, make informed risk assessments and ultimately deliver housing. On the other hand, PIA's submission noted that development feasibility can be malleable in the medium and long term, as known costs can be factored into feasibility which influences what developers are willing to pay for land. The impact of biodiversity offsets on development feasibility was raised by many stakeholders and is discussed in the Managing Environmental Constraints section of this report.

The planning system has a direct role in influencing the type of housing that is provided and where it is provided which has direct impacts on housing options and choice. The planning system achieves this by either establishing approval avenues allowing certain kinds of development or by setting requirements that development must meet. Issues and stakeholder feedback related to planning settings facilitating diversity of housing choice is explored in the Housing Diversity section.

## Strategic Planning

### 'Upfront' Strategic Planning

Stakeholders emphasised the role of 'upfront' strategic planning where issues and constraints are resolved earlier in the planning process, coordinating the actions of multiple parties to support the delivery of housing, allowing for more streamlined approvals in the future and providing greater clarity on the intended future use of land. With respect to the role of planning, the Planning Institute of Australia noted that planning regulation and zoning is not a 'roadblock' but a 'lane maker', where development that aligns to strategic plans can be facilitated quickly.

Incremental reforms to the NSW Planning system have placed a greater emphasis on strategic planning with the intention of resolving development issues earlier in the planning process rather than issues being addressed on a case-by-case basis during the assessment of individual development applications. This shift has seen the introduction of Local Strategic Planning Statements, and increased recognition of strategic plans within the EP&A Act. However, the expected benefits of these changes are yet to be fully realised having only recently been introduced.

Identifying areas for residential development and addressing barriers early in the planning process requires technical studies which can be costly and take significant time to prepare. Stakeholders raised issue with the impact these studies can have on proponents who are required to prepare these studies to gain approval. This was reported to especially be an issue in areas that were rezoned prior to the introduction of new policy requirements such as biodiversity offsetting or where land ownership is fragmented, and where studies must be funded by multiple parties. The need to resolve these issues earlier in the planning process was continuously raised by stakeholders, however, there were a number of challenges to achieve this, including councils being unable to undertake all studies and policy work required due to funding and resource issues, especially when managing multiple growth fronts, or because government agencies had not provided required information due to their own resourcing constraints.

The role of the nine Regional Plans for regional NSW was generally supported, however, some stakeholders expressed a desire for the Regional Plans to be better integrated with the various other government agency strategies such as the Future Transport Strategy 2056, Economic Vision for Regional NSW 2020, Regional Economic Development Strategies and Housing 2041. A range of emerging issues that stakeholders felt were not adequately addressed in these plans are discussed in the relevant sections of this document.

Some stakeholders noted that even where planning proposals are aligned with strategic plans at both local and regional scale, challenges in gaining approval can persist or issues that were seemingly resolved during the planning proposal stage need to be addressed again during the



development assessment stage. The overlapping of assessment processes is discussed later in this section.

### Local Housing Strategies

Under current legislation, NSW Councils must prepare a local housing strategy if required by the relevant Regional or District Plan. Currently, this includes all Greater Sydney councils and a small number of regional councils.

The majority of regional councils do not have a Local Housing Strategy in place but most often have some form of growth management strategy that identifies areas with capacity for future residential development, estimates on residential yields and constraints to development. The level of detail within these strategies varies from council to council, as well as how recently they have been updated. Regional councils who are experiencing low growth with minimal development activity do not always have a pressing need to review these strategies.

While the majority of growth management strategies or their equivalent consider environmental constraints, it was raised with the Taskforce that such strategies often define the future 'pipeline' of housing supply as land zoned for residential development where barriers to development are not always adequately considered or predicted development yields are not updated to reflect changes in development conditions. In some cases, this can mean severely constrained land where development in the short to medium term is highly unlikely is considered comparable to land that is zoned and fully capable of being developed, creating a potentially misleading picture of the 'pipeline' of housing supply.

The resources and data required to prepare a high-quality Local Housing Strategy was identified as a constraint. The need for more up to date and finer grain housing data beyond Census Community Profiles, particularly data on changing migration patterns and household formation, was raised.

It was raised with the Taskforce that housing issues transcend local government administrative boundaries and that housing issues should be considered in a broader context. For example, a shortage of available and affordable accommodation in one regional centre will directly impact the ability of households to settle in that area, however a nearby town within commutable distance can provide housing opportunities and have a direct relationship to the housing market of the former regardless of council boundaries.

The use of housing targets in state, regional and local scale housing strategies was raised by several stakeholders, not just in regard to overall housing supply but also for types of housing supply, including affordable and more diverse housing types. Further, the importance of setting a policy environment and conditions that enable and support the delivery of any targets was raised. The use of affordable housing targets is discussed further in the Use of housing targets section of this report.

### Local Planning and Zoning

Strategic plans and proposals for development are translated by amendments to Local Environmental Plans (LEPs) into statutory zoning and development controls. This process is commonly referred to as rezoning. As previously noted, there were a range of views on whether release of additional lands via rezoning for housing is the best response to current housing pressures, with many councils indicating that their current zoned land supply was adequate to meet current and future need. It was generally agreed, however, that the efficiency of rezoning processes had implications for timely development and release of land and development and that current processes could be better streamlined to reduce barriers and delays.

While some stakeholders commented positively on DPIE's targets for reducing planning proposal timeframes and acknowledged the work currently being undertaken to improve planning proposal processes, further streamlining was generally supported. However, there were also comments that



the volume of reforms in this space and across various policy areas had increased the workload of councils and that consolidation of these reforms was needed before further changes are implemented.

The cost and length of time needed to prepare the various studies required to support planning proposal was also raised as an issue for both councils and developers, and as being a particularly difficult issue to overcome when the area being rezoned has fragmented land ownership. It was suggested that assistance to facilitate the key studies required to support the rezoning of sites identified in Local Housing Strategies (or equivalent strategies) for future growth could help minimise study requirements for individual planning proposals where these are well-aligned with strategic plans.

Standardised and consolidated study requirements were also suggested to help proponents and councils navigate the various agencies' and Acts' requirements, with many stakeholders indicating that it was difficult to manage a rapidly evolving policy environment. The standardisation of Gateway conditions was also suggested, with some councils perceiving inconsistency in the application of state policies across the regions.

Respondents from both councils and the development industry cited delays associated with concurrence and referral of rezoning to state agencies and called for improvements in the coordination of agency input and better alignment of the various agencies' State policies and Regional Plans to reduce conflicting positions. A lack of alignment between rezoning decisions and agency decisions around infrastructure provision was also raised, with rezoning typically occurring prior to infrastructure needs being identified or funded. This issue is discussed further in the section on Infrastructure.

The politicisation of rezoning was noted by a number of developers and Local Aboriginal Land Councils as a significant cause of delays, and some submissions called for increased involvement of regional planning panels and independent bodies in these decisions, for example, for proposals that will provide a significant volume of housing or affordable housing. The UDIA's submission also supported the use of call-in powers to accelerate and resolve blockages in current planning proposals and called for increased transparency and accountability around delays by improving the publicly available information around proposal milestones and stages.

In terms of pre-lodgement processes, the Property Council's submission supported individual councils developing a 'rezoning request policy' similar to that recently adopted by Port Stephens Council and described in detail in its submission, providing clear guidelines and criteria for preparing a planning proposal in the LGA, which has reportedly improved the quality of planning proposals and reduced delays prior to lodgement with DPIE as proposals are more likely to be supportable by council. Formalisation of pre-lodgement meetings was also supported, particularly with the involvement of relevant agencies.

### Assessment Times

Delays in assessment can increase the holding costs of development and delay housing 'coming to market'. Various development approval avenues and initiatives have been introduced to reduce assessment timeframes for specific development types, however, frustration with assessment timeframes persists, as it was raised by a wide range of stakeholders. Causes of delay were said to often be the result of unresolved issues requiring focused effort to resolve such as how, when and by whom infrastructure will be provided and how environmental constraints are to be managed.

Several stakeholders raised concern over the time taken by planning authorities to assess environmental management plans and for requisite referrals to be addressed by government agencies. Challenges in balancing conflicting advice between different government agencies were also reported to the Taskforce, with the planning system having to find the right weighting and

balance between competing priorities where the optimal outcome is not always clear. A desire for clearer, more integrated and moderated referrals was reported to the Taskforce.

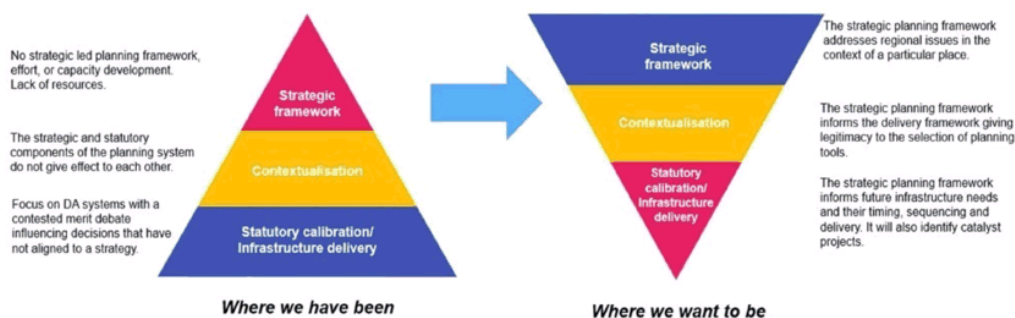
Exempt and complying development has been expanded in recent years to cover some housing types where specific criteria can be met. The recent introduction of the Low-Rise Housing Code has meant housing types such as dual occupancies, terraces and manor houses can be assessed as complying development. While complying development assessments are intended to be less onerous and 'fast-tracked', even where this avenue is available for development some stakeholders reported a shortage of private certifiers in regional areas who can approve such developments.

The need to reconsider issues following modifications of development consent, particularly for significant subdivision proposals assessed as State Significant Development, was also raised as a source of delay for proponents.

### Overlap of Assessment Processes

Greater clarity on where development is intended and where it is not and resolving issues earlier in the planning process should ideally lead to more streamlined assessments. To achieve this there is a need for the development assessment process to evolve alongside the strategic planning process as it matures to minimise duplication in assessments and reduce barriers to development where constraints have already been considered and addressed. In this regard, comment was made during stakeholder meetings that efforts to 'invert the triangle' in the planning system (Figure 9), where more work is undertaken at the strategic stage rather than the assessment stage, runs the risk of creating overlapping assessment processes 'transforming the triangle into a square'.

**Figure 13: NSW Planning Reforms: shifting focus from statutory to strategic planning**



The duplication of process between the planning proposal stage and the development assessment stage was a significant issue raised by stakeholders. While relevant development considerations should be assessed at different scales and substantial delays between a rezoning and a development application may be justifiable reasons for perceived overlap, there was a strong sense that inefficiencies and redundant requirements can stifle the approval process.

Duplication between the development assessment and building compliance processes was also reported. Some stakeholders suggested that as local councils are no longer in control of building certification due to the introduction of private certifiers, development assessment requirements and conditions of consent include more requirements and have increased in complexity. It was reported that specific details of construction had in the past been left to the certification process by councils but are now often brought forward in the assessment process so that council can have greater oversight, resulting in more rigorous and complex development assessments.

## State and Regionally Significant Development

The NSW planning system sets approval avenues for specific kinds of development over a certain investment value that are considered significant to the state or region due to their size, economic value or potential impacts. Development that is designated as State Significant Development is assessed by the Department and determined by the Independent Planning Commission, while Regionally Significant Development is assessed by council staff but determined by the Joint Regional Planning Panel. The impact of these kinds of projects, as well as the impacts of government programs such as Special Activation Precincts and Regional Job Precincts that seek to attract investment and development in specific regional areas, was raised by stakeholders.

A substantial number of large infrastructure projects are currently in the pipeline in regional NSW and stakeholders noted that these can cause temporary but substantial spikes in housing demand from workers on those projects. The impacts of large-scale mining, windfarm and solar projects on housing demand were specifically noted by stakeholders. Appropriate consideration of the impacts of such projects, as well as the longer-term housing impacts of major development proposals and investment programs, both at the point of assessment and in setting long term population projections, was discussed with the Taskforce.

## General Planning Control Barriers

Barriers within local planning controls for development, particularly permissible development types in established urban centres were cited as a barrier for infill development and higher density development types in some cases. Conversely, many local councils have amended planning controls to allow for infill development however this latent supply has not been developed for several reasons. This issue is discussed further in the Housing Diversity section of this report.

Some stakeholders raised issues with specific planning controls not being calibrated to enable certain types of housing regional contexts, for example, bulk and scale controls were felt to be inappropriate under some local planning controls, with developers reportedly having to frequently utilise clause 4.6 under the Standard LEP, which allows for exceptions to development standards, to provide infill housing. Clause 4.6 provides flexibility to proponents where merit can be demonstrated, but a need to utilise it can increase the complexity of proposals and may indicate that local planning controls need to be amended.

Minimum lot size controls were raised with the Taskforce as a barrier to smaller lot housing development, requiring new subdivisions to deliver large lot houses which are not affordable to many households and limit housing choice. Some councils such as Singleton have chosen not to apply minimum lot size controls to urban zoned areas to remove this as a potential barrier. Stakeholders noted that smaller lot housing has the potential to provide better housing choice, encourage improve access to public space, more walkable and accessible neighbourhoods and use infrastructure more efficiently but are not allowed due to concerns of poor design and local character. Frustration with 'blanket' minimum lot size controls for areas was reported, with some recommending a more flexible approach of lot size averaging to meet minimum requirements to encourage a range of housing sizes within a new subdivision. Stakeholders submitted that the Standard Instrument Local Environmental Plan (SILEP) template did not allow enough flexibility for such approaches.

A rising demand for rural residential housing outside of urban areas was reported in many areas, with some stakeholders raising issue with large minimum lot size requirements limiting supply. However, other stakeholders expressed concerns about the impact of 'rural lifestyle' housing due to the potential for fragmentation of productive rural land, increased risk of land use conflict with primary producers and difficulties in providing adequate services.

Comments on standardised local planning controls ranged from wanting more standardisation across different council areas to wanting more local variation in planning controls, with some councils stating that the SILEP narrows available planning levers and responses to issues. Some



councils discussed having additional planning overlays or provisions specific to their area to give effect to broader objectives set in strategies such as the Regional Plans. More standardised assessment guidelines for decision makers was also raised, with planning authorities currently having to draw upon a complex mix of guidelines, such as the apartment design guidelines, Urban Design for Regional NSW, regional settlement planning guidelines, Local Character and Place Guideline, and the like as well as local provisions.

### Resourcing Assistance for Councils

The ability of councils to resource infrastructure works, strategic planning, the technical studies required to unlock development and the assessment of development applications is a constraint to councils, as they have to prioritise resources and make trade-offs. This was reported to be an acute issue for smaller councils with small rate payer bases to leverage. Councils with multiple active growth fronts can face significant challenges in prioritising works and resources.

The ability for councils to levy charges to fund critical and essential infrastructure as well as fund recurring asset maintenance was raised as a significant challenge. Specifically, rate pegging was raised as a constraint to councils trying to address infrastructure backlogs. Some stakeholders suggested underfunding from government agencies has led to cost-shifting, increasing the burden on councils to meet funding gaps for infrastructure renewal and construction and straining already tight revenue.

Attracting qualified staff was raised as a challenge in some regional councils, particularly more remote councils. A general industry shortage of qualified certifiers, building surveyors and planners was reported, with some councils struggling to attract staff and the staff they do have being stretched and required to fulfil multiple roles and responsibilities that in other councils would be undertaken by a much larger team.

It was acknowledged that many consultant services required by councils and proponents are centred in metropolitan or larger regional centres, where if on-site work is required delays and costs were reported to be significantly higher in more remote areas.

Some development industry stakeholders reported having to fund expensive technical studies to convince council to support a planning proposal for residential development, as councils did not have the resources to undertake such studies themselves.

Some councils reported having success with on-demand technical services where a dedicated full-time position for highly technical work such as floodplain modelling and management was not feasible. Some stakeholders raised the possibility of pooled resources for engineers and specialists for councils to share to reduce the burden on councils and address the skills gap.

In discussions on potential Taskforce recommendations, many councils stressed the importance of considering funding and resourcing implications for councils if new processes or procedures are introduced.

### Construction and Design Quality

Feedback across a range of submissions referenced the role of the planning system in delivering outcomes related directly to the design of buildings themselves and their contribution to the broader character or quality of the built environment in terms. Some of the submissions addressing these issues also acknowledged the role of detailed masterplans in delivering health and wellbeing benefits for both people and the environment through driving a variety of sustainability outcomes such as accessibility and proximity to public transport.

The appropriate weighting of design quality matters in planning assessments and decision making was discussed by stakeholders, with a need to balance the need to create well designed built environment with cost and ease of development. The Planning Institute of Australia (PIA) and Regional Architecture Association (RAA) made the point that fast-tracked assessments can risk

sub-optimal outcomes for the community and for built form. The submission from Newcastle City Council acknowledges concerns of its residents about the impact of new development on local character and suggests local character studies can play a role in assessing existing character and identifying options to better ensure development responds to these concerns.

While acknowledging the importance of issues of quality, the RAA submission also acknowledged that planning tools intended to guide decision making on these matters such as Development Control Plans (DCPs) can limit the capacity for innovation and positive design outcomes where applied too strictly. These concerns were echoed by the Housing Industry Association.

Some development industry stakeholders raised concerns about requirements in the planning system to deliver good design adding to development costs and impacting development feasibility. The Urban Taskforce, Community Housing Industry Association (CHIA) and the Aboriginal Community Housing Industry Association (ACHIA) cited concerns about the impact of the draft Design and Place SEPP on development costs and feasibility. CHIA and ACHIA recommended that provisions under the SEPP support flexible application of design standards for social and affordable housing projects.

Some stakeholders emphasised the opportunities for the design of the built environment to be re-imagined or re-structured around sustainability principles, considering issues such as carbon neutral futures, circular economy and resilient design. It was noted that housing is not a typical consumer product and that the built environment we build today has significant ramifications for future generations, and as such housing should be considered not just for the first household purchasing or renting it but for the generations of households that will continue to inhabit a dwelling.

## Managing Environmental Constraints

The natural and heritage assets of regional NSW are vital to the identity and prosperity of the regions and there is a community expectation that councils and the State government will manage these assets sustainably and ensure that the level of risk to regional communities from natural hazards is within acceptable limits. The environment creates inherent limitations on where and how development can occur. Many stakeholders noted that the least constrained land in their area had already been developed and that it was to be expected that there would be increased difficulty overcoming the constraints to develop new residential lands. However, many stakeholders were of the view that the management of environmental constraints under the current legislative and policy framework was too onerous and increasingly coming into conflict with the delivery of needed housing in regional areas by overly constraining land supply.

### Biodiversity

Biodiversity was identified by many stakeholders as being an increasingly difficult issue to manage for regional developments. For new projects, requirements under the *Biodiversity Conservation Act 2016* were reported to add time and cost to the approvals process for new projects and to introduce complexity and uncertainty into development viability calculations, due to the costs of biodiversity offsets not being known until after significant investment and investigation has occurred. It was reported that many older projects such as undeveloped residential rezonings or subdivisions that were originally assessed and approved under previous legislation are now unviable to develop when new legislative requirements are considered at the DA stage or for any modifications.

Respondents from the development sector generally perceived the current legislation and processes to be time consuming, expensive, and duplicative with lengthy and detailed ecological studies often required at both rezoning and DA stages. The UDIA raised the issue of 'double dipping' in its submission. That is, after land is identified for environmental conservation and protection through avoiding and mitigating biodiversity impacts on a precinct scale at the rezoning

stage, councils can apply the “Avoid, Mitigate, Offset” test again at the DA stage without consideration of land already protected through the rezoning, resulting in further reductions of the development footprint and overall viability.

While biodiversity was largely raised as a barrier to development, some submissions supported responding to biodiversity constraints through adopting growth models that encourage development within existing settlement footprints rather than risk further strain on natural environments and ecosystems. For example, Lake Macquarie City Council stated that it was seeking to increase infill housing close to existing centres, services and infrastructure as *“the continued sprawl of development is not sustainable for our unique environment and is typically more expensive from a cost of living and from an infrastructure servicing point of view.”*

Potential solutions suggested in submissions included:

- review of the *Biodiversity Conservation Act 2016* and offset payment calculator in general and in terms of their application in regional NSW to improve certainty and transparency (noting that a review of the offset calculator by BCT is currently underway);
- deferral of offset payments until completion or the linking of payment to the achievement of development milestones to improve development feasibility;
- exemptions from the *Biodiversity Conservation Act 2016* or offset reductions for land owned by Local Aboriginal Land Councils to enable Aboriginal communities to derive economic benefit from their lands; and,
- the resolution of biodiversity issues earlier in the planning process, either through supporting the use of existing Biocertification processes or through amendment of the Act to mandate application at the planning proposal (rezoning) stage.

It was suggested that resolving biodiversity issues earlier in the planning process could occur either at the rezoning stage through standard Biocertification, which enables biodiversity impacts and offsets to be managed at the level of a precinct, or at the strategic planning stage through Strategic Biocertification at the LGA scale or on a subregional basis, potentially as mandated by Regional Plans.

Although Biocertification was identified by a number of stakeholders as being a significant opportunity to resolve biodiversity issues, barriers to undertaking biodiversity assessment and certification were raised by both developers and councils. Stakeholders raised the costs of consultants, the length and detail of studies that potentially take a number of years to complete, the difficulty of identifying appropriate offset sites, and the complex and changing policy context as reasons for this. For example, Eurobodalla Shire Council in its submission indicated that the cost of studies required exceeded available borrowings and suggested that NSW Government funding and resources to help councils undertake Strategic Biocertification would increase certainty and speed up development processes by enabling a whole-of-LGA rather than a site-by-site approach, while also directing funds to improve environmental management.

### Natural Hazards

As previously noted, regional NSW is vulnerable to a range of natural hazards, as highlighted by the 2019-20 summer bushfires and flood events in 2020 and 2021, with implications for housing in terms of emergency and temporary housing provision and rebuilding lost homes. The increased likelihood of future adverse events due to climate change was noted in a number of submissions, along with the need to carefully plan for the location and density of future housing and design for evacuation to meet these challenges. Some councils stated that these constraints were not major planning barriers and were able to be overcome or managed once necessary studies and plans were in place. However, many councils, particularly coastal councils, indicated that natural hazards placed hard constraints on the potential for additional housing.



## **Bushfire**

In terms of meeting the Planning for Bushfire Protection 2019 provisions, many stakeholders raised inconsistencies between these requirements and the biodiversity requirements, with submitters indicating that they often found it hard or could not reconcile the requirements to provide appropriate asset protection zones and meet biodiversity protection and offset requirements within sites, especially existing undeveloped subdivisions. Lengthy assessment timeframes by RFS were also raised. It was suggested that integrated guidelines or advice from agencies could help non-expert decision makers to strike a balance between technical considerations. Other recommendations to improve bushfire planning included providing a higher level of detailed site-specific information in mapping and improving assessment timeframes through agency resourcing.

## **Flooding**

Recent changes to flood planning requirements, including consideration of probable maximum flood events in evacuation planning, were raised by some respondents as introducing additional complexity to approval processes. There were also concerns that gateway and development consent conditions around floodplain planning led to the duplication of existing local studies and strategies. It was also noted that a number of existing settlements are located within flood catchments on or near water courses or the coast and that councils can face large costs for flood mitigation works to increase the resilience of existing housing and difficulty in planning for additional density in or adjacent to existing settlement footprints.

## **Heritage**

Submissions raised the importance of heritage and Country to the character and identity of regional communities, and the difficulty of striking a balance between protecting Aboriginal and non-Aboriginal heritage and enabling development to accommodate growth and change. Heritage was primarily raised as a constraint in the context of infill development. The Regional Architecture Association submission raised the opportunity for utilising heritage assets to increase density in regional CBDs without increasing sprawl or adversely impacting on local character but indicated that current heritage controls may be too inflexible to allow for innovative adaptive reuse. Shelter NSW's submission also highlighted the difficulty of adapting currently underutilised and sometimes even dilapidated traditional regional town centres to provide additional housing due to the additional costs associated with renovating heritage listed buildings and those within heritage conservation areas.

The impact of heritage on the development of social and affordable housing is addressed later in the section on Social and Affordable Housing.

## **Infrastructure**

### **Infrastructure Alignment and Sequencing**

The need to improve the alignment between housing and infrastructure delivery was raised by a range of different stakeholder groups. Infrastructure and housing are inextricably linked, where infrastructure should be sequenced to deliver new or upgraded infrastructure alongside new housing supply, or housing delivery should capitalise on increases in infrastructure capacity.

Aligning housing and infrastructure delivery requires the coordination of a broad range of stakeholders often with differing priorities and schedules. As residential growth is an iterative process and infrastructure requirements evolve at different development stages, efficiently sequencing infrastructure delivery requires identifying trigger points for infrastructure upgrades and collaboration across government and industry to deliver at those trigger points. As raised by a range of different stakeholder groups involved in the process, agreeing on where these trigger points are, what needs to be delivered and who is required to deliver what can be complex and difficult to navigate.

Development that takes place out of sequence with infrastructure serving plans was raised as an issue by several councils. Such 'out-of-sequence' development can result in increased costs for service delivery and illogical development patterns, particularly where forecasts of development take up rates can have a direct financial impact on councils/utility providers tasked with delivering trunk infrastructure. Conversely, property industry stakeholders cited a lack of coordination, responsiveness and accountability of infrastructure providers and delayed/out of date infrastructure servicing plans causing project delays, incurring additional development costs.

The need for further 'upfront' planning of infrastructure was commonly reported. While this requires additional resources earlier in the planning process, it was raised that such plans have the potential to reduce servicing costs in the long run.

The Taskforce investigated the use and effectiveness of Urban Development Programs (UDPs) which are in place in the Illawarra-Shoalhaven and Hunter regions of NSW. UDPs monitor housing delivery in terms of take up rates, land supply and dwelling production, to identify shortfalls in dwelling supply and provide a forum for councils, state agencies, development industry and utility providers to coordinate and set priorities and sequencing plans for infrastructure and housing delivery. While areas for improvement were identified by participants, the UDPs were broadly supported by stakeholders and reported to enable stronger collaboration between stakeholders, resulting in a stronger and shared understanding of the challenges and barriers to housing and infrastructure delivery. The need for improved data and evidence, a greater focus on infill development and a lack of understanding of how funding from State Voluntary Planning Agreements is allocated, were reported to be key challenges to the UDP according to a review of the Greater Newcastle UDP undertaken by the Hunter and Central Coast Development Corporation and referenced in its submission on behalf of the UDP Committee.

### Infrastructure Contributions and Funding

There are many funding avenues and mechanisms for infrastructure in NSW including general revenue from local council rates, Commonwealth grants, state funding programs, user charges and multiple forms of development contributions. Both demand for and cost of infrastructure are reported to be increasing across regional NSW, with property acquisition costs for infrastructure servicing and road reservations also increasing as land values increase across the state. Increases in maintenance costs of ageing infrastructure were also reported.

Many local councils outlined the critical role of developer contributions to deliver required infrastructure to support the growth of regional communities, as councils otherwise lack the funds to provide adequate infrastructure and services. Private development directly benefits from public investment of infrastructure and new development adds to the demand and cost of infrastructure for an area, and as such it is generally accepted that some form of cost recovery is appropriate. The appropriate level, amount, timing and mechanism for capturing development contributions is much less clear, with a wide range of perspectives shared with the Taskforce. The need for clear and consistent application of mechanisms was raised, as these costs should be passed back to land owners rather act as an imposed cost on development.

The impact of developer contributions on development feasibility was reported to the Taskforce, with some stakeholders claiming that contributions were making projects unviable. A number of development industry stakeholders told the Taskforce that they were increasingly being requested to engage in contribution agreements such as State Voluntary Planning Agreements, which aim to provide greater flexibility in negotiations, beyond what would be required under other contribution schemes such as section 7.11 contributions, and are being requested to provide more direct works in order to meet funding shortfalls in infrastructure.

As discussed in the Resourcing Assistance for Councils section of this report, a perceived increasing burden on local councils to fund infrastructure was reported. It was raised to the Taskforce that both an increase in cost of infrastructure and cost-shifting to councils has led to difficulties in providing adequate infrastructure to support housing growth. Further, caps on local

development contributions under some contribution schemes were reported to significantly impact the delivery of essential infrastructure, with efforts to identify and negotiate alternative ways to fund and deliver essential infrastructure delaying decisions and increasing required staffing resources. This was specifically raised as an issue in Orange and Shoalhaven LGAs. Increasing demands to facilitate and deliver higher levels of amenity in new developments and were also reported to be adding to these pressures.

Inadequate indexing of contribution charges under contributions plans that has led to a disparity between estimated costs of works and actual costs at the construction stage was raised with the Taskforce.

Confusion over the relationship between different contribution mechanisms was raised as a concern, with NSW having a mix of different mechanisms including section 7.11 contributions, section 7.12 contributions, Special Infrastructure Contributions and Voluntary Planning Agreements. Transition from one contribution scheme to another such as the shift from specific local contribution plans to broader based Special Infrastructure Contribution Schemes was reported to have created confusion in some instances about how key infrastructure projects will be programmed and funded into the future.

It is noted by the Taskforce that the NSW Productivity Commission undertook a review of the infrastructure contributions system in NSW in 2021 and provided government with a series of recommendations that aim to improve efficiency, transparency and consistency of developer contributions and infrastructure funding. The NSW Government accepted the recommendations of the report and is developing the detailed policy settings to implement the recommendations. Concerns about the potential impact of such reforms were raised by stakeholders including Local Government NSW, whose submission indicated that they would increase the financial burden on councils and limit their ability to fund critical infrastructure required to boost housing supply. Respondents also raised the need for infrastructure funding and investment over and above developer contributions to support essential housing enabling infrastructure.

## Governance Arrangements

A wide range of stakeholders are responsible for delivering required infrastructure for housing supply in regional communities. Infrastructure is often required by councils, developers, government agencies and private companies, with responsibilities reported to be unclear in some instances.

A need for greater alignment between state agencies was raised by stakeholders, with clearer links between strategic plans and greater transparency of priorities reported to be needed in order to better coordinate service delivery and private development. Out-of-date servicing plans of both councils and state agencies was raised as an issue, with costs not being revised in line with changed conditions, particularly around land acquisition. The need for a clearer 'line of sight' between the roles and responsibilities of local government and state agencies respectively was a further concern.

The UDIA recommended that existing UDP programs, discussed in the previous section, be expanded to all regions of NSW and their role should be strengthened. It was suggested that clearer and more formal links between the findings of a UDP, business case development and government investment decisions would improve the governance framework for infrastructure delivery.

## Housing Diversity

### Housing Diversity

Many submissions provided commentary relating to housing diversity, recognising the lack of housing diversity as a serious issue in the vast majority of regional communities. Housing diversity



refers to the mix of dwelling types (for example detached dwellings, apartments, or townhouses). Varying lot sizes, titling, and features of homes also contribute to housing diversity. Housing diversity can also be considered in regard to the mix of housing tenures, prices and accessibility available in an area and how it relates to the various housing needs within a community. The type of housing available in an area has a direct impact on affordability

The lack of housing diversity was raised by the majority of councils, with housing supply being dominated by detached dwellings with three or more bedrooms in regional areas. The increasing cost of such housing options, the rising number of lone person households and the ageing population has reportedly created a significant mismatch between housing supply and demand that is projected to grow into the future. Most submissions referring to housing diversity recognised the potential benefits of greater housing diversity, but some noted the perceived strong preference for detached housing in their communities and that the availability of large detached houses in regional settings at comparatively low costs and its associated lifestyle can act as a competitive advantage for attracting new residents. Some submissions pointed to evidence of changing preferences, although this was still only for a minority of the community, with this change reflective of a desire to be able age in place, to be close to services, education, and employment, or to stay in existing communities as housing costs increase.

A significant number of regional councils had undertaken housing studies which identified the mismatch of supply and demand and had subsequently amended planning controls to encourage a greater diversity in new housing supply to address this shortfall. However, a variety of barriers were raised. These are explored in this section.

Planning controls can be amended to allow for the development of more diverse housing by changing development standards, the mix of permissible uses within new and existing residential zones and clarifying a preference for more diverse housing through zone objectives, strategies and development controls plans. However, councils reported a lack of developer take-up largely due to feasibility concerns and the vast majority of new supply continues to be large detached single dwellings. Consequently, there is a perceived lack of security around profit margins for an 'untested' housing product from developers.

A need for improved guidance for certain development types and the potential use of density requirements for new supply were raised by councils. Several stakeholders raised the possibility of the government either directly delivering or partnering with a third party to deliver housing projects that provide a mix of housing types and tenures to demonstrate market demand for such housing.

### **Infill Development**

Several submissions indicated a preference for infill development to address the lack of housing diversity in many regional communities, some of which also expressed the need to limit greenfield 'urban sprawl', noting the potential impacts such as the loss of biodiversity, loss of productive rural land, increased car dependency, lack of walkability, potential exposure to increasing natural hazard risk under climate change and inefficient use of infrastructure investment.

Concerns about the lack of accessible dwellings within walking distance to shops and services was also cited as a motivation by councils to encourage more infill development. Regional NSW communities are on average older than in metropolitan locations, and the proportion of elderly households is projected to grow faster. Many councils recognised that this trend translates to a growing need for housing that is suitably designed for people to age in place and housing that is in close proximity to shops and services as ageing households become less mobile.

Many challenges in developing infill housing in regional contexts were noted, with Central Coast Council noting that while infill projects may be approved by councils, few are built. Development feasibility challenges were most often cited as the barrier to infill development with developers generally preferring to develop single storey detached dwellings with 3 and 4+ bedrooms as these

were generally more profitable with more predictable sales prices in a well-established market for detached dwellings.

Financing conditions were also reported to be more favourable for greenfield development with comparatively high pre-sale requirements for medium density developments. Site acquisition and consolidation costs were also cited as a barrier to infill development.

Community opposition to higher density development types in infill areas were reported to be a concern in some regional areas. Public opposition to development runs the risk of delaying construction, impacting developer margins that are often already precarious, or in some cases were reported to politicise planning decisions.

Even where there is community support for providing more diverse housing types at a conceptual level, stakeholders suggested that individual proposals can face significant opposition acting as a barrier. For example, Lake Macquarie City Council undertook a survey of their residents that found that a high proportion of the community wanted more diverse housing types, however, community opposition to such developments was reported to still be a significant barrier. Concerns over design quality were identified by stakeholders as the most common complaint by communities for infill development, while it was recognised that these complaints may have varying levels of merit, a potential link to the shortage of developers and designers familiar with delivering higher density housing types was raised. The importance of 'bringing the community on the journey' was raised by a number of stakeholders, and it was suggested that demonstration projects showing density done well in a regional context would help to establish market precedent and alleviate community concerns.

Lismore City Council's submission for instance noted that there was little interest in developing medium density in an infill precinct despite council offering to waive contribution fees and providing other incentives. Dubbo City Council similarly reported to have offered to defer development contributions and fees to the Occupation Certificate stage for medium density development proposals to boost the supply of such housing types. A need for further incentives to further encourage infill development was referenced by several stakeholders.

### Moveable Dwellings

Moveable dwellings include caravans, manufactured homes, tents, and other portable devices. Moveable dwellings provide a diversity of housing choices in a range of locations across NSW. These forms of housing provide options for long- and short-term residential uses and are often found in caravan parks. They form an important component of both the tourism and housing markets, supplying stock for lower cost living and offering a diversity of tenancy choice.

The Caravan, Camping & Tourism Industry & Manufactured Housing Industry Association of NSW submission noted that modern moveable dwellings have improved design and build quality and offer cost-saving efficiencies that can contribute to improved affordability. There was some support for the State-wide regulatory scheme and the continued growth of residential land lease living. However, the lack of clarity around the permissibility of manufactured homes outside caravan parks was an area for improvement. A submission from the Australian Tiny Home Association called for removal of current exemptions relating to the installation of moveable dwellings. Concern was raised about the location of some manufactured home estates being distant from shops, transport, and other services (Coffs Harbour City Council).

The Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds, Moveable Dwellings) Regulation 2005 generally allows development approval exemptions for one moveable tiny home registered as a trailer to be left indefinitely on a site with a dwelling if used by members of the household. The Regulation also allows up to 2 tiny homes registered as trailers to be placed on a site without approval, provided they are not occupied for more than 2 days at a time and are not occupied for more than 60 days within a 12-month period. Some stakeholders raised

these development assessment restrictions as unnecessary barriers to supply of an affordable housing type and requested that such development types be more broadly permissible.

### Housing SEPP

The NSW Government has developed a new Housing State Environmental Planning Policy (Housing SEPP). The new policy aims to deliver more diverse and affordable housing types and is being delivered in phases. There was some support for streamlining the current complex mix of SEPPs and related guidelines (Central Coast Council). Other submissions noted the planning system should move away from its current 'one size fits all' approach with SEPPs to allow merit-based assessment of innovative housing proposals (Byron Bay Council). UDIA's submission called for the Housing SEPP to be delayed and noted that elements of it would adversely impact feasibility. The elements of the new Housing SEPP from the ARHSEPP are discussed under Existing State Planning Policy Mechanisms.

### Seniors SEPP

The State Environmental Planning Policy (Housing for Seniors or People with a Disability) 2004, or Seniors SEPP, supports older people and those with disabilities access to affordable and well-designed housing. Part of the abovementioned Housing SEPP reform package will involve consolidating the Seniors SEPP into the Housing SEPP.

Some submissions noted that housing for seniors and people with a disability is often located away from centres and services (Newcastle City Council). The Property Council of Australia submission noted that difficulty finding sites for seniors housing means other housing stock is not freed up for younger generations. There was support for site compatibility certificates, with Port Stephens Council noting it does not have the resources to undertake local strategic planning across the entire local government area to identify individual suitable sites for seniors housing and zone them appropriately.

### Innovative Housing Models

#### Build-to-rent

Build-to-rent housing is large-scale, purpose-built rental housing that is held in single ownership and professionally managed. In July 2020 the NSW Government introduced a land tax discount and new planning provisions for large (50+ dwelling) build-to-rent housing projects. Local developers (for example Meriton) were producing build to rent homes in NSW prior to the reforms. However, the sector was considered relatively small scale and niche. Build to rent has been popular overseas for a number of years. The tax cuts and related SEPP planning provisions are intended to further encourage the development of this type of housing.

Submissions from the Property Council of Australia and Regional Cities NSW expressed support for the build to rent reforms. Other submissions, for example Wollongong City Council, noted that no applications had been received to date under the new provisions. Doubts about the financial viability of build to rent in the regions was raised (Shoalhaven City Council) as was the potential need to subsidise this type of housing.

#### Community Land Trusts

The use of Community Land Trusts, which are not common in Australia, was also suggested as a mechanism to support affordability. A Community Land Trust is a form of shared ownership where a site is owned by a not-for-profit, community-based group while dwellings on the site are owned or leased by individual households. Community Land Trusts were raised as a way to lower the barrier for lower income and disadvantaged households to access the benefits of property ownership. Stakeholders raised that such projects have the potential to address the gap between social-housing eligible households, which was claimed to be increasingly targeted towards households



with complex needs, and lower income households unable to access a local housing market due to affordability pressures.

Bellingen Shire Council and the Mid North Coast Joint Organisation of Councils have endorsed a proof of concept project in Bellingen to assess the feasibility of Community Land Trusts in the Mid North Coast region of NSW. The potential for industry-based Community Land Trusts, such as in partnership with industry superannuation funds, was raised to the Taskforce.

## Social and Affordable Housing

This section summarises issues raised by stakeholders regarding the provision of social and affordable housing. The term social housing refers to rental housing for people on very low incomes or in crisis housing which is owned and managed by the Government or by Community Housing Providers (CHPs) with rents set based on income. The term affordable housing refers to rental housing for people on very low to moderate income where rents are set based on a discounted market rate (for further information see Definition of Affordable Housing)

### Need for Social and Affordable Housing

Widespread unmet need for social and affordable housing was noted frequently throughout consultation and in submissions. This was evidenced by indicators including rising levels of housing stress, long social housing waitlists and wait times, and increasing incidence of homelessness in the regions, including seasonal homelessness due to fluctuations in demand from seasonal and itinerant workers and short-term holiday letting.

Declining affordability was noted to disproportionately impact lower income households, to reinforce cycles of disadvantage, including for Aboriginal and Torres Strait Islander communities, people over 65 (particularly single women), people living with disability, and women and children at risk of domestic violence, and to have negative economic impacts over the short- and long term on local communities and on the NSW Budget. The importance of treating social and affordable rental housing as social infrastructure was raised with reference to the Infrastructure Australia's recent *2021 Australian Infrastructure Plan*, which identifies social and affordable rental housing along with other social infrastructure such as schools, hospitals, and parks as being critical to supporting economic prosperity and quality of life.

CHPs and other support service providers stated that their services were under increased strain as a result of declining regional rental affordability over the past year, which both increased demand for housing assistance and support services and made it more difficult for services to operate, for example, through limiting the availability or increasing the cost of private market rental accommodation which is used for temporary and crisis accommodation or for social housing on a leasehold basis.

The existing social and affordable housing stock was identified as being inadequate in number but also not well suited to current needs, with increasing demand from smaller households for 1 and 2 bedroom homes not served by the existing stock (both State- and CHP-owned) of predominantly larger detached housing, much of which is ageing and in need of renewal.

### Delivering Social and Affordable Housing

While there was agreement among a wide range of stakeholders about the need for more social and affordable housing, there were a range of views on how social and affordable housing could best be provided in regional NSW. This included questions of who was responsible for its delivery, whether planning system mechanisms could enable the delivery of a meaningful volume of social and affordable housing without the expanded use of other government levers such as grants or use of government land to subsidise development and operational costs, and how any further government subsidy should be structured to provide the best outcomes for the people of NSW.

### **Role of Government**

Respondents were broadly in agreement that Governments needed to play an active role to support the provision of social and affordable housing given the limited impact of current voluntary incentive mechanisms in the planning system and structural factors that prevent market delivery of affordable rental housing (discussed further below in the section Viability of Social and Affordable Housing). However, stakeholders had a range of views on what the respective roles of State and Local government should be, as well as how active each should be, ranging from an enabling role to one of direct provision.

### **Role of State Government**

Stakeholders raised the importance of the role of the State government in setting clear, consistent and effective policies and establishing targets and benchmarks to provide effective incentives and clear market signals to support new social and affordable housing. They also raised the importance of the State coordinating local and regional responses, and providing adequate funding, resourcing, guidance, and access to data and information.

A number of respondents thought it important for government to set social and affordable housing targets through the State housing strategy Housing 2041 or the Regional Plans, for example, the number of dwellings to be delivered in general, or via Government funding and land. These could be filtered down into local strategic plans including LSPS and LHS, although some councils were not supportive of targets being set at the local level due to their limited ability to influence delivery and developer behaviour beyond setting policy settings and approving development. State targets were considered important by the CHP sector, housing peak bodies, and councils in order to create clear expectations and accountability and drive longer-term strategic planning, particularly in combination with explicit commitments in the Budget and ongoing policies and programs to achieve them.

### **Role of Local Government**

Many regional councils recognised the opportunity for local councils to assist in the provision of social and affordable housing through local planning policy and council-led initiatives and partnerships, and the Taskforce heard of many successful projects. However, a number of council respondents thought that too much emphasis was being placed on local government to support and enable affordable housing delivery, with responsibilities and costs shifted from Commonwealth and State levels. The relatively limited resources of councils, and the need for councils to strike a balance between utilising council assets such as land to best financial effect and the broader community interest, were raised as constraints that limited councils' ability to take a more active role in social and affordable housing provision, as well as lack of political or community acceptance in some contexts.

Regional councils have a range of experience levels in housing development in general, in providing services like aged care and temporary accommodation, and in implementing social and affordable housing development initiatives in partnership with the community housing sector. It was noted that many regional Councils already have constructive partnerships with CHPs to provide for social and affordable housing, including through development partnerships on council-owned lands (see more in Dedication of Council land). Councils indicated that they wanted more specific practical guidance and advice on how to establish partnerships with CHPs and other developers to pursue housing initiatives, for example, how to manage legal and contractual issues unique to local government, as well as funding assistance.

### **Role of the Community Housing Sector**

The role of the not-for-profit housing sector in increasing the provision of social and affordable housing was also raised. Over the past two decades, there has been both Commonwealth and State Government investment in the capacity of the CHP sector to improve its long-term viability and to facilitate its expansion, including through the transfer of social housing stock. The Taskforce

heard that, while there a number of regionally-based CHPs that operate at scale and there is significant experience in the sector in regional areas, including over 10 Tier 1 CHPs with significant regional portfolios and proven development capacity and approximately 25,500 homes managed or owned by the CHP sector across regional NSW, government support was still needed to grow the community sector in regional NSW as per the objectives of Housing 2041.

### Existing State Planning Policy Mechanisms

This section discusses how existing State planning policies operate in regional NSW.

#### Affordable Housing Contributions Schemes and Inclusionary Zoning

Through *State Environmental Planning Policy No 70—Affordable Housing (Revised Schemes)* (SEPP 70), councils can levy affordable housing contributions when certain land is ‘upzoned’ (i.e. when planning controls are changed to allow greater residential density), enabling either direct delivery of affordable housing or equivalent monetary contributions that create a funding pool for council-led affordable housing. The use of these mechanisms, known as inclusionary zoning, was historically limited to certain Sydney LGAs. In 2019 SEPP 70 was amended to be applicable across all of NSW in response to identified need for affordable housing across the state.

The ability to implement SEPP 70 is subject to a council establishing an affordable housing contributions scheme (AHCS) and amending their LEP to reference it. Encouraging all NSW Councils to develop an AHCS is an action under Housing 2041. DPIE has published guidance for councils on how to develop an affordable housing contributions scheme, including a viability tool to assist councils to gauge the impacts of a proposed housing contribution rate on residual land value and development feasibility.

As yet, none of the councils in regional NSW have adopted an AHCS, although a number are currently developing a scheme or have indicated their intention to do so in future. Through the Taskforce’s engagement councils identified a number of barriers to implementing AHCS in general and in certain regional contexts, including the resource intensity and length of time needed to prepare and get approval from DPIE for an AHCS, and the difficulty of applying the viability tool across regional LGAs that contain a broad range of development contexts and highly differentiated markets. It was suggested that the existing guidance and tool should be reviewed to consider applicability to diverse regional contexts. There were also concerns that:

- there was limited community, development sector or political support for inclusionary zoning;
- the LGA-by-LGA application of AHCS could disincentivise local development activity;
- inclusionary zoning would not be viable in many regional contexts or would be of limited impact because of land economics, particularly in lower value markets where feasibility constraints already exist, or the scale of uplift achievable in lower density regional settings;
- inclusionary zoning was less practical to achieve in greenfield areas than in brownfield urban renewal sites because of development staging which slows the realisation of uplift, and thus more difficult to implement in many regional contexts where the majority of new housing is greenfield supply.

In response to concerns that the cost of AHCS are ‘passed’ on the private purchaser and renters by developers, respondents who supported stronger intervention from Government and wider application of inclusionary zoning argued that such schemes limit the price paid by the developer for the land as they are factored into development feasibility, particularly if schemes are developed concurrently with strategic plans for growth. These submissions pointed to the success of such schemes in Sydney and in other Australian and international jurisdictions. The South Australian system, for example, mandates a 15% affordable housing target in all significant development projects including both affordable housing for rent and purchase and infill and greenfield sites. Some submissions supported mandating inclusionary zoning at the State- or Commonwealth level



to increase the impact of these schemes and to provide a consistent signal about land values to the development sector.

It was also indicated that further State support to regional councils to develop AHCS would be welcome, such as training, advice and resourcing support.

### **ARHSEPP**

The ARHSEPP (soon to be incorporated in the new Housing SEPP) facilitates the development of various affordable housing forms, including infill affordable housing, boarding houses, group homes, secondary dwellings (granny flats) and social housing and supportive accommodation, through the provision of development incentives such as additional floor space and through enabling development where not permitted by local controls.

Stakeholders had concerns that the ARHSEPP planning controls were not well-calibrated to regional contexts and could be constraining affordable supply. Some stakeholders were concerned about the effectiveness of density bonuses in regional towns and centres. In some cases, local planning controls, including restrictions in regional LEPs and DCPs on the building envelope (height, setbacks, articulation, etc), prevented floorspace bonuses from being realised, limiting the feasibility of development and the number of affordable dwellings that could be provided. There were also questions around the effectiveness of bonuses in incentivising use of the SEPP by for-profit developers in regional areas. Reviews of local controls and additional guidance for councils in setting appropriate LEP and DCP controls were suggested.

There were also concerns about the appropriateness of the ARHSEPP in established regional centres where there is limited land availability or heritage constraints in and immediately around traditional town centres. Development concessions and incentives for infill affordable development, for example, are only available to sites within 400m walking distance of B1 and B2 zones (or their equivalent) across most of regional NSW, or within accessible locations in 8 LGAs across the Newcastle and Wollongong regions as defined by distance from public transport stops with a particular frequency of service.

Some housing providers noted that they had been unable to utilise development concessions and incentives on sites that fell only a short distance outside of these limits due to the strict interpretation of the ARHSEPP by councils, with flow-on impacts for feasibility. There were also concerns raised about the design standards in the proposed draft Housing SEPP impacting feasibility in regional areas. Additional flexibility in the application of these provisions in regional areas was suggested, noting that these need to be balanced with controls that ensure affordable housing has appropriate access to transport, services and employment.

The changes in the proposed draft Housing SEPP around boarding houses were broadly supported, including that boarding houses must be managed by registered CHPs and provide affordable housing in perpetuity in accordance with the NSW Affordable Housing Ministerial Guidelines. Some submissions indicated the changes to built form standards, such as lot size, setback, communal living area and open space, would negatively impact on the market viability of this housing type in the regions. There were also concerns that the income limits in the Ministerial Guidelines restricted the ability for using this typology to provide key worker housing. There was broad support for changing the term 'boarding house' to help address the often-significant community opposition these development face.

There were also calls for better monitoring and regulation of housing delivered in the regions under the ARHSEPP/Housing SEPP to ensure that the planning incentives are providing the intended community benefit.

### **Definition of Affordable Housing**

There were also concerns about the definition of 'affordable housing' in the NSW planning system. The EP&A Act defines affordable housing as follows:

*“affordable housing means housing for very low-income households, low income households or moderate income households, being such households as are prescribed by the regulations or as are provided for in an environmental planning instrument. For the purposes of the Affordable Rental Housing SEPP, a household is taken to be a very low income household, low income household or moderate income household if the household*

*(a) has a gross income that is less than 120 per cent of the median household income for the time being for the Greater Sydney (Greater Capital City Statistical Area) (according to the Australian Bureau of Statistics) and pays no more than 30 per cent of that gross income in rent, or*

*(b) is eligible to occupy rental accommodation under the National Rental Affordability Scheme and pays no more rent than that which would be charged if the household were to occupy rental accommodation under that scheme”*

SEPP 70 sets out that for the purposes of the definition of affordable housing in section 1.4 (1) of the Act, very low income households, low income households and moderate income households are those whose gross incomes fall within the following ranges of percentages of the median household income for the time being for the Greater Sydney (Greater Capital City Statistical Area) or the Rest of NSW (Greater Capital City Statistical Area) according to the Australian Bureau of Statistics:

- Very low-income households: less than 50%
- Low income household: between 50 and less than 80%
- Moderate income households: between 80 and 120%

There were concerns that these definitions are confusing to the public and that they do not account for regional variation. The grouping of incomes for the ‘Rest of NSW’ was considered to be very broad. Some confusion was also evident in relation to the difference between affordable housing and housing affordability. For example, it was raised that defining affordability in the housing market by using median income levels is not appropriate as they do not factor in the relative price of housing and cost of living within an area. It was noted that households with the same income level in regional NSW can have drastically different housing outcomes depending on where they live.

Reconciling the definition of affordable housing under the Affordable Rental Housing SEPP with the more commonly understood rule of thumb definition of housing costing less than 30% of household income is considered affordable was also raised.

### Council Policy Mechanisms

In addition to adopting an AHCS or LEP amendment, Councils can influence the delivery of social and affordable housing at the local level through a variety of mechanisms including:

- local development approval
- fees and contributions policy, for example, through waiving DA fees or rebating s7.11 developer contributions, s7.12 development levies, or s64 water and sewer contributions for affordable housing to improve development feasibility
- Voluntary planning agreements, which can be used to negotiate affordable housing contributions
- Dedication of council land for affordable housing projects through gifting or subsidised sale or lease of land to a CHP

This section outlines feedback regarding the use of these mechanisms in the regional NSW context.

## Development Approval

With the exception of Wollongong, Central Coast and Wingecarribee LGAs, local planning panels are not mandated in regional NSW and regional councils hold decision making powers for Part 4 local development. Stakeholders indicated that the majority of social and affordable housing development in the regions is assessed as local development by councils as it is not of a large enough scale to meet the capital investment value thresholds to be assessed by a Regional Planning Panel as Regionally Significant Development.

The vast majority of councils indicated their support for additional social and affordable housing in their area. However, a number of CHP respondents raised that they continue to encounter difficulty obtaining development approval for their projects. Lengthy assessment timeframes and the complexity of the approvals process, including agency consultation at pre- and post-lodgement, were raised as concerns by CHPs. It was suggested that streamlined assessment would be beneficial for projects that deliver affordable housing benefits, for example, through the prioritisation of DAs or the creation of exempt or complying development pathways for certain tenure types. A number of CHPs called for the fast-tracking of CHP projects by enabling CHPs to utilise the same self-assessment provisions that LAHC has access to.

Community opposition and stigma were also raised as issues. It was reported that while many communities understood and supported the need for affordable housing broadly, specific development proposals attracted significant scrutiny and community backlash. There were numerous examples given of affordable and social housing developments that had not been approved despite meeting planning requirements or that experienced significant delays in being approved due to significant community opposition and political pressure. This was particularly the case for boarding houses but also for small-scale and low impact developments such as small low-rise units and dual occupancy development. It was noted that public pressure on councils can increase the risk of the approval process being politicised and of projects with planning merit being refused, even in cases where councils have supportive housing strategies and policies in place.

Referring social and affordable housing developments to the Regional Planning Panels was generally supported as a way to depoliticise assessment processes and alleviate pressure on council staff and elected officials to refuse development. Suggestions to achieve this included lowering the CIV threshold for social and affordable housing, and referring social and affordable housing developments of a particular scale (for example, 6 units), or alternatively all social and affordable housing projects or all DAs lodged by registered CHPs and Aboriginal CHPs and the Aboriginal Housing Office directly to the Panels.

Many stakeholders also commented on the importance of ongoing education and engagement with the community to increase support and 'bring the community along'. Demonstration projects were put forward as a way to allay community concern through showing how these types of housing can contribute to local character and achieve good design and social outcomes. Some stakeholders suggested the 'branding' of affordable housing projects is an issue and reframing the presentation of affordable housing as essential infrastructure for a community may be desirable.

## Fees and Contributions

Many regional councils indicated that they already had a policy of discounting or waiving development contributions and DA fees for social and affordable housing to support its development. For example, Lake Macquarie City Council has adopted a policy of providing an 85% discount on development contributions for social and affordable housing at an estimated cost of \$650,000 per annum. CHPs were highly supportive of exempting affordable housing from developer contributions on a standardised state-wide basis to increase development viability and reduce the 'funding gap'. However, the rate of discount and costs to council require consideration, with some councils indicating that, given their financial circumstances, it was not viable for them to do so without impacting their ability to provide the necessary infrastructure to support these developments or to meet their operational costs.



### Voluntary Planning Agreements

Although some examples were given, there was limited evidence in submissions of the use of VPAs to provide affordable housing in regional NSW.

### Dedication of Council Land

A number of regional councils indicated in their submissions that they had successfully or were intending to utilise council-owned land for social and affordable housing. For example, Griffith Council has gifted land to a CHP to construct and manage affordable housing units, subject to conditions including that the housing is targeted at Key Workers and at no more than 75% of market rent in line with the NSW Ministerial Affordable Housing Guidelines.

While many councils have had successes in bringing about additional social and affordable housing using this mechanism, a number of barriers and limitations to the use of council-owned lands were identified. Some councils have experienced difficulty realising affordable housing projects on their land, for example, due to difficulty negotiating over the proportion of development to be provided as affordable housing with private development partners. Provisions in the *Local Government Act 1993* (LG Act) concerning land dealings and Public Private Partnerships were also reported to impede partnerships with the CHP sector due to their complexity. Landcom in its submission also raised concerns with the Public Private Partnerships provisions in the LG Act associated regulation, which prevent it from entering into joint ventures, project delivery agreements, and other commercial arrangements that could be used to deliver affordable housing on council-owned land.

Limited supply of suitable council-owned lands or council-managed Crown lands without reservations and restrictions was also raised. For example, Wollongong City Council in its submission indicated that it had limited supply of operational land that was appropriate for housing and suggested that excess community land (which is subject to restrictions in use and cannot be sold or leased on a long term basis) could be reclassified to operational land to support use for housing purposes, which raises issues of the privatisation of public land and the loss of public open space. Another issue was a lack of publicly available information about the extent and location of suitable council land and the need to audit council land to identify appropriate sites.

Lack of resourcing was also cited as a barrier to councils becoming more involved in development initiatives, including project management resources.

### Viability of Social and Affordable Housing

Many submissions raised the need for solutions to overcome the 'funding gap' for social and affordable housing, which is the gap between the cost of providing below-market rental housing (including land, construction, financing, maintenance, and operational costs) and the income from affordable rents. Unlike private market housing development which requires a certain profit margin to be feasible, social and affordable housing projects need to break even or achieve modest surpluses in order to be viable to develop and sustainable to operate, with developer margins typically directed to additional housing supply or service provision. The funding gap can be bridged through various forms of subsidy, including planning concessions, planning subsidy (i.e. inclusionary zoning), granted or discounted land, capital subsidy, operational subsidy, cross-subsidy within mixed tenure development, or philanthropy, either singly or in combination.

Representations from the CHP sector indicated that the viability of providing new social and affordable housing varies across locations in regional NSW due to housing market dynamics, in particular land values, but also construction and infrastructure costs. It also varies by affordable housing type, with more heavily discounted forms of housing and more service-intensive supported housing requiring higher levels of subsidy.

The ability of the CHP sector to access and service debt or contribute their own capital to projects also contributes to the viability of social and affordable housing. Some CHPs indicated that they

were fully leveraged and unable to access further debt from, for example, the National Housing Finance and Investment Corporation (NHFIC) or had large maintenance liabilities due to ageing stock that limited their ability to self-fund new housing. Submissions indicated that, even where land is contributed for free and a CHP is able to borrow against the land value to pay for construction, other forms of subsidy are usually required to make up the gap.

In addition to reviewing and strengthening planning subsidies, submissions supported a review of existing levels of State funding for new social and affordable housing. There were calls, for example, to expand of the NSW Department of Communities and Justice's \$50 million Community Housing Innovation Fund (CHIF), which supports diversity in the community housing sector with a focus on smaller and regional providers or to create an ongoing fund for regional housing.

The cross-subsidy mixed tenure model, where developments include a mix of private, social and affordable housing, has been employed by the Land and Housing Corporation (LAHC) to renew and expand the State's portfolio of social housing, including in some parts of regional NSW. There was support expressed in submissions for renewal of regional State-owned social housing or the creation of new social and affordable housing through this model, although there were questions as to whether it could work in lower density regional contexts.

### **Access to Land**

Access to land in suitable locations and at an appropriate price was identified as a major barrier to the provision of social and affordable housing. CHPs and other affordable housing developers have to compete with private individuals and developers to purchase land or housing. The Taskforce heard that this could make land acquisition difficult or even impossible in higher land-value markets, such as coastal areas and larger cities. As previously noted, CHPs can also struggle to access well-located land in lower-value land markets where there can be limited land availability in and around traditional town centres.

Several successful projects using vacant government land to deliver affordable housing were identified by stakeholders. There was widespread support amongst submissions for the more extensive use of government land to enable development of social and affordable housing, including council-, State- and Commonwealth owned land. This could occur either on a freehold basis through transfer of title or on a long-term lease basis (for example, 25-49 years) with housing and land returning to full public ownership over the long term.

The inaugural 2021-23 action plan Housing 2041 includes an action to establish a Government Property Index (GPI) or public register of NSW Government-owned land for stakeholders to identify opportunities and submit proposals for use of such land for housing in both Greater Sydney and regional NSW. This was welcome, however stakeholders indicated that to expedite housing delivery on government land assessment of the lands by the State Government for suitability of residential development was needed, with suggestions that a priority list of sites for social and affordable housing be developed for short term interventions. Many respondents were supportive of benchmarks and targets for the delivery of social and affordable housing on government owned land, for example, set on a regional basis through Regional Plans. The potential to expand the GPI to include council owned lands was also raised as a suggestion to help facilitate project proposals to councils.

### **Meanwhile Use**

Encouraging the 'meanwhile use' of underutilised government land and buildings for the purpose of social, affordable and crisis housing was raised by stakeholders as an opportunity for both immediate and longer-term action. 'Meanwhile use' refers to the use of otherwise unoccupied or underutilised land/buildings for temporary uses, in this case for temporary housing options. Shoalhaven City Council presented research undertaken into the 'meanwhile use' of government land, identifying the following planning barriers:

- Permissibility in certain land zones;

- Lack of an appropriate approval pathway, such as a complying development pathway, or specific meanwhile use standards, resulting in lengthy assessment that can cause issues for timely delivery of temporary accommodation;
- Community concern; and,
- Resource and skill constraints.

Other submissions raised the issue of utilising vacant Crown lands for temporary housing due to restrictions on the use of Crown lands and similar restrictions on council Community lands. The creation of a register of vacant and underutilised NSW Government assets to provide meanwhile use housing was also recommended to help facilitate proposals.

## Aboriginal Housing

Aboriginal communities across NSW can face a number of challenges in securing suitable housing, impacting the health and wellbeing of many households. Lower rates of home ownership in Aboriginal communities, stemming from historic exclusion and systemic disadvantage, has meant that many Aboriginal households have missed out on the intergenerational wealth benefits of home ownership. The provision of secure, appropriate, and affordable housing aligned with priorities and need is identified as a key target in the National Agreement on Closing the Gap.

In addition to general social and affordable housing programs, in which Aboriginal people are disproportionately represented, targeted Government-owned housing for Aboriginal households is provided primarily by the Aboriginal Housing Office (AHO) and Aboriginal CHPs (ACHPs). The AHO works to invest in the capacity and maturity of the ACHP sector, including through the transfer of stock to ACHPs and through programs such as the Aboriginal Community Housing Investment Fund (ACHIF), which supports development of housing on Aboriginal-owned land and upgrades to existing properties. However, relative to CHPs, ACHPs are generally smaller organisations which can result in them missing out on grants and funding streams due to resourcing constraints and a general preference for larger development projects in funding allocations. The expense of building and maintaining properties in inland areas was also raised as a significant challenge for Aboriginal housing providers.

Racism and discrimination towards Aboriginal people in the private rental market was reported to the Taskforce, with some households with capacity to afford market rents remaining in social or affordable housing due to an inability to secure rental housing. The tightening of rental markets across regional NSW was reported to be exacerbating the impact of such discrimination. It was reported that difficulty finding private rental accommodation means that for some Aboriginal households the only way out of Social Housing is to 'leapfrog' the rental market, shifting from social or affordable housing directly to home ownership, although there can be significant financial barriers to doing so.

The Taskforce heard that remaining on Country is incredibly important to Aboriginal people; especially when purchasing a home. This can be a challenge in some areas, as Traditional lands can overlap with areas of high market demand, pricing out Aboriginal communities in some instances. Accessing culturally appropriate housing, for example, larger housing that accommodates Aboriginal family and kinship structures, is also challenging.

The submission from Central Darling Shire Council noted that Aboriginal communities face a variety of challenges. Overcrowding is frequent as multi-generational households are common. Much of the current housing stock has too few bedrooms. Low rates of home ownership and difficulty securing finance were also highlighted as problems for the local Aboriginal community.

Social distancing and the need to isolate due to Covid-19 is made difficult or impossible in crowded homes. NSW Health is establishing community support accommodation in Wilcannia to further assist the close contacts of people with COVID-19 to isolate safely and effectively if they cannot do



so at home. A community of motorhomes is being established at the council-owned campervan site in Wilcannia, which already has access to power, water, and waste disposal services.

The North Coast Aboriginal Development Alliance suggested that government should prioritise new housing development on land held by Local Aboriginal Land Councils or Registered Native Title Bodies Corporate to promote for Aboriginal economic self-determination and to encourage Aboriginal people to live on country. Mobile homes were noted as an option to address homelessness. Greater investment and exploring innovative models for future housing were noted as opportunities for the Aboriginal housing sector. A joint submission by the Community Housing Industry Association NSW and the NSW Aboriginal Community Housing Industry Association called for regional plans to identify targets for the delivery of new social, affordable, and Aboriginal housing, including culturally appropriate Aboriginal housing. A lack of subsidies and community opposition to development were cited as barriers.

### Role of Local Aboriginal Land Councils

The *Aboriginal Land Rights Act 1983* (ALR Act) facilitates the return of land in NSW to Aboriginal people through claims over Crown land. The NSW Aboriginal Land Council and a network of 120 Local Aboriginal Land Councils (LALCs) were established to acquire and manage land as an economic base for Aboriginal people, as compensation for historic dispossession and in recognition of their ongoing disadvantage.

LALCs consist of elected representatives of Aboriginal people in certain areas and aim to improve, protect and foster the best interests of Aboriginal people in their Council area. Many LALCs have significant land holdings and the potential for them to play a role in delivering housing, both specifically for Aboriginal communities and in general, was raised by a number of stakeholders as having the potential both improve housing outcomes and enhancing the economic self-determination of Aboriginal communities.

It was also recognised by stakeholders that LALCs have faced significant barriers in developing successfully claimed lands. It was raised that often only a small portion of LALC landholdings are currently suitable for development which is a barrier to objectives of compensation and self-determination. The need for upfront investment and expertise in navigating the planning system to successfully gain rezoning and development approval is recognised as a barrier to LALCs.

In addition to barriers within LALCs landholdings, and common barriers to development referenced elsewhere in this report, it was reported to the Taskforce that development applications for Aboriginal housing projects can face overwhelming public opposition. The number of objections to such proposals was reported in some cases to be completely disproportionate to the scale of development proposed, particularly when compared to similar non-Aboriginal proposals that proceed with minimal objection from the community.

Stakeholders also raised the need for a more streamlined process to settle native title claims in order to provide additional economic development opportunities for Aboriginal communities and encourage the development of Crown land for housing.

## Activating Development

### Land Banking

'Land banking' was raised by a large number of stakeholders as a serious barrier to increasing housing supply at a rate that could have a material impact on rising house prices. The term 'land banking' refers to a practice of holding land as an investment strategy with the expectation that the value of the land will substantially increase in future, enabling either the land to be sold or developed with a higher margin of return, rather than developing it as soon as it is profitable to do so.

'Land banking' can occur on sites expected to be rezoned in the future, increasing their development opportunities and value, but can also occur after land has been rezoned or development has been approved. The examples of land banking that were raised by stakeholders primarily concerned land that had been rezoned or received development approval and which were considered to be part of the local 'supply' pipeline. Stakeholders, particularly councils, indicated that the 'banking' of zoned and approved land resulted in significant delays in housing coming to market and that the practice can undermine the many planning strategies, reforms and investments aiming to increase supply and reduce housing prices. Several councils stated they have changed their approach to prioritising and delivering infrastructure to better sequence developments and minimise the risk of spending resources on sites that will be land banked.

A need to introduce measures that discourage land banking and support the activation of residential development in a timelier manner was raised by many stakeholders. Some councils have already attempted to put in place measures to address land banking through incentives. For example, Snowy Monaro Council has discounted developer contributions and removed conditions of consent for developers to try to reduce development costs and encourage commencements, although their submission noted that this did not appear to have any effect.

For land with development approval, it was noted that Development Consents are time limited, with consent lapsing if work is not physically commenced within 5 years. It was suggested that further strengthening of the definition of physical commencement or shortening time limits may be required to provide additional certainty to local communities about when new housing will be delivered. Reference was made to the Australian Capital Territory (ACT) Government policy of providing landowners a default of 2 years to commence construction and 2 years to complete it, which can be varied by the consent authority.

For zoned land, there is no current mechanism to incentivise development within a given timeframe. Stakeholders suggested either the imposition of financial penalties, for example, through council rates or State-level taxation, or the introduction of time-limited rezonings whereby land would be 'back zoned' if land is not subdivided, or development consent is not obtained, or development has not been commenced or completed within a particular timeframe. The example of the West Australian (WA) planning system was given, which has a 10 year approval limit for structure plans.

Other stakeholders were concerned that the imposition of such mechanisms could:

- disincentivise investment in the regions;
- be difficult to administer, given the difficulty in determining what is 'land banking' as opposed to what are reasonable development delays;
- unfairly penalise developers who are unable to develop their land due to factors outside of their control, such as infrastructure provision, planning delays, or the many other factors causing delay raised elsewhere in this report; and,
- expose government to claims of compensation for back zoned land or costs.

### Site Consolidation

Difficulties in consolidating sites with fragmented ownership was raised as a barrier to supply and the cohesive development of precincts. Fragmented ownership of land was raised as a particular concern in coordinating funding for the necessary studies and investigations required to support rezoning proposals. Site fragmentation issues reportedly led to areas identified for residential development in strategic plans not proceeding to the rezoning stage, which led to increased risks of sites being considered in the planning system in isolation of their broader strategic context.

Fragmented ownership was also cited as a barrier for coordinating infrastructure delivery with unclear timeframes of acquisition and multiple parties having to negotiate and agree on decisions.

Infrastructure and rezoning decisions can impact individual land values and can stymie the planning process and undermine the optimal use of land.

Difficulties and costs associated with site amalgamation was also cited as a barrier to higher density developments, particularly in regional areas where the market preference appears to be for lower density housing types. A market preference for lower density housing can have the dual effect of higher acquisition costs of single dwellings for redevelopment, and lower end sales prices of units, making development less attractive.

### Post Approval Processes

Some of the development proposals that stakeholders identified as being 'stuck in the system' were reported to be facing challenges in meeting post-approval requirements. Specific requirements such as biodiversity offsets, bushfire hazards, koala management plans and flood management are discussed in the Managing Environmental Constraints section of this report.

It was raised with the Taskforce when consulting internally with government that development proposals that are continuously delayed can face a cascading effect of compounding issues that increase the complexity and time required to resolve issues in the planning process.

Significant delays between initial approvals and delivery can mean matters resolved at a previous assessment stage can resurface as circumstances change, new information surfaces and/or new requirements are introduced that must be resolved. Agreements on matters such as infrastructure provision can become out of date as time progresses and circumstances change. The plans of proponents may also evolve over time, the requiring modification to development consents which can trigger a need to revisit previously 'resolved' issues and effectively restart negotiations between parties.

The evolution of approval avenues can also complicate the planning process if a legacy proposal was approved under a pathway that no longer exists but where the approval is still valid. The legacy approval may not have considered requirements that must be addressed in the current planning system or the approval may be a high-level conceptual approval that assumes more detailed planning issues would be addressed later in the process. The mismatch of the previous approval with current requirements in managing detailed planning issues can cause unforeseen delays, increase complexity and require substantial resources to resolve.

### Use of Government Lands

The use of surplus government land holdings was raised as an option to stimulate housing supply in general, as well as for projects that address unmet housing needs in regional communities such as affordable housing as discussed in the Viability of Social and Affordable Housing section of this report.

The use of government land to deliver model projects that test new housing types, tenures and delivery models was raised as they could demonstrate benefits of such projects for not-for-profit or even private developers to follow. Such an approach was also suggested in areas where there was hesitancy in the community about higher density forms of development or there was a lack of development activity, where a 'best practice' type approach with a high design quality could allay fears and negative perceptions in the community, thereby reducing resistance to future projects.

As previously mentioned, an action in Housing 2041 is to establish a public register of NSW Government land for stakeholders to identify opportunities and submit proposals for use of such land for housing. There was broad support for the use of government land to address housing needs. Stakeholders indicated that further guidance and criteria on what projects and unsolicited proposals would be given preference was needed. The potential to expand this register to include council owned lands was also raised.



## Short Term and Temporary Housing

### Temporary Housing

This section considers temporary housing structures, as opposed to temporary or short-term tenures. Short-term rental and crisis accommodation are considered separately in the above section Meanwhile Use. While temporary housing is not defined in the planning system, tents, tiny homes, caravans, and other moveable dwellings provide temporary housing options. Some submissions, for example Regional Development Australia Southern Inland, called for streamlined approvals and regulation of this type of temporary home.

DPIE is currently considering how regulation of the approval and operation of caravan parks or camping grounds and manufactured home estates may be streamlined. The installation of moveable dwellings in areas outside caravan parks, camping grounds, or manufactured home estates is regulated by the *Local Government (Manufactured Home Estates, Caravan Parks, Camping Grounds and Moveable Dwellings) Regulation 2021*. With limited exceptions, carrying out or providing for camping (e.g. In caravans, campervans, motorhomes or tents) on council or other land requires council approval. Shoalhaven City Council's submission suggested that highlighting good examples of tiny homes could ease community concerns about that type of development.

### Accommodation for Seasonal and Itinerant Workers

Many areas in regional NSW experience influxes of seasonal and itinerant workers that support agricultural and construction industries. Stakeholder note that these temporary influxes result in an increased demand for accommodation at different times of the year. An undersupply of accommodation options for these workers can result in upward pressure on rents and health and safety concerns from overcrowding, makeshift housing and unsuitable living conditions. Narrandera Shire Council for example noted that an influx of hundreds of workers is expected in association with the construction of two large solar farms.

Stakeholders also reported that the lack of appropriate housing for temporary workers not only can place pressure on local housing markets and drive poor housing outcomes, but it can impact the ability of local businesses to attract needed workers.

While land uses such as boarding houses, hostels, backpackers' accommodation, and caravan parks are likely to attract seasonal and itinerant workers, any form of residential or tourist and visitor accommodation can be used by the workers. No single form of accommodation in the Standard Instrument LEP caters solely to seasonal or temporary workers. The potential for short-term worker accommodation to be later reappropriated for long-term residents was noted in the Eurobodalla Shire Council submission.

### Competition with STRA

The impact of Short-Term Rental Accommodation (STRA) on regional housing markets was raised by a significant number of stakeholders. STRA is not new in regional NSW as it has been a longstanding practice for owners of holiday houses to let their properties during periods when they would otherwise have been unoccupied. However, since 2016 there has been rapid growth in short term holiday letting due to the emergence of online booking services that make it easier to connect owners with potential guests (such as Airbnb).

STRA is distinct from other forms of short-term accommodation, catering to tourists generally spending above rental market prices for a short stay. Other forms of non-STRA short-term accommodation are generally focused on specific groups, for example, crisis housing for people escaping personal crisis, homeless shelters and workers' accommodation for seasonal or temporary workers. STRA can be used for the latter purpose depending on circumstances and industry.

The impacts of STRA on regional rental markets was a serious concern for many stakeholders, suggesting that not just vacant holiday homes are being let out but that investors are purchasing properties specifically for STRA that would otherwise be used as rental properties, creating competition in the rental market and further tightening vacancy rates. Concerns of the impact of STRA on attracting and retaining workers in regional areas was expressed. This was reported to be an issue across the majority of regional NSW but unsurprisingly was reported to be most severe in high tourism areas such as coastal towns, alpine areas and popular inland towns.

A smaller number of councils considered the benefits of additional short-term accommodation to outweigh the impacts on the housing market, as supporting tourism growth was aligned with their strategic aims to grow and support local businesses. Nonetheless, ensuring adequate accommodation was available to residents and workers supporting the tourism industry was a priority for these councils.

Changes were made to the ARHSEPP in early 2021, introducing new provisions for STRA policy which are due to come into effect later in 2021. The new policy introduces several changes including a new definition for STRA, distinguishing hosted bed and breakfast style accommodation and non-hosted accommodation, and sets 180-day limit for non-hosted accommodation in the following locations:

- the Greater Sydney Region;
- the Ballina area;
- the Bega Valley area;
- the City of Newcastle area;
- the Dubbo Regional area;
- certain land in Clarence Valley area; and,
- certain land in the Muswellbrook area.

Areas not listed above will not have restrictions on the number of days STRA can be let out, while Byron Shire is exempt from the policy until January 2022. A Ministerial Direction enables Byron Bay council to reduce the time limit further to 90 days which council is currently working on implementing through its Local Environmental Plan.

Some councils raised concerns that the new STRA policy will allow more properties to be used as STRA than under their current planning controls and suggested applying either the 180-day or a 90-day cap to all of regional NSW. Other councils expressed a desire for greater flexibility to set their own restrictions, specifically on where properties can be used as STRA and the number of days they can be made available. In addition to regulating STRA, several stakeholders raised the need to better incentivise the provision of long-term rental accommodation to minimise conversion of rental stock to STRA, for example, through the provision of planning incentives or through preferential tax treatment

## Other findings

### Data and Monitoring

Many councils called for more up-to-date information and data on migration and population growth to better understand the impacts of COVID-19 and inform responses. More granular and regularly updated information on housing markets to identify housing shortages and associated impacts such as rising level of housing stress was also reported to be needed. Calls to improve and make available baseline data on stock of social and affordable housing in the regions were heard.

Several stakeholders raised the need for a more comprehensive land register of government owned lands that have the potential to be used for housing development, going beyond what is currently available in the Government Property Index that was launched in May 2021. Work to achieve this is understood to be currently underway. Expanding the Crown Land Manager Reserves Portal was also suggested by Regional Cities NSW, as it currently does not allow

councils to view all Crown landholdings. The potential for an expanded GPI is discussed in Use of Government lands section of this report.

### Key Worker Housing

Stakeholders cited difficulties in attracting and retaining key workers required for communities to properly function, due to the lack of available and affordable rental accommodation, as discussed in Shortage of rental properties section of this report. It was reported that workers such as teachers, health care workers, emergency services, social workers, childcare workers and aged care staff were having difficulty finding appropriate and affordable accommodation which was impacting their decision to move to an area. This was reported to be especially the case for lower income key workers who have difficulty finding affordable accommodation but are not eligible for affordable housing programs or government support. The Southern Inland branch of Regional Development NSW stated *“industry and business expansion is inhibited due to labour shortages because of the lack of available housing. This is even more critical in lower-paid occupations, such as hospitality and aged care and shift work in these sectors deems travel unfeasible.”*

It was claimed that some businesses in Byron Shire resorted to purchasing housing for their workers in order to attract employees and workers commuting longer distances from out-of-town to travel for work, which can create its own financial burden on households due to transport disadvantage and can lead to poor social and health outcomes associated with long commutes. The potential negative knock-on effects for local economies, businesses and social cohesion were also raised to the Taskforce.

A need for more targeted housing options for key worker groups was expressed to the Taskforce. Some stakeholders referenced mixed tenure style developments as a potential solution, where a housing project offers rental properties at a range of price points targeted to different income groups, where rental revenue from higher income households subsidise households paying below market rent. Community Land Trusts were also raised as having potential to address housing pressures on key workers, which is discussed further in the Community Land Trusts section of this report.

It was also suggested that housing analysis and strategies should consider housing affordability not just in regard to income brackets but incomes for key worker groups as an indicator of affordability/health of a housing market.

## Next Steps

The Taskforce will consider the findings outlined in this report and prepare a series of recommendations to be tabled to the Minister for Planning and Public Spaces in October 2021.

The recommendations will be focused on ways in which the NSW planning system and Government can respond to the challenges raised by stakeholders and canvassed in this report within the scope set for the Taskforce.

# Appendices

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## Appendix A

### Regional Housing Taskforce Terms of Reference

July 2021

#### Background

In addition to the challenges faced by Australian housing markets nationally, regional NSW faces unique housing challenges, linked to diverse economic, environmental and social pressures, and a complex policy context. Changes in migration patterns and housing preferences resulting from COVID-19, growing unaffordability, low rental vacancy rates and mismatches between supply and demand are increasingly placing pressure on regional communities.

The Regional Housing Taskforce (the Taskforce) was formally announced in June 2021 by the Minister for Planning and Public Spaces to identify challenges in the planning system that are preventing the delivery of housing supply and formulate recommendations to improve housing outcomes in regional NSW. The Taskforce is to focus on the technical planning barriers that prevent new housing being delivered within the strategic context of the work being undertaken under the NSW Housing Strategy.

#### Purpose

The purpose of the Taskforce is:

- To undertake consultation with local government and experts from the development and housing sectors to identify barriers in the planning system to new supply and develop potential solutions
- To advise the Minister for Planning and Public Spaces on the findings of the consultation and research and recommendations to achieve better housing outcomes for regional NSW through the planning system
- To contribute to the evidence base identifying housing challenges and planning barriers to housing delivery, building on existing background work to inform future government housing initiatives and provide advice to the Housing Expert Advisory Panel, when established

The Taskforce will utilise a collaborative approach between agencies, drawing on the expertise and statutory powers of each agency.

#### Scope

In consultation with relevant experts and stakeholders, the Taskforce will investigate planning barriers and develop recommendations to address regional housing issues with a focus on:

- The planning system and other government levers to stimulate housing supply and address housing needs
- Removing impediments within the planning system to the delivery of affordable housing types and housing generally
- Identifying mechanisms within the planning system to facilitate and drive the delivery of housing matched to community needs

#### Timeframe and deliverables

The Taskforce is to submit a report outlining its findings into the investigation of planning barriers to regional housing delivery to the Minister for Planning and Public Spaces in September 2021,

followed by a second report with recommendations to address identified barriers to delivery of regional housing in October 2021.

Following delivery of the reports, the Taskforce will cease to operate unless the purpose and scope of the Taskforce is revised or expanded in consultation with, or as requested by, the Minister.

### Membership

The Taskforce is led by the Chair, Garry Fielding. The Chair is responsible for convening meetings and setting the agenda for each meeting in consultation with the other members of the Taskforce. The Chair is also responsible for preparing the reports to the Minister for Planning and Public Spaces.

Senior representatives from relevant NSW Government agencies including the Department of Planning, Industry and Environment and the Department of Regional NSW (DRNSW) comprise the other members of the Taskforce.

The meetings of the Taskforce may also be attended by non-members, to be determined by way of invitation from the Chair.

### External Engagement

A series of meetings will be scheduled in key locations across regional NSW to allow for key stakeholders such as local government, industry and the community to inform the Taskforce's deliberation and consideration of recommendations.

A call for submissions will be made to inform the recommendations to Government about changes to the planning system that will assist to deliver appropriate housing in regional NSW. The Taskforce will consider written submissions made up until 27th August 2021.

## Appendix B

### List of submissions

1. Pip Andreas
2. Confidential Submission
3. Paula Carew
4. Katherine Carleton
5. Carlo Di Giulio
6. Jacinta French
7. architects fulton + salomon
8. MullumJoinery Wood & Metal
9. Troy Green
10. Confidential Submission
11. Confidential Submission
12. Steven Holmes
13. Confidential Submission
14. Anthony Mackenzie
15. Kieran Mann
16. Doug McIntyre
17. Sarah Minter
18. Confidential Submission
19. ticX
20. ticX (second submission)
21. James Rowe
22. DESIM
23. Jun Sin
24. Griffith City Council
25. Confidential Submission
26. Carinya Court Volunteer Committee
27. Peter Thorpe
28. Confidential Submission
29. Trevor Prior
30. Polis Plan
31. John Danvers
32. Restofnsw inc.
33. Confidential Submission
34. Confidential Submission
35. Confidential Submission
36. Confidential Submission
37. Confidential Submission
38. Sue Bate
39. NSW Community Housing Tenant Network
40. Graham Fulton

41. Graham Fulton (second
42. The Building Supply Company
43. Southern Youth and Family Services
44. Griffith St Vincent de Paul Conference
45. Confidential Submission
46. Confidential Submission
47. Jason Goode
48. Glen Innes Severn Council
49. Stevens Group
50. Land Dynamics
51. Housing Plus
52. Banksia Building
53. Regional Development Australia Southern Inland
54. Narrandera Shire Council
55. Eurobodalla Shire Council
56. Port Macquarie Hastings Council
57. Confidential Submission
58. Mid North Coast Joint Organisation of Councils
59. Regional Development Institute Australia Mid North Coast
60. Leda Holdings
61. YWCA
62. St Vincent de Paul Society
63. Confidential Submission
64. AlburyCity
65. Temora Shire Council
66. Homelessness NSW
67. St Vincent de Paul Society NSW (Southern Highlands)
68. Northern Rivers Joint Organisation
69. Snowy Monaro Regional Council
70. Ballina Shire Council
71. Coffs Harbour City Council
72. Caravan Camping & Tourism Industry & Manufactured Housing Industry Association NSW Ltd
73. Urban Co
74. City of Newcastle
75. Resilient Byron
76. Queanbeyan-Palerang Regional Council
77. Urban Taskforce
78. Committee for Hunter
79. Central Coast MPs
80. Kempsey Shire Council
81. Dubbo Regional Council
82. Gunnedah Shire Council
83. Richmond Valley Council

84. Parkes Shire Council
85. Social Futures
86. Upper Lachlan Shire Council
87. Fiona Gibson
88. Allera
89. Broken Hill City Council
90. Confidential Submission
91. Anna Lucas
92. Oyshee Iqbal
93. Peter Evans
94. Zenith Town Planning
95. Ingrid Pearson
96. Peter Wigley
97. Clarence Valley Council
98. Regional Architecture Association
99. Monaro Regional Housing Forum
100. Port Stephens Council
101. DESIM
102. Bathurst Regional Council
103. Shoalhaven City Council
104. Fiona Gibson
105. Canberra Region Joint Organisation
106. Confidential Submission
107. Narrabri Shire Council
108. Building Designers Association of Australia
109. Australian Tiny Home Association
110. Byron Shire Council
111. Singleton Council
112. Confidential Submission
113. Momentum Collective
114. Shelter NSW on behalf of the Good Growth Alliance
115. DANTIA
116. Tamara Smith
117. Wollongong City Council
118. Riverina RDA
119. Committee for Wagga
120. LWP Property Group
121. Regional Development Australia (Orana)
122. Tamworth Regional Council
123. Association of Consulting Surveyors NSW
124. Yass Valley Council
125. Amanda Spalding
126. Confidential Submission



127. Blayney Shire Council
128. North Coast Aboriginal Development Alliance
129. Bega Valley Council
130. UDIA
131. Hilltops Council
132. Greater Hume Council
133. Wagga Wagga City Council
134. Housing Matters Action Group
135. Local Government NSW
136. Lake Macquarie City Council
137. Lismore City Council
138. Cobar Shire Council
139. Gilgandra Shire Council
140. Central Coast Council
141. Regional Cities NSW
142. Women's Village Collective
143. GemLife
144. Fountaindale Group
145. Cabonne Council
146. Hunter Central Coast Development Corporation on behalf of the Greater Newcastle Urban Development Program Committee
147. Central Darling Shire
148. Confidential Submission
149. Housing Industry Association (HIA)
150. Coffs Harbour Older Women's Network
151. Housing Trust
152. Central NSW Joint Organisation
153. Veronica Rawlinson
154. Origen Architects P/L
155. NSW Joint Organisation Chairs Forum
156. Community Housing Industry Association NSW and Aboriginal CHIA
157. Riverina Joint Organisation
158. Liverpool Plains Shire Council
159. Southern Cross Community Housing
160. Property Council of Australia
161. Confidential Submission
162. Shelter NSW
163. Tenants Union of NSW
164. Homes North
165. Abbeyfield Committee of Bungendore
166. Tweed Shire Council
167. Planning Institute of Australia (PIA)
168. Landcom

## Planning Proposal

to amend

**Blayney Local Environmental Plan 2012**

as follows:

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andrew@iplanprojects.com.au

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Ph. 0410 519 469

### PP3: Six (6) Unsewered Villages & Surrounds

- PP3A: Minimum Lot Size (MLS) for Subdivision or Residential Accommodation requiring on-site effluent management (in Zone RU5 Village & Zone R5 Large Lot Residential)
- PP3B: Dwelling Opportunity – within 500m of certain Urban Zone(s)

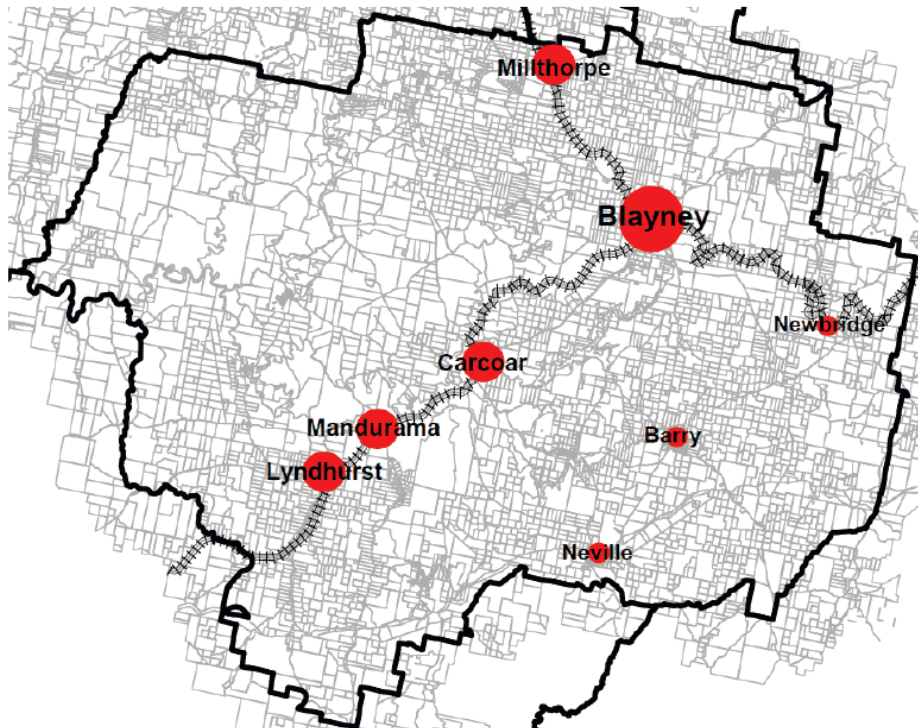


Figure 1: Map showing location of six (6) unsewered villages in the Blayney Local Government Area (excluding Blayney & Millthorpe).

Prepared on behalf of Blayney Council for  
Submission to the NSW Department of Planning, Industry & Environment (DPIE)

7 October 2021

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## Document Control

Version / Date	Document	Provided To
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## 1 OVERVIEW

### 1.1 Overview of Key Amendments

This Planning Proposal seeks to amend *Blayney Local Environmental Plan 2012* ('BLEP2012') relating to areas of the six (6) unsewered villages (Carcoar, Mandurama, Lyndhurst, Neville, Newbridge & Barry) and surrounds as follows:

1. **PP3A: Minimum Lot Size (MLS) for Subdivision and Residential Accommodation (primarily dwellings) requiring on-site effluent management** in Zone RU5 Village and Zone R5 Large Lot Residential areas for those villages. Currently, there is an MLS for subdivision but not an MLS for dwellings on existing lots requiring on-site effluent management. For some villages, dwellings may require ownership of several smaller lots to achieve the MLS.
2. **PP3B: Dwelling Permissibility – within 500m of Certain Urban Zone(s)**, as follows:
  - a) Carcoar, Mandurama, Neville & Newbridge – 500m of Zone RU5 Village;
  - b) Lyndhurst – 500m of Zone RU5 Village AND Zone R5 Large Lot Residential;
  - c) Barry – 500m of Zone R5 Large Lot Residential.

The Planning Proposal justification is broken down into these two (2) components but the statutory review/guidelines are addressed for them collectively at the end of this Report to comply with the Guideline.

### 1.2 Process Overview

The Planning Proposal has been prepared in accordance with *Divisions 3.4 – Environmental Planning Instruments (LEPs) of the Environmental Planning and Assessment Act 1979* ('EP&A Act') and the NSW Government Guideline (Dec 2018) 'A guide to preparing planning proposals' ('Guideline').

Section 1.3 of the Guideline states that a Planning Proposal should provide enough information to determine whether there is merit in the proposed amendment proceeding to the next stage of the plan making process including identifying relevant environmental, social, economic and other site-specific considerations.

However, it is not a development application, so it is NOT required to consider specific detailed matters that should form part of a development application. Sufficient detail is required to determine the merit of the Proposal and support a Gateway Determination from the NSW Government.

The Gateway Determination may provide details of further studies/consultation required by Council to enable the public exhibition and finalisation of the LEP amendments but we believe that the site review in this Planning Proposal should be sufficient to at least achieve a Gateway Determination.

A Gateway Determination under the EP&A Act is requested from the NSW Department of Planning, Industry & Environment ('DPIE') to allow this planning proposal to be placed on public exhibition.

The regional office of DPIE has delegations to make Gateway Determinations unless the proposal is not supported or is contentious because it is not consistent with strategic planning for the area (in which case, the Executive may consider the application). Planning Circular PS 18-013 (14 December 2018) updates delegation of plan making decisions under the EP&A Act (and replaces PS16-005 & PS12-006).

Section 3.34(2)(g) of the EP&A Act provides that if the planning proposal authority is a council, the Gateway Determination may authorise the council to make the proposed instrument and set out any conditions the council is required to comply with before the instrument is made and, as a result, the council becomes the local plan-making authority.

Blayney Council requests that this matter is delegated to Council to become the plan making authority as the Proposal is consistent with the adopted *Blayney Settlement Strategy 2020* recommendations.

Please see **Section 3.6 - Part 6: Project Timeline** of this Report for an indicative timetable of steps to achieve the outcomes in this Proposal.



## 2 PLANNING PROPOSAL – SITE & JUSTIFICATION OVERVIEW

As there are several components to this Planning Proposal, the key objectives, amendments, justification and review occurs in this Section of the Report for each component.

### 2.1 PP3 Overview – Blayney Settlement Strategy 2020

The key support/justification for the amendments in this Proposal PP3 come from the adopted Elton Consulting *Blayney Settlement Strategy 2020* ('Settlement Strategy'), particularly the recommendations for the six (6) unsewered villages. This was adopted in February 2021 by Council.

Some key recommendations are shown in the Table of key recommendations (below) and on the *Structure Plan* for each relevant village at the start and in Section 4.3.2 of the *Settlement Strategy* that cover the two (2) components of this Planning Proposal.

Figure 2: Table showing key recommendations for six (6) villages in Settlement Strategy Section 4.3.2 p.105-114.

#### Settlement Strategy – Key Recommendations as follows:

##### Carcoar

- » Protect the land to the north of Carcoar from fragmentation below 2ha to enable future expansion of the village as Large Lot Residential zone should reticulated sewage become available. A minimum Lot Size of 4000sqm can be applied if reticulated water and sewer is provided.
- » Increase the minimum lot size for the erection of a dwelling applicable to land in the RU5 Village zone to 2,000sqm, with the ability to reduce the minimum lot size to 1,000sqm if reticulated sewerage is provided.
- » Inclusion of an additional provision in the BLEP that allows for dwellings on RU2 Rural Landscape zoned land in certain circumstances where the lot has an area of at least 2ha and is within 500m of the RU5 Village zone.
- » All Large Lot Residential zoned land around Carcoar which currently has a Minimum Lot Size of less than 1ha to be consistently set at 4,000sqm.

##### Mandurama

- » Generally provide a consistent minimum lot size applicable to land in the RU5 Village zone to 2,000sqm with the ability to reduce the minimum lot size to 1,000sqm if reticulated sewerage is provided.
- » The area comprising approx. 1.8ha, south of Banana Street Mandurama, zoned RU5 Village to have a minimum lot size of 4,000sqm, due to this area having potential; stormwater, access and servicing constraints.
- » Apply a minimum lot size in the R5 Large Lot Residential zone of 4000sqm.
- » Include a provision in the BLEP that allows for dwellings on RU1 Primary Production zoned land in certain circumstances where the lot has an area of at least 2ha and is within 500m of the RU5 Village zone or R5 Large Lot Residential zones.
- » 34 Mandurama Road (lot 1014 DP 834806) which is 22ha allotment as Future Investigation Area for Large Lot Residential zone with a Minimum Lot Size of 2ha.

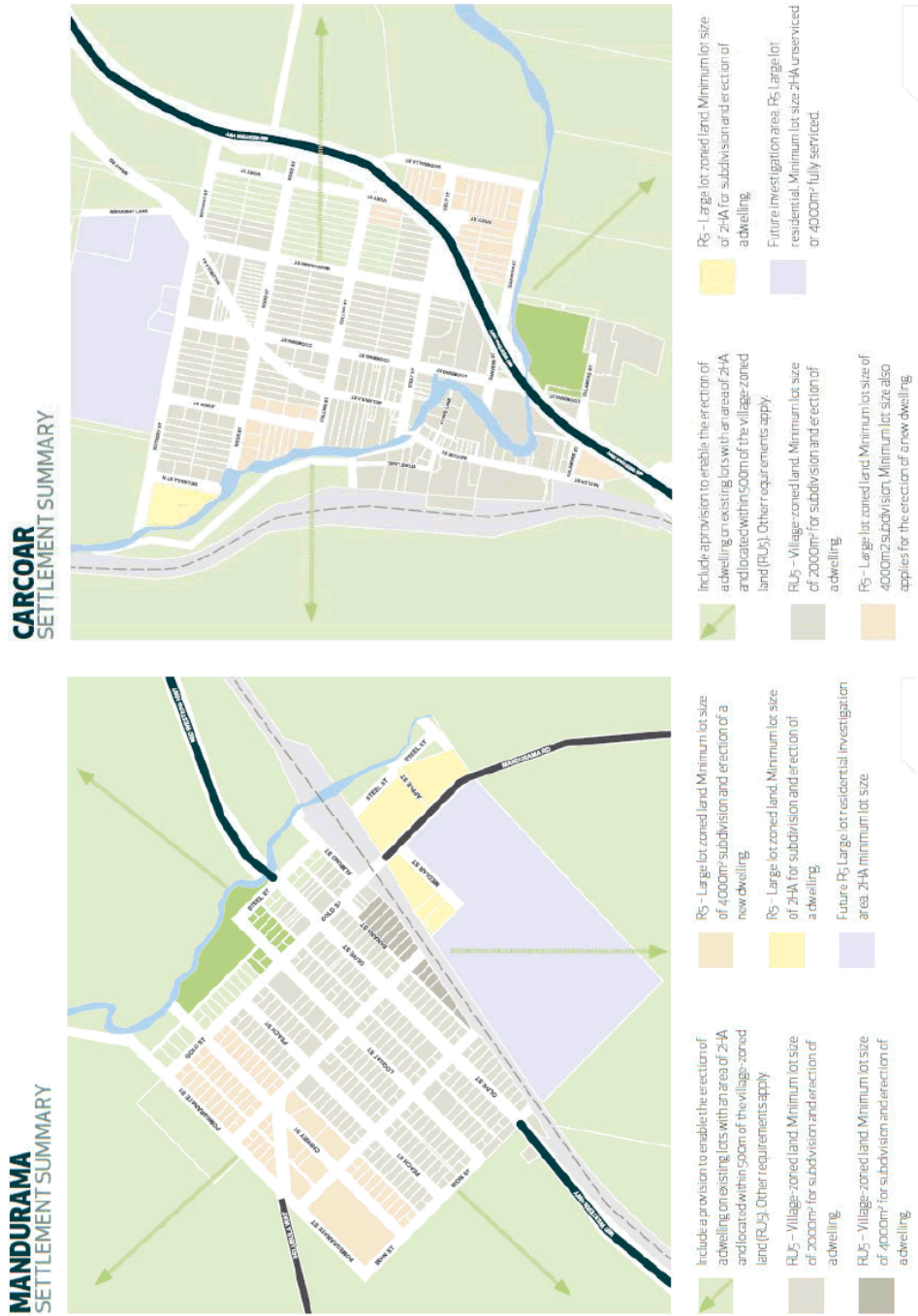
##### Lyndhurst

- » Generally provide a consistent minimum lot size applicable to land in the RU5 Village zone to 2,000sqm with the ability to reduce the minimum lot size to 1,000sqm if reticulated sewerage is provided.
- » Apply a minimum lot size in the R5 Large Lot Residential zone west of Lyndhurst of 4000sqm.
- » Minimum lot size in the R5 Large Lot Residential zone East of Lyndhurst to remain at 1ha.
- » Include a provision in the BLEP that allows for dwellings on RU1 Primary Production zoned land in certain circumstances where the lot has an area of at least 2ha and is within 500m of the RU5 Village zone or R5 Large Lot Residential zones.

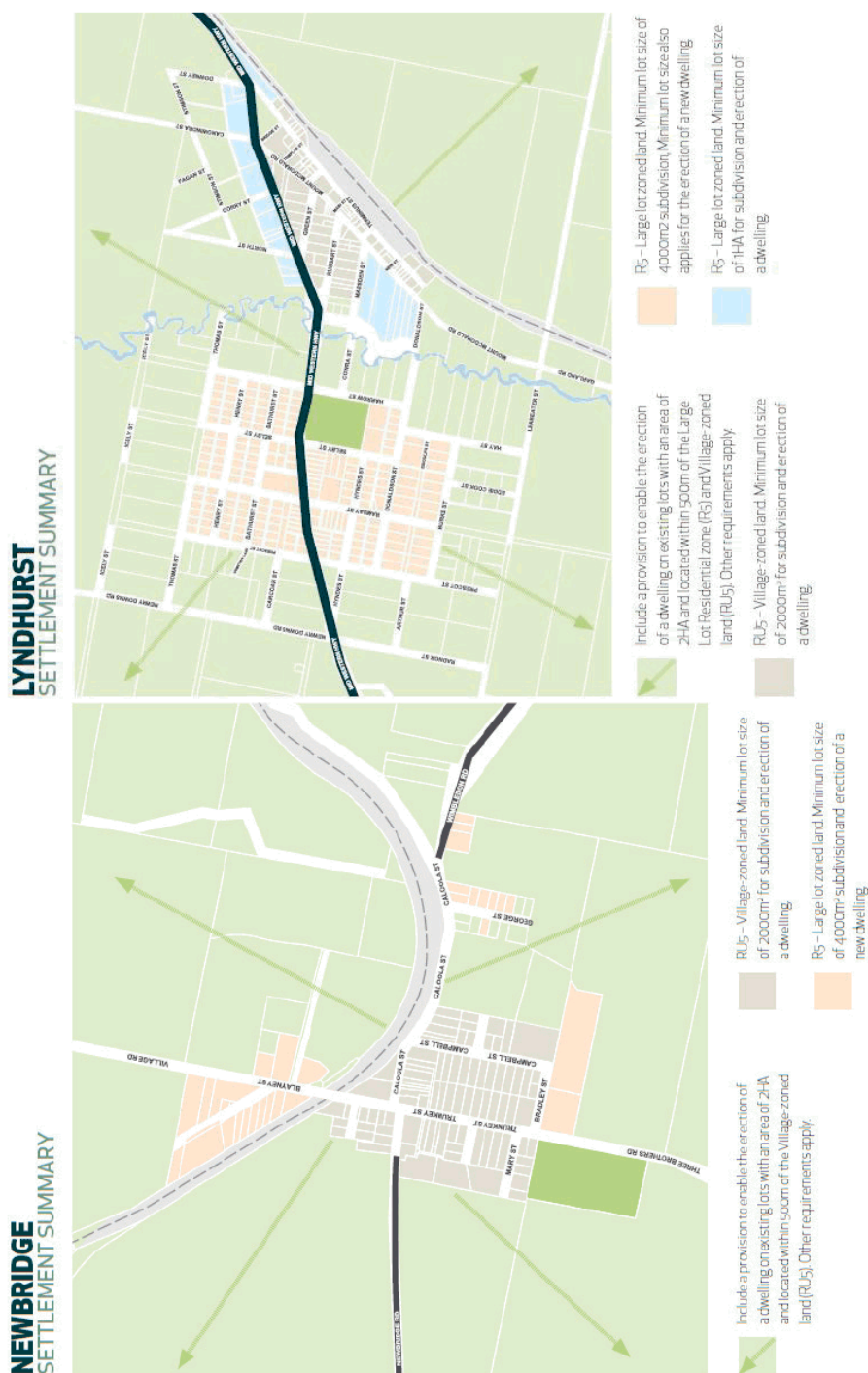
<p><b>Newbridge</b></p> <ul style="list-style-type: none"> <li>» Provide a consistent minimum lot size applicable to land in the RU5 Village zone of 2,000sqm.</li> <li>» Include a provision in the BLEP that allows for dwellings on RU1 Primary Production zoned land in certain circumstances where the lot has an area of at least 2ha and is within 500m of the RU5 Village zone.</li> <li>» All Large Lot Residential zoned land which currently has a Minimum Lot Size of less than 1ha to be consistently set at 4000sqm.</li> </ul>
<p><b>Neville</b></p> <ul style="list-style-type: none"> <li>» Provide a consistent minimum lot size applicable to land in the RU5 Village zone of 2,000sqm.</li> <li>» Include a provision in the BLEP that allows for dwellings on RU1 Primary Production zoned land in certain circumstances where the lot has an area of at least 2ha and is within 500m of the RU5 Village zone.</li> <li>» All Large Lot Residential zoned land which currently has a Minimum Lot Size of less than 1ha to be consistently set at 4000sqm.</li> </ul> <p>The Large Lot Residential zoned land (4 lots) at the intersection of Egbert Street and Kentucky Road which currently has a minimum lot size of 1.25ha is slightly reduced to 1ha.</p> <p>All other Large Lot Residential zone land shall have the minimum lot size applicable for subdivision under the current BLEP.</p>
<p><b>Barry</b></p> <ul style="list-style-type: none"> <li>» Provide a consistent minimum lot size applicable to land in the R5 Large Lot Residential zone to 4,000sqm.</li> <li>» Include a provision in the BLEP that allows for dwellings on RU1 Primary Production zoned land in certain circumstances where the lot has an area of at least 2ha and is within 500m of the R5 Large Lot Residential zone.</li> </ul>

Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds

Figure 3: Excerpt of Structure Plans for Six Villages (recommendations) from Settlement Strategy 2020.



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Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds



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## 2.2 PP3A: Minimum Lot Size (MLS) for Subdivision or a Dwelling

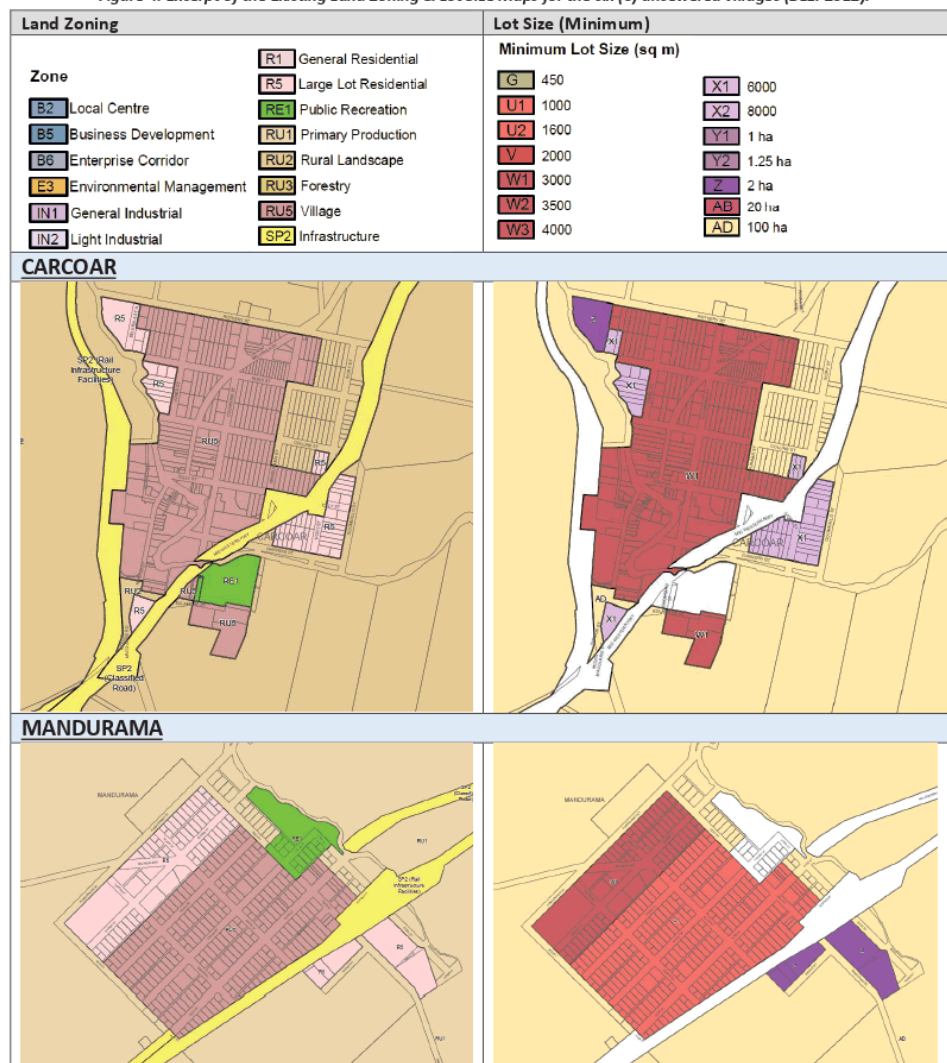
### 2.2.1 Location & Description

Proposal PP3A applies to the majority of land within Zone RU5 Village and Zone R5 Large Lot Residential in the six (6) unsewered villages of Carcoar, Mandurama, Lyndhurst, Neville, Newbridge & Barry (see the relevant maps below).


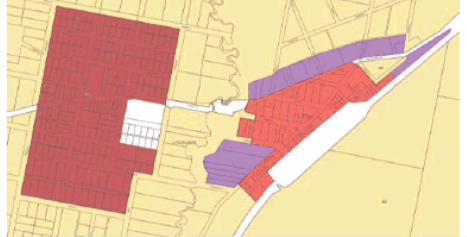
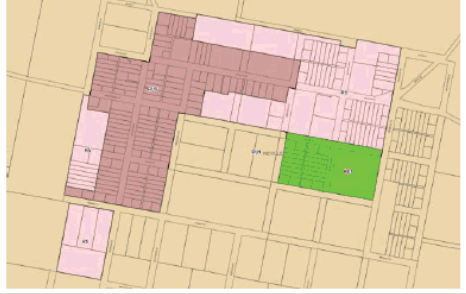
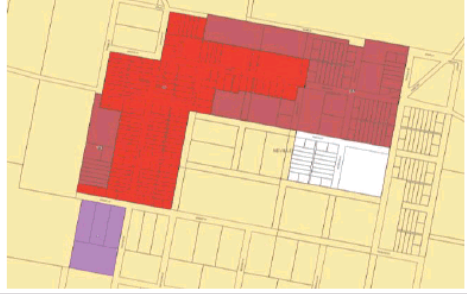

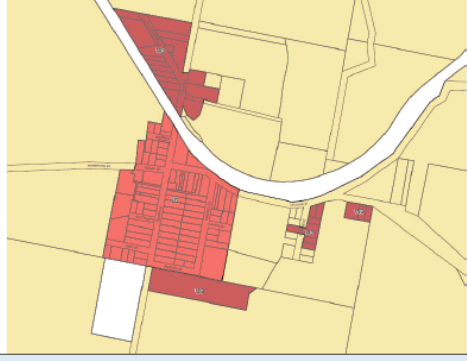
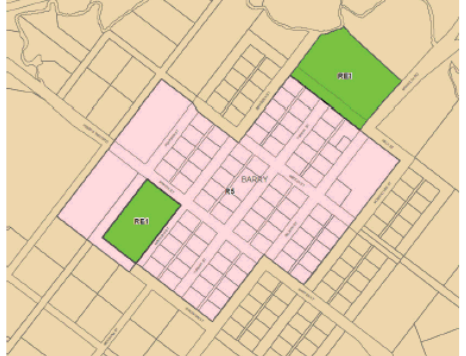
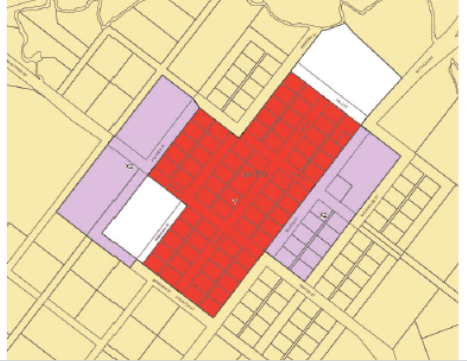
### 2.2.2 Existing Zoning & Lot Size

The following are excerpts from the existing BLEP2012 Land Zoning Map (LZN\_004A) and Lot Size Map (LSZ\_004A):

Figure 4: Excerpt of the Existing Land Zoning & Lot Size Maps for the six (6) unsewered villages (BLEP2012).



Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds

Land Zoning	Lot Size (Minimum)
<b>LYNDHURST</b>	
	
<b>NEVILLE</b>	
	
<b>NEWBRIDGE</b>	
	
<b>BARRY</b>	
	

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## 2.2.3 Proposed Amendment

### 2.2.3.1 Objective(s)

The objective of this component of the proposal is to introduce a Minimum Lot Size (MLS) to support residential accommodation (primarily dwellings) requiring on-site effluent management and/or subdivision in the unsewered villages. This will ensure there is sufficient lot area to support a dwelling with suitably-sized on-site effluent system as well as necessary buildings and other site requirements whilst minimising the risk of environmental impacts.

**Note:** Whilst this will also amend the MLS for Torrens Title subdivision, the majority of existing lots in these villages are already smaller than the MLS so additional subdivision opportunity is limited. The most significant effect of this amendment is the minimum lot size to apply for a dwelling (which is sometimes larger than the existing lot size).

### 2.2.3.2 Existing/Proposed Lot Size

The following table seeks to summarise the recommendations of the *Settlement Strategy* for lot size in each of the six (6) unsewered villages (noting that there is currently no minimum lot size to apply for a dwelling in Zone RU5 Village or Zone R5 Large Lot Residential so the existing lot size minimums in the table below are for subdivision only BUT in the future will apply to the permissibility of a dwelling or dual occupancy on that land).

A summary of the changes is as follows:

- a) In Zone RU5 Village – provide a consistent MLS of 2,000m<sup>2</sup> instead of different MLS in some villages;
- b) In Zone R5 Large Lot Residential – provide a consistent MLS of 4,000m<sup>2</sup> where Existing MLS < 1ha.

This is summarised for each village in the following table:

*Figure 5: Summary of Existing/Proposed Lot Size Recommendations (Settlement Strategy).*

VILLAGE	Zone	Area/Location	Existing Lot Size	Proposed Lot Size	Impact Subdivision
Carcoar	RU5 Village	Village core	3,000m <sup>2</sup>	2,000m <sup>2</sup>	Decrease
	R5 LLR	NW corner/Belubula St	2ha	2ha	No change
	R5 LLR	Remainder/majority	6,000m <sup>2</sup>	*4,000m <sup>2</sup>	Decrease
Mandurama	RU5 Village	South of Banana St	1,000m <sup>2</sup>	@4,000m <sup>2</sup>	Increase
	RU5 Village	Remainder	1,000m <sup>2</sup>	2,000m <sup>2</sup>	Increase
	R5 LLR	East of Rail Line	2ha	#2ha	No change
	R5 LLR	West of Rail Line	4,000m <sup>2</sup>	4,000m <sup>2</sup>	No change
Lyndhurst	RU5 Village	Village core	1,000m <sup>2</sup>	2,000m <sup>2</sup>	Increase
	R5 LLR	West of Creek	3,500m <sup>2</sup>	4,000m <sup>2</sup>	Increase
	R5 LLR	East of Creek	1ha	1ha	No change
Neville	RU5 Village	Village core	2,000m <sup>2</sup>	2,000m <sup>2</sup>	No change
	R5 LLR	Egbert St/Kentucky Rd	1.25ha	1ha	Decrease
	R5 LLR	Remainder	4,000m <sup>2</sup>	4,000m <sup>2</sup>	No change
Newbridge	RU5 Village	Village core	1,600m <sup>2</sup>	2,000m <sup>2</sup>	Increase
	R5 LLR	All	4,000m <sup>2</sup>	4,000m <sup>2</sup>	No change
Barry	R5 LLR	Village core	2,000m <sup>2</sup>	4,000m <sup>2</sup>	Increase
	R5 LLR	Village edge	8,000m <sup>2</sup>	4,000m <sup>2</sup>	Decrease

\* Carcoar - Settlement Strategy Summary Map does not exactly match existing lot size boundaries for west Zone R5 4000m<sup>2</sup> area. It is assumed this is an error and existing lot size boundaries are used.

# Mandurama - text states 4,000m<sup>2</sup> for all Zone R5 but this is inconsistent with the mapping (mapping prevails).

@ Mandurama – This new area adjusts the existing Lot Size boundaries.

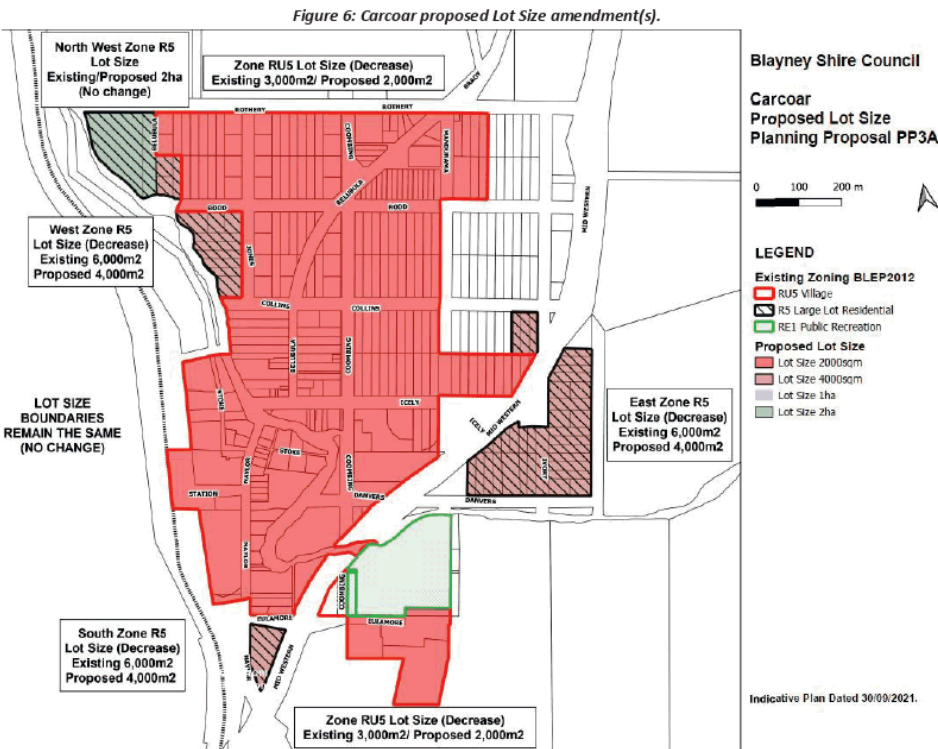
2.2.3.3 Preferred Approach

- The preferred approach of this component of the Proposal has several elements:
- a) To amend the **Lot Size Maps** for each of the relevant villages to reflect the proposed Minimum Lot Size (MLS); and
  - b) To add **new clause wording** to limit the application for erection of residential accommodation requiring on-site effluent management to lots that meet the Lot Size on the Lot Size Map.

Please see *Section 2.2.4 - Possible Method(s)* below for **indicative desired clause wording** and alternative approaches. No change is proposed to the Land Zoning or any other BLEP2012 Maps.

2.2.3.4 Map(s)

The Maps below show the proposed Lot Size changes .





Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds

Figure 7: Mandurama proposed Lot Size amendment(s).

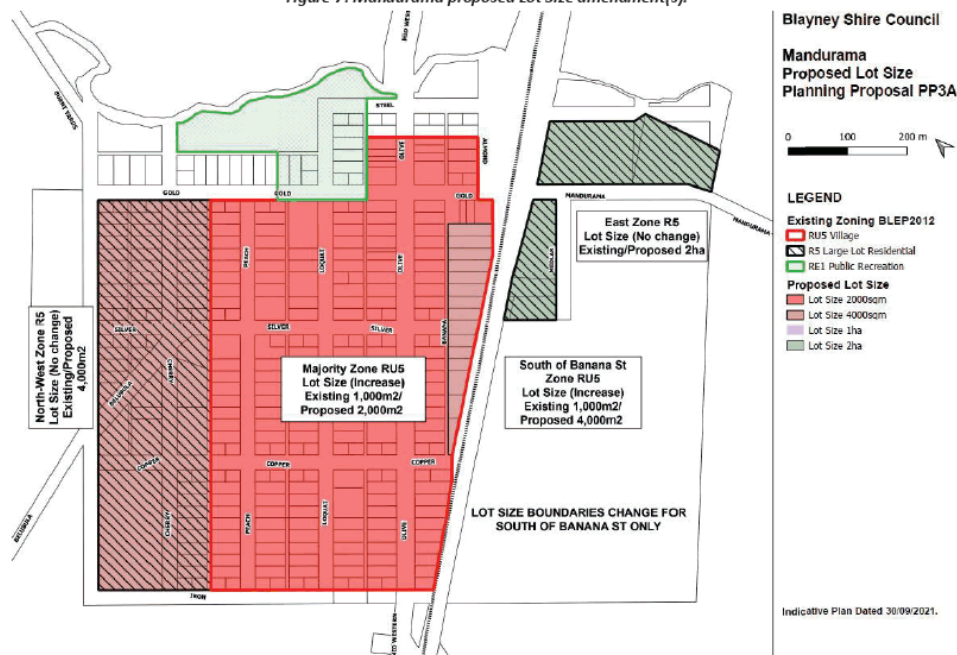
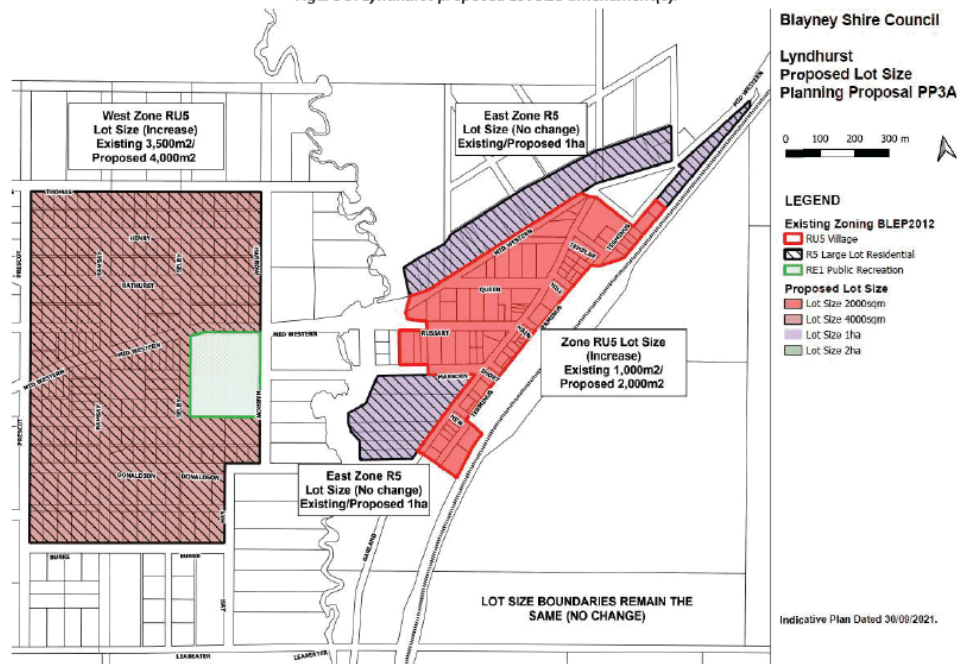


Figure 8: Lyndhurst proposed Lot Size amendment(s).





Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds

Figure 9: Newbridge proposed Lot Size amendment(s).

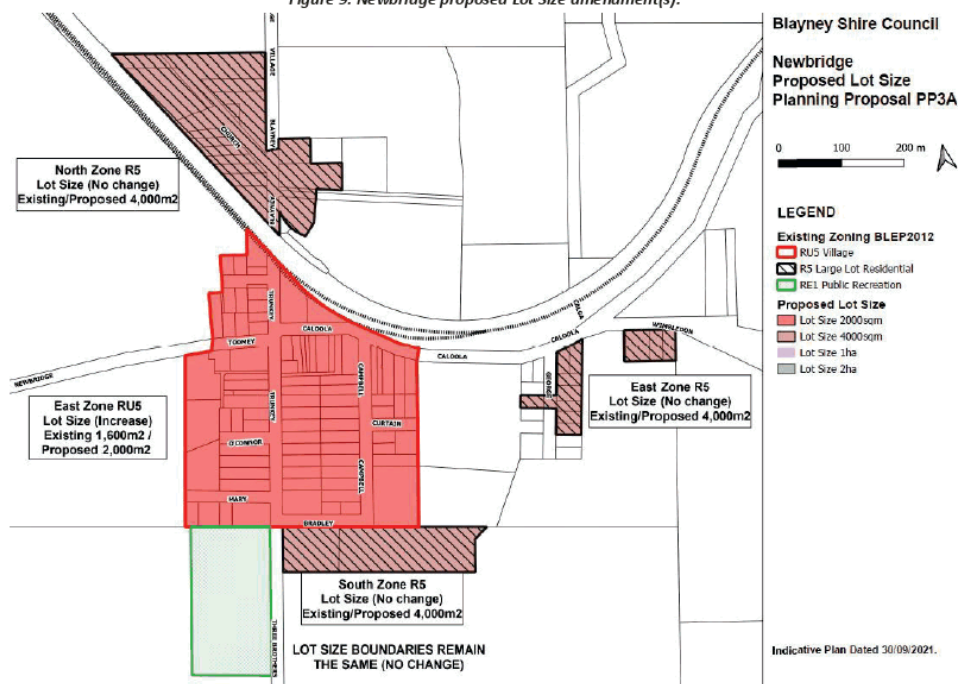
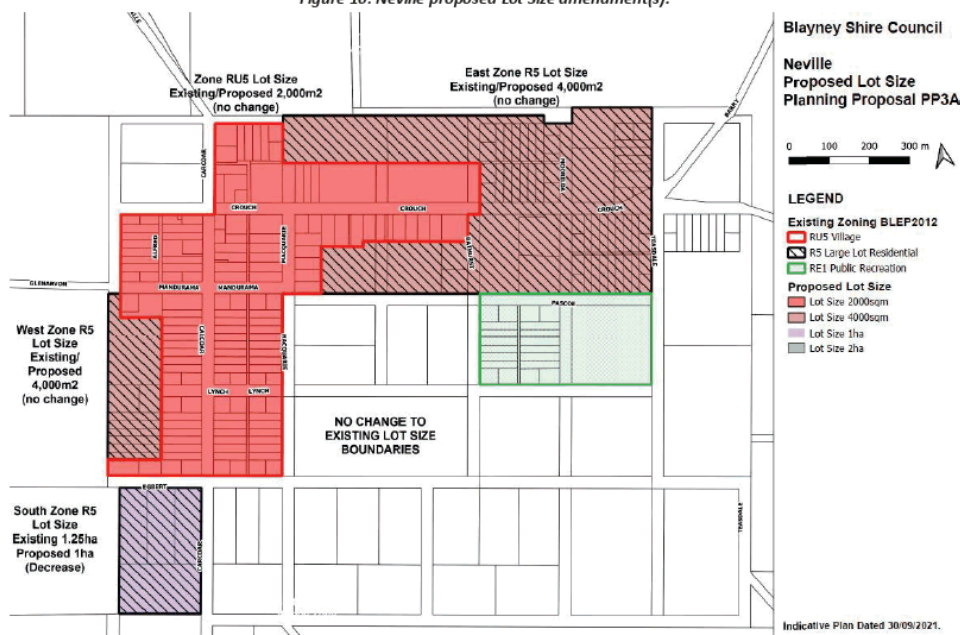
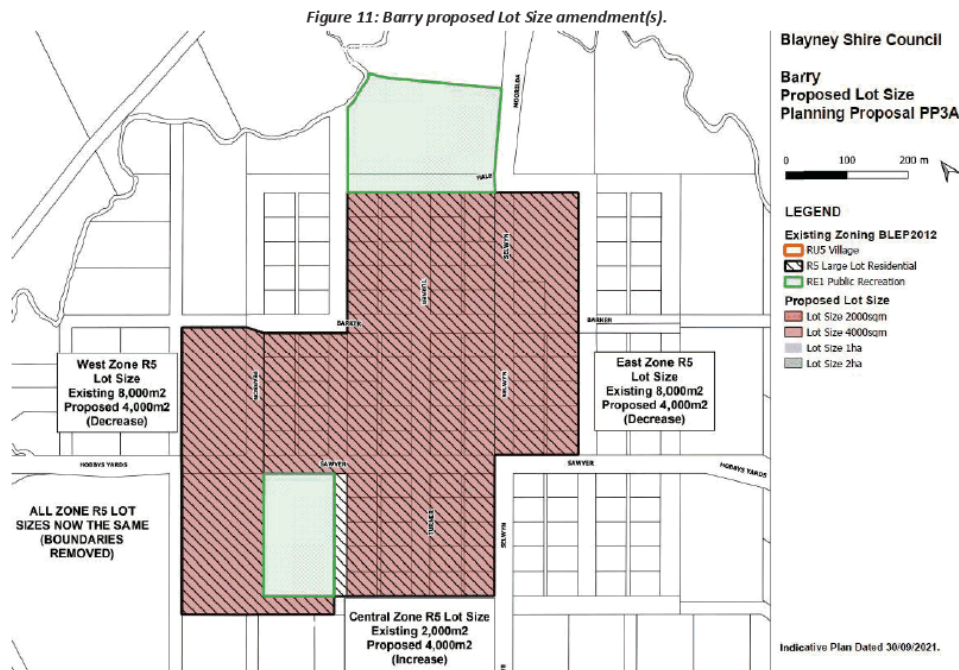


Figure 10: Neville proposed Lot Size amendment(s).



Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds



2.2.3.5 Justification(s)

The key justification(s) for the Amendment(s) are summarised as follows:

a) Existing Control(s)/Issue(s)

Under the existing controls there is a Minimum Lot Size (MLS) for subdivision through the link between *Clause 4.1 – Minimum subdivision lot size* and the Lot Size Map(s) for each village. However, most of the villages have historic subdivision patterns and the majority of lots are significantly below the MLS. As a result, it is difficult to enforce the MLS as limited subdivision is required.

In addition, and more significantly, there is no existing control to prevent a land owner applying for development on an existing lot well below the MLS (subject to demonstrating an on-site effluent system can fit on the property). However, often these systems fail and there is no additional site area to expand or redesign the on-site effluent system. The environmental impacts may be significant and it is difficult to retrospectively fix the issue.

b) Potential Solution(s)/Settlement Strategy

Therefore, Council's preference is to set reasonable MLS for BOTH subdivision and residential accommodation requiring on-site effluent management whilst these villages are not connected to reticulated sewer.

Whilst there is a mix of changes to lot size that both decrease and increase the MLS – in effect the majority of these changes will increase the MLS for residential accommodation (but not other development) requiring on-site effluent management as the majority of existing lots are well below the existing or proposed MLS.

These amendments were recommended in the adopted *Settlement Strategy 2020* (See *Section 2.1 – PP3 Overview – Blayney Settlement Strategy 2020*). It is also important to note they were considered in the *Draft Settlement Strategy 2012* but at the time they were not supported by the Councillors and only implemented for Torrens Title subdivision at a range of lot sizes across villages. Unlike the 2012 Strategy, the 2020 Strategy is seeking to have a greater degree of consistency in supported lot size between MLS for each zone between villages.

c) Land Supply

The *Settlement Strategy 2020* has reviewed dwelling opportunity and constraints for the six (6) unsewered villages. It is implied that this Planning Proposal PP3A will not unduly constrain additional dwelling growth potential (infill)

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development) for both Zone RU5 Village and Zone R5 Large Lot Residential in the six (6) villages for the following reasons:

- a) As the table in *Figure.5* shows, the minimum lot size proposed for each village is a MIX of some that stay the same, some that increase and some that decrease;
- b) The merit assessment process may have otherwise determined that larger lots were required to support on-site effluent systems and associated development so the impact of mandating increases in lot sizes may not have reduced dwelling approvals significantly; and
- c) In part any actual or perceived reduction in dwelling permissibility may be offset by some small additional dwelling growth around the villages in Planning Proposal PP3B below.

#### 2.2.4 Possible Method(s)

Changing the Minimum Lot Size for BOTH residential accommodation (primarily dwellings) and subdivision is best achieved by amending BLEP2012 to change the relevant Lot Size Map(s) for each village so that it is clear what areas are affected on the maps and there is a clear minimum lot size shown (even if varied by a linked clause).

The method results in a site-specific outcome whilst creating a transparent connection between the land use controls and the intended development outcomes (easily visible on the map(s)). The amended maps would link directly to the *Clause 4.1 – Minimum subdivision lot size* (particularly subclause (3)) to govern lot size by Torrens Title Subdivision.

However, changing the Lot Size Map(s) does not resolve the issue of the existing lot pattern enabling dwellings on lots below the MLS. *Clause 4.2A – Erection of dual occupancies and dwelling houses on land in certain rural zones* does not apply to Zone RU5 or Zone R5 (urban/residential zones) in PP3A so there is no mechanism to prevent a dwelling being applied for on any existing lot that is below the MLS on the Lot Size Map(s) (including the majority of lots in each settlement).

It is NOT appropriate to add the relevant urban/residential zones to Clause 4.2A as subsection (3)(c) would enable a dwelling to be applied for on each and every lot because it would be ineffectual as they would satisfy the exemption that is 'a lot created under an environmental planning instrument before this Plan commenced and on which the erection of a dual occupancy or dwelling house was permissible immediately before that commencement'.

The alternative would be to add a new clause to BLEP2012 that specifically overrules Clause 4.1 & Clause 4.2A for lots in the areas identified in this Planning Proposal consistent with the objective above (see Section – *Example - Lithgow LEP 2014* below).

##### 2.2.4.1 Example - Lithgow LEP 2014

The *Lithgow LEP 2014* provides an example of where the objective in this Proposal has been achieved by adding a new clause to govern dwellings in Zone RU5 Village and Zone R5 Large Lot Residential.

#### 4.2B Erection of dwelling houses, dual occupancies and secondary dwellings in Zone RU5 and Zone R5

- (1) The objectives of this clause are as follows—
  - (a) to ensure that development is undertaken on appropriately sized lots that have access to available essential services,
  - (b) to manage development density affected by subdivision patterns approved under the planning instrument in force immediately before the commencement of this Plan.
- (2) This clause applies to land in the following zones—
  - (a) Zone RU5 Village,
  - (b) Zone R5 Large Lot Residential.
- (3) Development consent must not be granted for the erection of a dwelling house, dual occupancy or secondary dwelling on land to which this clause applies, and on which no dwelling house, a dual occupancy or a secondary dwelling has been erected, unless the lot—
  - (a) is not smaller than the minimum size shown on the Lot Size Map in relation to that land, or
  - (b) was created by a subdivision for which development consent was granted under an environmental planning instrument, and on which the erection of a dwelling house, dual occupancy or secondary dwelling would have been permissible, immediately before the commencement of this Plan, or
  - (c) resulted from a subdivision for which development consent was granted under an environmental planning instrument, and on which the erection of a dwelling house, dual occupancy or secondary dwelling would have been permissible, if the plan of subdivision had been registered before the commencement of this Plan.

#### 2.2.4.2 Draft BLEP2012 Clause 4.2C Amendment

The preferred approach of Council is to adopt the approach in Lithgow LEP 2014 above (with amendments shown by strikeout or in red) and add a new clause to BLEP2012 (possibly as Clause 4.2C). Draft indicative wording is set out below.

**NOTE: The Clause wording MAY CHANGE and is subject to approval by DPIE and Parliamentary Counsel.**

#### **4.2C Erection of residential accommodation requiring on-site effluent management in Zone RU5 and Zone R5**

- (1) The objectives of this clause are as follows—
- (a) to ensure that residential accommodation requiring on-site effluent management is undertaken on appropriately sized lots that have ~~access to available essential services~~ sufficient lot size to support the development and an on-site effluent management system,
  - (b) to enable residential accommodation requiring on-site effluent management on lots that were created under this environmental planning instrument (but not ~~manage development density affected by subdivision patterns approved~~ under the planning instrument in force immediately before the commencement of this Plan).
- (2) This clause applies to land in the following zones—
- (a) Zone RU5 Village,
  - (b) Zone R5 Large Lot Residential.
- (3) Development consent must not be granted for the erection of ~~dwelling house, dual occupancy or secondary dwelling~~ residential accommodation requiring on-site effluent management on land to which this clause applies, and on which no dwelling house or dual occupancy requiring on-site effluent management has been erected, unless the lot—
- (a) is equal to or larger ~~not smaller~~ than the minimum size shown on the Lot Size Map in relation to that land, or
  - (b) was created by a subdivision for which development consent was granted under ~~an~~ this environmental planning instrument (prior to the amendment creating this clause), and on which the erection of a dwelling house, dual occupancy or secondary dwelling would have been permissible, immediately before the commencement of this Plan, or
  - (c) resulted from a subdivision for which development consent was granted under ~~an~~ this environmental planning instrument (prior to the amendment creating this clause), and on which the erection of a dwelling house, dual occupancy or secondary dwelling would have been permissible, if the plan of subdivision had been registered before the commencement of this Plan.

- a) **Applicable Zones:** The proposed clause applies to Zone RU5 Village and Zone R5 Large Lot Residential that are the relevant urban/residential zones in the unsewered villages in this Planning Proposal. It does not extend to other urban or rural zones. **Note:** This will also extend it to Millthorpe (both Zone RU5 and R5) and Blayney (only Zone R5) that is not specifically addressed in this proposal. However, it will have no effect in the urban areas of Millthorpe and Blayney as on-site effluent management would not be required.
- b) **Other LLR Areas:** It would also extend to Large Lot Residential areas along Forest Reefs Rd and Browns Creek Rd but as these are new subdivision areas with an MLS of 2ha there should not be any historic lots below the MLS on the Lot Size Map so it should be consistent with (or merely reinforce) existing controls. If these areas were excluded it may require the mapping of all areas to which this clause applies which adds complexity to BLEP2012 and is less desirable.
- c) **Applicable Development:** The Lithgow example clause only applied this clause to dwellings, dual occupancies and secondary dwellings. Likewise, *Settlement Strategy 2020* only referenced the need to increase the minimum lot size for 'dwellings' but it was implicit that the intent of the recommendation was to achieve appropriate environmental outcomes for on-site effluent management systems for all residential accommodation. It is accepted that dwellings (in the form of dwelling houses, dual occupancies & secondary dwellings) are the most likely forms of development in the applicable zones for these villages. However, ideally the clause would apply to all residential accommodation that requires the construction of a new (or upgrade of existing) on-site effluent management system. Other permissible forms of development (e.g., commercial or industrial) should be considered on their merits and may be able to provide alternative solutions to effluent management. This Proposal does not seek to hamper growth of employment uses in the villages.
- d) **Previous Subdivisions (approved):** It cannot apply to subdivisions that were approved under previous environmental planning instruments as this would undermine the objective. However, proposed subclause 3(b) states that if there were approved subdivisions since BLEP2012 commenced then it would be equitable to permit a dwelling on each created lot assuming it has been demonstrated that the site can support an appropriate on-site effluent management system (**Note:** This may result in the lodgement of a limited number of applications prior to



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the LEP amendment in this Proposal commencing to approve subdivision but this Proposal must still be considered).

- e) **Previous Subdivisions (not registered):** Addressed by proposed subclause 3(c) above.

## 2.2.5 Site Analysis & Other Relevant BLEP2012 Controls

This Section provides a brief review of some of the key relevant controls in BLEP2012 and site constraints/ opportunities for the Site/Affected Area that may influence the outcomes in this Planning Proposal and the suitability of the Site.

BLEP2012 Clause / Constraint	Comment
<b>2.1 - Land Use Zones / Land Use Table</b>	This Proposal does not seek to change the Land Use Table or Land Zoning Map for the relevant villages.
<b>4.1 – Minimum Subdivision Lot Size</b>	This Proposal DOES seek to change the Lot Size Maps for the villages in accordance with Table 3A1 in Section 2.2.3.2 above with the justification(s) noted above.
<b>4.1AA – Minimum subdivision lot size for community title schemes</b>	These Clauses are NOT APPLICABLE as they only apply to rural zones and not the subject Zone RU5 Village and Zone R5 Large Lot Residential. Therefore, community title and strata title are still permitted below the MLS in the applicable areas (subject to consent). There is no need to apply Clauses 4.1AA & 4.1A to the subject land because subdivision below the MLS is a low risk as most lots are already below the MLS and new dwelling applications are still subject to the larger lot sizes required by this Planning Proposal.
<b>4.1A – Minimum subdivision lot size for strata plan schemes in certain rural zones</b>	
<b>4.2 – Rural subdivision</b>	
<b>4.2A – Erection of dwelling houses or dual occupancies on land in certain rural zones</b>	PP3A does not affect rural subdivision under Clause 4.2 or boundary adjustments under Clause 4.2B and neither of these clauses need to apply to the subject land. However, the Proposal seeks to manage potential land use conflicts consistent with the requirements of Clause 4.2A without compromising that clause.
<b>4.2B – Boundary adjustments between lot sin certain rural zones</b>	
<b>5.1 – Relevant Acquisition Authority</b>	No change to Land Acquisition mapping/outcomes required. At the date of this report there was no land mapped in BLEP2012.
<b>5.10 – Heritage Conservation</b>	The Proposal affects lots size throughout six (6) of the villages. There may be listed heritage items where the lot size is changing but they have not been individually assessed. For the majority of villages, the lot size is increasing for subdivision (and it is increasing for all villages for dwelling permissibility) so heritage impacts should decrease. Newbridge is the only village with a heritage conservation area and the lot size is increasing in the Zone RU5 Village or staying the same in Zone R5 Large Lot Residential so there should be no additional impact. However, it is consistent with standard practice to consider this during the development assessment process.
<b>5.21 Flood Planning</b>	There are currently no Flood Maps in the six (6) villages as a Flood Study has not been conducted in these areas but this clause still applies where land is below the Flood Planning Level. The Proposal is more likely to decrease dwelling densities (or remain the same) so this reduces the potential for flood impacts. Flooding still needs to be addressed by all applications (where relevant).
<b>6.2 Stormwater Management</b>	The Proposal is likely to decrease potential dwelling densities in the six (6) villages which should decrease stormwater impacts. Stormwater still need to be addressed by all applications (where relevant).
<b>6.3 Terrestrial Biodiversity</b>	The mapped Terrestrial Biodiversity does sometimes overlap with the six (6) villages. This Proposal is likely to decrease dwelling potential and resulting vegetation impacts. This is best considered in more detail during the development assessment process.
<b>6.4 Groundwater Vulnerability</b>	Of the six (6) villages, groundwater vulnerability only significantly impacts Newbridge. This Proposal is likely to decrease dwelling potential and resulting groundwater impacts. As there is no reticulated sewer, appropriate geo-technical studies for on-site effluent can generally avoid or mitigate this risk for new dwellings. This is best considered in more detail during the development assessment process.
<b>6.5 Drinking Water Catchments</b>	Of the six (6) villages, only Neville and Barry are in a drinking water catchment (for Lake Rowlands) but the Proposal is likely to decrease dwelling potential and



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BLEP2012 Clause / Constraint	Comment
	resulting catchment impacts. However, appropriate geo-technical studies for on-site effluent can generally avoid or mitigate this risk for new dwellings. This is best considered in more detail during the development assessment process.
<b>6.6 Riparian Land &amp; Watercourses</b>	There are riparian watercourses mapped within or close to each of the six (6) villages. However, generally BLEP2012 sought to increase setbacks for Zone RU5 & Zone R5 areas from watercourses from likely flood prone land and encourages setbacks for dwellings from these watercourses. This is best considered in more detail during the development assessment process.
<b>6.7 Development within a Designated Buffer Area</b>	The only designated buffer area near a village is at Neville but this is outside the Zone RU5/R5 area so there is a low risk of any impact.

**Naturally Occurring Asbestos (NOA):** Of the six (6) villages, only Neville & Newbridge are within an area with Medium Naturally Occurring Asbestos (NOA) Potential on the Naturally Occurring Asbestos in NSW Map (<https://trade.maps.arcgis.com/>). This Proposal will generally decrease dwelling yield by increasing minimum lot size to support a dwelling so it decreases risk of asbestos impacts and can be appropriately conditioned for any development.

**Aboriginal Heritage:** A specific review of Aboriginal heritage has not been conducted but would need to be considered for any relevant sites during the development application process. This Proposal relates to existing Zone RU5 and Zone R5 areas where there has been significant disturbance and a lower probability of finding relics. There are some significant watercourses, but very few of these are permanent and setbacks are proposed. This can be considered in more detail during the development assessment process.

**Gas Pipeline:** The main gas pipeline does not run in or close to any of the six (6) villages and would not be affected by the additional dwelling potential.

**Conclusion:** Based on the above brief review there are no key environmental constraints that would prevent the Proposed Amendment(s) from achieving a Gateway Determination.

## 2.3 PP3B: Dwelling Permissibility – within 500m of Certain Zones

### 2.3.1 Location & Description

This part of the Planning Proposal ('PP3B') applies to lots (without a dwelling) within Zone RU1 Primary Production or Zone RU2 Rural Landscape ONLY within 500m of the **existing** Zone RU5 Village Zone and/or Zone R5 Large Lot Residential areas ('Urban Areas' - as set out in **Table 3B1** in *Section 2.3.3.1* below) in the six (6) unsewered village that meets certain criteria set out below ('Site PP3B').

### 2.3.2 Existing Zoning & Lot Size

The land within Site PP3B has the following key land use controls in BLEP2012:

- a) Zone RU1 Primary Production or Zone RU2 Rural Landscape (Land Zoning Map);
- b) Minimum Lot Size of 100ha (Lot Size Map).

Under BLEP2012 *Clause 4.2A – Erection of dwelling houses or dual occupancies on land in certain rural zones* – subclause (3) - Development consent **must not be granted** for the erection of a **dwelling house** or **dual occupancy** in Zone RU1 or Zone RU2, and on which no dwelling house or dual occupancy has been erected, unless the land—

(a) is a lot that is at least the minimum lot size shown on the [Lot Size Map](#) in relation to that land (i.e., 100ha).

There are other exceptions under subclause (3)(b) to (f) but these are very restricted. Existing holdings no longer exist under BLEP2012.

This means there can be existing small lots (significantly less than <100ha), often part of the historic subdivision patterns of each village, without a dwelling in close proximity to a settlement that are of an insufficient size to be viable for extensive agriculture (without off-farm income) and cannot apply for a dwelling at this time because they do not achieve the minimum lot size in *Clause 4.2A*.

Council considers that the use of these limited numbers of lots around the existing urban areas of each village for dwellings has the potential to promote population and economic growth with minimal impact on surrounding agriculture or agricultural productivity.

### 2.3.3 Proposed Amendment(s)

#### 2.3.3.1 Objective(s)

The Objective of this component of the Proposal is to permit a development application for a dwelling house (or dual occupancy) on a lot or holding that meets the following criteria:

##### Core Criteria

##### The lot or holding:

- a) Is in Zone RU1 Primary Production or Zone RU2 Rural Landscape (rural land);
- b) Has no existing dwelling house or dual occupancy;
- c) Includes all or a significant part of the lot within 500m of Zone RU5 Village and/or Zone R5 Large Lot Residential area as set out in **Table 3B1** below;

*Figure 12: Table of relevant zones from which 500m is measured for each of the six (6) settlements.*

Settlement/Village	Zone(s) from which 500m is Measured
Carcoar	Zone RU5 Village
Lyndhurst	Zone RU5 Village + Zone R5 Large Lot Residential
Mandurama	Zone RU5 Village
Newbridge	Zone RU5 Village
Neville	Zone RU5 Village
Barry	Zone R5 Large Lot Residential

- d) Has a minimum area of 1.5 hectares;
- e) Not significantly affected by any environmental or other significant constraints (see 'Additional Constraint Criteria' below); and
- f) Has legal access to a public road; and,

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as such, has been mapped as having 'dwelling opportunity' on the new 'Dwelling Opportunity Map(s)' to be incorporated into BLEP2012.

Additional Constraint Criteria

The more detailed environmental or other constraints that may prevent a lot/holding from being suitable for consideration for a dwelling and include, but are not limited to (focussed on key issues for the six (6) villages & surrounds) – the lot/holding:

- a) **Access:** Has the ability to create a safe and legal point of access to a public road (not a Crown Road and preferably not a Classified Road);
- b) **Growth:** Is not identified in the *Settlement Strategy 2020* for future rezoning for additional urban or large lot residential growth;
- c) **Heritage:** Is not a heritage item and would not impact significantly on any heritage conservation area (Newbridge is only relevant village with a HCA);
- d) **Environment:** Has a suitable dwelling envelope and access that is unlikely to be affected by natural hazards such as flooding or bushfire and is setback from any key watercourses and sensitive biodiversity. Where there is no existing flood study then the precautionary principle is applied to avoid land that foreseeably is below the flood planning level of 1% Annual Exceedance Probability (AEP) + 500mm freeboard;
- e) **Visual Impact:** Is likely to have a suitable dwelling envelope/location that would not compromise the overall vista and/or create a detrimental visual amenity impact (e.g., steeper slopes around Carcoar in the visual catchment of the village and key heritage items);
- f) **Land Use Conflict:** Is likely to have a suitable dwelling envelope/location that provides a suitable setback/buffer to avoid or minimise any significant land use conflict on an adjoining or nearby property, particularly for protection of agricultural land and operations and/or known mineral potential lands/existing extractive resource buffers.
- g) **Agricultural Potential:** Is on significantly fragmented land (lot size generally < 10ha) and is not part of a large agricultural holding where an additional dwelling would conflict with the agricultural potential of the land and extend dwellings significantly beyond the historic urban subdivision pattern of each village.

Other Limitations

- a) **Merit Assessment:** It is important to note that the identification of a lot as having 'dwelling opportunity' does not 'entitle' that land owner to a dwelling approval. Any application will still need to address the requirements of the relevant planning controls and is subject to a merit assessment. Therefore, it does not avoid the need to address any site-specific constraints or requirements in accordance with the relevant planning controls and the merit assessment may still prohibit a dwelling on that land.
- b) **Time Limitation:** This 'dwelling opportunity' will only be valid for **five (5) years** from the Date of Commencement of this Amendment to BLEP2012. This will give a reasonable time for land owners to seek consent plus another five (5) years to physically commence any consent. The time limitation ('sunset clause') seeks to avoid additional impacts on agriculture after that time period has elapsed.
- c) **Consistency:** This 'dwelling opportunity' is an extension of the same or similar opportunity given to Millthorpe that may be approved under an earlier Planning Proposal named PP2B. This creates consistency for all of the smaller settlements (other than the Town of Blayney).

**2.3.3.2 Preferred Approach**

There are two significant ways to achieve the above objective:

- a) Map the specific lots that could achieve the criteria to support a dwelling so it is clear to those land-owners and neighbours where that potential is located – New 'Dwelling Opportunity' Maps for each relevant village;
- b) Amend the clause wording in BLEP2012 – possibly by drafting a clause that sets out core criteria and/or links 'dwelling opportunity' to the 'Dwelling Opportunity' Maps for each relevant village;

Amending the clause wording in BLEP2012 to provide a clause that set out all of the criteria without mapping lots/holdings with 'dwelling opportunity' would require an Applicant to address the criteria and provides more flexibility for landowners but less certainty for the community and neighbouring lots.

Council's preference is to map the specific lots based on the criteria above and analysis below and amend *Clause 4.2A of BLEP2012* to provide an exception to the Lot Size requirement for the mapped lots.

Please see *Section 2.3.4 - Possible Method(s)* below for **indicative desired clause wording** and alternative approaches.

### 2.3.3.3 Affected Lots

The following are tables showing the lots with **Dwelling Opportunity** (pink fill) supported by MAPS in the Appendices - including key mapped site constraints/criteria and a summary table of the lots identified with a 'dwelling opportunity' for each village.

*Figure 13: Carcoar – Table of Dwelling Opportunity (pink fill) with some key criteria/constraints (with aerial photo).*

No. on Map	CARCOAR Address	Title (Lot/DP)	Comment (if required)
1	16 Mandurama St	Lots 11-20 Sect 6 DP758225	One (1) dwelling entitlement for this holding. Many of the lots have significant environmental constraints. It is Council's intention that all of the lots are consolidated and the dwelling sited to minimise impacts.

*Figure 14: Lyndhurst - Table of Dwelling Opportunity (pink fill) with some key criteria/constraints (with aerial photo).*

No. on Map	LYNDHURST Address	Title (Lot/DP)	Comment (if required)
1	117 Garland Rd	Lot 3 DP197791	N/A
2	116 Garland Rd	Lot 2 DP197791	Flooding may need to be addressed.
3	10 Hay St	Lot 2 Sect 35 DP758629	Flooding may need to be addressed.
4	4 Hay St	Lot 89 DP750393	Flooding may need to be addressed.
5	2 Hay St	Lot 90 DP750393	Flooding may need to be addressed.
6	16 Leabater St	Lot 5 Sect 36 DP758629	Frontage to both Leabater & Hay Sts.
7	1 Burke St	Lot 5 Sect 37 DP758629 Lot 1 DP130262	One (1) dwelling opportunity for this part of the holding.
8	1 Burke St	Lots 3-12 Sect 38 DP758629	One (1) dwelling opportunity for this part of the holding.
9	1 Burke St	Lot 32 DP750393	One (1) dwelling opportunity for this lot with a road frontage.
10	6609 Mid Western Highway	Lots 2 & 3 Sect 26 DP758629	One (1) dwelling opportunity for these two (2) lots. Vegetation to be protected. Access from Prescott St only.
11	6578 Mid Western Highway	Lot 1 DP1123773	Access from Newry Downs Rd only.
12	6578 Mid Western Highway	Lots 2 & 3 DP1123773	One (1) dwelling opportunity for these two (2) lots. Access from Prescott St only.
13	111 Prescott St	Lot 1 DP133604 Lot 84 DP750393	One (1) dwelling opportunity for these two (2) lots.
14	111 Prescott St	Lots 77-79 DP750393	One (1) dwelling opportunity for these three (3) lots.
15	2 Thomas St	Lot 1 Sect 1 DP758629	One (1) dwelling opportunity for this lot.
16	2 Thomas St	Lot 2 Sect 1 DP758629	One (1) dwelling opportunity for this lot.
17	14 -16 Thomas St	Lot 1 Sect 3 DP758629 Lot 3 DP130390	One (1) dwelling opportunity for these lots subject to consolidation.
18	7-10 Thomas St	Lot 2 Sect 3 DP758629; Lot 1 DP130389	One (1) dwelling opportunity for these two (2) lots.
19	22 Thomas St	Lot 2 Sect 4 DP758629; Lot 1 DP1126655	One (1) dwelling opportunity for these two (2) lots – access from Selby St most likely.
20	16 Harrow St	Lot A DP308921; Lots 1-3 DP1092791	One (1) dwelling opportunity for these four (4) lots. Flooding may need to be addressed.
21	12 Harrow St	Lot 1 DP123347	Flooding may need to be addressed.
22	6 – 8 Harrow St	Lot 1 Sect 22 DP758629 Lot 2 Sect 22 DP758629	Flooding may need to be addressed

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Figure 15: Newbridge - Table of Dwelling Opportunity (pink fill) with some key criteria/constraints (with aerial photo).

No. on Map	NEWBRIDGE Address	Title (Lot/DP)	Comment (if required)
1	45 Caloola St	Lot 8 DP1090786	Frontage to Caloola St and George St. May require flood study depending on proposed dwelling location.
2	29 Caloola St	Part Lot 1010 DP1129792	

Figure 16: Neville - Table of Dwelling Opportunity (pink fill) with some key criteria/constraints (with aerial photo).

No. on Map	NEVILLE Address	Title (Lot/DP)	Comment (if required)
1	1663 Neville Rd	Lot 1 DP1039920	Whilst these are part of a larger agricultural holding the lots are part of this historic subdivision pattern of the village. Impacts on agriculture would still need to be addressed.
2	1663 Neville Rd	Lot 2 DP1039920	
3	70 Teasdale Rd	Lot 1 Sect 3 DP758767	Only one (1) lot in this holding is given a dwelling opportunity as it immediately adjacent to the urban area.
4	71 Kentucky Rd	Lot 4 Sect 32 DP758767	Only one (1) lot in this holding is given a dwelling opportunity as it has a road frontage.
5	7 Macquarie St	Lot 421 DP750399 & Lot 3 DP247651	Only one (1) lot in this holding is given a dwelling opportunity as it has a road frontage.
6	779 Barry Rd	Lot 415 DP750399 Lot 1 DP1161407	One (1) dwelling opportunity for this holding.
7	48 Crouch St	Lot 1 Sect 12 DP758767	N/A

Figure 17: Barry - Table of Dwelling Opportunity (pink fill) with some key criteria/constraints (with aerial photo).

No. on Map	BARRY Address	Title (Lot/DP)	Comment (if required)
1	27 Pearson St	Lots 1-10 Sect 9 DP758062 Lot 16 DP111690	One (1) dwelling entitlement for this holding. Flooding may need to be addressed.
2	2306 Hobbys Yards Rd	Lots 143-144 DP750399 Part Lot A DP111690	One (1) dwelling entitlement for this holding. Flooding may need to be addressed.
3	40 Coombing Ln	Lot 215 DP750399	N/A
4	46 Barry Rd	Lots 162, 163 & 165 DP750399	One (1) dwelling entitlement for this holding. Flooding may need to be addressed.
5	47 Barry Rd	Lots 236 DP750399	One (1) dwelling entitlements for this lot. Flooding may need to be addressed.
6	47 Barry Rd	Lots 237 DP750399	One (1) dwelling entitlements for this lot. Flooding may need to be addressed.
7	2225 Hobbys Yards Rd	Lots 167 & 168 DP750399	One (1) dwelling entitlement for this holding.
8	2225 Hobbys Yards Rd	Lots 166 & 176 DP750399	One (1) dwelling entitlement for this holding.
9 & 10	2225 Hobbys Yards Rd	Lots 1-10 Sect 19 DP758062; Lots 1-10 Sect 20 DP758062; Lots 7-10 DP111690	Two (2) dwelling entitlements for this holding with access preferably from Selwyn St for both dwellings (not Hobbys Yards Rd).
11	2 Barker St	Lots 1-10 Sect 16 DP758062; Lots 5 & 6 DP111690	One (1) dwelling entitlement for this holding. Access preferred from Barker St (not Hobbys Yards Rd)



#### 2.3.3.4 Justification(s)

The key justification(s) for the Amendment(s) are summarised as follows:

##### a) Settlement Strategy

The area within 500m of the proposed Village Zone in Zone RU1 Primary Production and/or Zone RU2 Rural Landscape was recognised in the adopted **Settlement Strategy 2020** as having potential for some limited dwelling permissibility subject to the criteria set out in this Proposal (See *Section 2.1 – PP3 Overview – Blayney Settlement Strategy 2020*). The inclusion in the Strategy provides the strategic support for this component (PP3B) of the Planning Proposal.

##### b) Limited Dwelling Growth

The amendment would allow for some limited dwelling growth to meet residential demand in close proximity to each of the six (6) villages without having to expand the urban or large lot residential zoning. It is noted that there are a number of constraints to growth in and around the existing urban and large lot residential areas so this provides some additional flexibility. It also, in part, offsets a reduced dwelling growth potential due to increased Minimum Lot Sizes (MLS) for dwellings set out in Planning Proposal PP3A above.

##### c) Minimum Lot Size – Environmental Impact

The requirement for a minimum of 1.5ha of land (whether an existing lot or by consolidation with adjacent land) would ensure sufficient lot area to likely accommodate any dwelling and their associated on-site effluent management areas (subject to a geo-technical study). It would also allow for some setbacks/buffers to adjoining land and any relevant environmental or natural hazards on-site. This will minimise conflict between buildings, on-site effluent management, bores on the land or adjacent land, groundwater and surface water systems, and sensitive environmental areas.

##### d) Agricultural Impact

The criteria to achieve a 'Dwelling Opportunity' is relatively strict and results in limited lots/holdings having the opportunity to apply for approval for a dwelling as per **Table 3B2** below. This number of additional dwelling/lots is unlikely to have a significant impact on the 'Right to Farm' and land use conflict with surrounding agriculture. All of these lots are located close to the urban area where there are existing dwellings on most surrounding lots and are generally on a size/holding that is unsuitable for any viable agriculture on their own.

*Figure 18: Table of 'Dwelling Opportunities' identified for each of the six (6) settlements.*

TABLE.3B2 - Settlement	Number of 'Dwelling Opportunities'
Carcoar	1
Lyndhurst	22
Mandurama	0
Newbridge	2
Neville	7
Barry	11
<b>TOTAL</b>	<b>43</b>

#### 2.3.4 Possible Method(s)

There are different possible method(s) for achieving the objective(s) of this component of the Proposal. It could involve either changes to BLEP2012 clause wording, changes to mapping or both.

**NOTE:** Same or similar draft clause wording was proposed in a separate and earlier Planning Proposal PP2B for Millthorpe (approved to seek a Gateway Determination in June 2021). Any BLEP2012 clause wording to satisfy this Planning Proposal PP3B should seek to align with the adopted/approved wording in PP2B as long as it achieves the objectives in this Planning Proposal PP3B.

##### 2.3.4.1 Example - Mid-Western Regional LEP 2012

The *Mid-Western Regional LEP 2012* provides an example of where the objective in this Proposal has been achieved by amending standard instrument Clause 4.2A (that is also present in BLEP2012) to provide an exception to the lot size requirement if a lot meets the specific criteria as set out below.

##### 4.2A Erection of dwelling houses and dual occupancies on land in certain zones

- (1) The objectives of this clause are as follows—
- (a) to minimise unplanned rural residential development,

- (b) to enable the replacement of lawfully erected dwelling houses in rural and environmental protection zones,
- (c) to control rural residential density affected by historical subdivision patterns in Zone R5 Large Lot Residential.
- (2) This clause applies to land in the following zones—
  - (a) Zone RU1 Primary Production,
  - (b) Zone RU4 Primary Production Small Lots,
  - (c) Zone RU5 Village,
  - (d) Zone R5 Large Lot Residential,
  - (e) Zone E3 Environmental Management.
- (3) Development consent must not be granted for the erection of a dwelling house or dual occupancy on land in a zone to which this clause applies, and on which **no dwelling house or dual occupancy has been erected**, unless the land—
  - (a) is a lot that is at least the minimum lot size shown on the [Lot Size Map](#) in relation to that land, or
  - (b) is a lot or holding that existed before this Plan commenced and on which the erection of a dwelling house or dual occupancy was permissible immediately before that commencement, or
  - (c) is a lot resulting from a subdivision for which development consent (or equivalent) was granted before this Plan commenced and on which the erection of a dwelling house or dual occupancy would have been permissible if the plan of subdivision had been registered before that commencement, or
  - (d) is an existing holding that is not within Zone R5 Large Lot Residential, or
  - (e) would have been a lot or a holding referred to in paragraphs (a)–(d) had it not been affected by—
    - (i) a minor realignment of its boundaries that did not create an additional lot, or
    - (ii) a subdivision creating or widening a public road or public reserve or for another public purpose, or
  - (f) is, in the case of land within 500 metres of land within Zone RU5 Village, a lot that has an area of at least 5 hectares, that has a sealed road frontage and that is connected to the sealed road network, or
  - (g) is a holding within Zone R5 Large Lot Residential that has an area of at least 5 hectares, that has all weather access, including all weather vehicular access, to which adequate services provided by public utility undertakings are available and that is suitable for the on-site disposal of domestic wastewater, or
  - (h) is a former holding, or
  - (i) is a former rural lot that has an area of at least 40 hectares.

#### 2.3.4.2 Draft BLEP2012 Clause 4.2A Amendment

**NOTE:** This amendment aligns with a separate Planning Proposal PP2- Millthorpe & Surrounds that has already received a Gateway Determination. Any wording for this amendment should be compatible with the outcomes of that Planning Proposal. The amended clause is only duplicated here for ease of reference to the new **Dwelling Opportunity Maps** for the additional Unsewered Villages added by this Proposal.

As suggested above, the preferred approach to achieve the objective of PP3B is to amend BLEP2012 – Clause 4.2A – *Erection of dwelling houses or dual occupancies on land in certain rural zones* with indicative wording (amendments in red/strikeout) as follows.

This provides greater certainty with the number of potential dwelling sites to improve the transparency and application of the amended control. However, it also places a time-limit on the use of the control so that if not taken-up then the original lot size requirement will be reinstated.

**NOTE: The Clause wording MAY CHANGE and is subject to approval by DPIE and Parliamentary Counsel.**

#### 4.2A Erection of dwelling houses or dual occupancies on land in certain rural zones

- (1) The objectives of this clause are as follows—
  - (a) to minimise unplanned rural residential development,
  - (b) to enable the replacement of lawfully erected dwelling houses or dual occupancies in rural and environmental protection zones.
- (2) This clause applies to land in the following zones—
  - (a) Zone RU1 Primary Production,
  - (b) Zone RU2 Rural Landscape.
- (3) Development consent must not be granted for the erection of a dwelling house or dual occupancy on land to which this clause applies, and on which no dwelling house or dual occupancy has been erected, unless the land—
  - (a) is a lot that is at least the minimum lot size shown on the Lot Size Map in relation to that land, or

(b) is a lot created under this Plan (other than under clause 4.2 (3)), or  
(c) is a lot created under an environmental planning instrument before this Plan commenced and on which the erection of a dwelling house was permissible immediately before that commencement, or  
(d) is a lot resulting from a subdivision for which development consent (or equivalent) was granted before this Plan commenced and on which the erection of a dwelling house or dual occupancy would have been permissible if the plan of subdivision had been registered before that commencement, or  
~~(e) is an existing holding, or~~  
~~(e)f) would have been a lot or a holding referred to in paragraph (a), (b), (c), or (d) or (e) had it not been affected by—~~  
(i) a minor realignment of its boundaries that did not create an additional lot, or  
(ii) a subdivision creating or widening a public road or public reserve or for another public purpose, or  
(f) is a lot or holding, identified or outlined as having 'dwelling opportunity' on the Dwelling Opportunity Map(s) and has a minimum area of 1.5 hectares.

(4) Land ceases to ~~be an existing holding~~ have a 'dwelling opportunity' for the purposes of subclause (3) ~~(e)f)~~ if an application for development consent referred to in that subclause is not made in relation to that land within 5 years after the commencement of the amendment enabling this clause and the Dwelling Opportunity Map(s) in of this Plan.

(5) Development consent may be granted for the erection of a dwelling house or dual occupancy on land to which this clause applies if there is a lawfully erected dwelling house or dual occupancy on the land and the dwelling house or dual occupancy to be erected is intended only to replace the existing dwelling house or dual occupancy.

(6) In this clause—  
~~existing holding means land that—~~  
~~(a) was a holding on 12 January 1973, and~~  
~~(b) is a holding at the time the application for development consent referred to in subclause (3) is lodged,~~  
~~whether or not there has been a change in the ownership of the holding since 12 January 1973, and includes any other land adjoining that land acquired by the owner since 12 January 1973.~~  
**holding** means all adjoining land, even if separated by a road or railway, held by the same person or persons.

- a) **Minimum Lot Size:** Whilst the Settlement Strategy had a recommendation for a 2ha Minimum Lot Size, it is noted that in the *Key Recommendations – Smaller Villages* (page.x) that 'Council will consider lots down to a minimum size of 1.5ha'. This will not substantially increase the number of lots/holdings with dwelling opportunities.
- b) **Lot Consolidation:** Where lots are identified as having 'dwelling opportunity' but do not have a lot size of 1.5ha then they may consolidate with adjacent lots also identified as having 'dwelling opportunity' to achieve that minimum lot size (i.e., the dwelling opportunity is identified by the 'outline' of the lots so coloured).
- c) **Existing Holdings:** The removal of the original subclause (3)(e) and definition in subclause (6) relating to 'existing holdings' is an administrative amendment only to remove unnecessary wording and allows the existing numbering to be retained. The opportunity to apply for an existing holding no longer exists under BLEP2012 as the 'sunset clause' in subclause (4) has passed. This is subject to DPIE approval. Clause numbering to be updated as required.
- d) **Other Dwelling Opportunities Below the Minimum Lot Size:** The amendment does NOT remove any of the other opportunities to apply for a dwelling below the minimum lot size set out in Clause 4.2A(3)(b) to (d). Therefore, these historic rights (other than 'existing holdings') are protected.

#### 2.3.4.3 Draft BLEP2012 Clause 4.6 Amendment

**NOTE:** This amendment aligns with a separate Planning Proposal PP2- Millthorpe & Surrounds that has already received a Gateway Determination. Any wording for this amendment should be compatible with the outcomes of that Planning Proposal. The amended clause is only duplicated here for ease of reference

to the new **Dwelling Opportunity Maps** for the additional Unsewered Villages added by this Proposal.

The Settlement Strategy suggests that in order to be considered for dwelling opportunity under this clause that the lot or holding must have a minimum of 2ha but it concedes that it could be as little as 1.5ha. The amendment to Clause 4.2A above has used the lower 1.5ha as the threshold.

Therefore, it is not the intent of Council that this development standard is further reduced by a Variation Request under Clause 4.6 of BLEP2012. As a result, it is necessary to exclude this particular development standard in the exemptions to Clause 4.6 with the following draft wording (subject to the outcomes for Clause 4.2A above):

**NOTE: The Clause wording MAY CHANGE and is subject to approval by DPIE and Parliamentary Counsel.**

**Clause 4.6 Exceptions to development standards (BLEP2012) – Draft Amendment to following subclauses:**

- (8) This clause does not allow development consent to be granted for development that would contravene any of the following—
- (a) a development standard for complying development,
  - (b) a development standard that arises, under the regulations under the Act, in connection with a commitment set out in a BASIX certificate for a building to which [State Environmental Planning Policy \(Building Sustainability Index: BASIX\) 2004](#) applies or for the land on which such a building is situated,
  - (c) clause 5.4,
  - (d) [clause 4.2A\(3\)\(f\) or clause 4.2A\(4\)](#).

Alternatively, Council could apply a minimum lot size of 2ha and allow Clause 4.6 variation (potentially up to 10%) but this would only allow variation of 0.2ha to a minimum lot size of 1.8ha. 1.5ha is deemed by the Settlement Strategy to be the preferred threshold so this approach is not recommended.

Subclause (6) relates to subdivision in rural zones and is not applicable because Clause 4.2A(3)(f) only seeks to provide dwelling opportunity on the identified land, not permit additional subdivision below the Minimum Lot Size.

### 2.3.5 Site Analysis & Other Relevant BLEP2012 Controls

This Section provides a brief review of some of the key [relevant](#) controls in BLEP2012 and site constraints/ opportunities for the Site/Affected Area that may influence the outcomes in this Planning Proposal and the suitability of the Site (see the Figures above for mapping of key site constraints).

BLEP2012 Clause / Constraint	Comment
<b>2.1 - Land Use Zones / Land Use Table</b>	This Proposal does not seek to change the Land Use Table or Land Zoning Maps but permits dwellings where they meet the defined criteria. Dwellings are permissible in Zone RU1 Primary Production so this is consistent.
<b>4.1 – Minimum Subdivision Lot Size</b>	This Proposal does not seek to change the Lot Size Maps but permits dwellings where they meet the defined criteria even though the lots do not meet the minimum lot size under Clause 4.2A. The Proposal seeks to amend Clause 4.2A to provide an exemption to the Lot Size requirement with specific criteria.
<b>4.2A – Erection of dwelling houses or dual occupancies on land in certain rural zones</b>	
<b>5.1 – Relevant Acquisition Authority</b>	No change to Land Acquisition mapping/outcomes required. At the date of this report there was no land mapped in BLEP2012.
<b>5.10 – Heritage Conservation</b>	No listed heritage items will have the additional 'dwelling opportunity'. Of the six (6) unsewered villages, only Newbridge has a heritage conservation area (HCA) and only 2 dwelling opportunities are located in the HCA. In any future DA for a dwelling on the lots in the HCA may need to be addressed through a heritage impact statement.
<b>5.16 – Subdivision of, or dwellings on, land in certain rural, residential or environment protection zones</b>	This Proposal does not remove the need to address Clause 5.16 for Zones RU1 & RU2 and ensures that any application for a dwelling will address and minimise the potential land use conflicts with agriculture.
<b>5.21 Flood Planning</b>	There are currently no Flood Maps in the six (6) villages as a Flood Study has not been conducted in these areas but this clause still applies where land is below the Flood Planning Level. Generally, new dwelling applications in proximity to watercourses would need to demonstrate that the dwelling envelope and access is above the Flood Planning Level (so some applications may require a Flood Study). Where possible, dwelling opportunities have been limited near watercourses with known flood potential. This is best considered in more detail during the development assessment process.
<b>6.2 Stormwater Management</b>	The Proposal is unlikely to significantly increase densities or stormwater impacts as it involves single dwellings/dual occupancies on larger semi-rural lots. This is best considered in more detail during the development assessment process.
<b>6.3 Terrestrial Biodiversity</b>	The mapped Terrestrial Biodiversity does sometimes overlap with 'dwelling opportunity' sites. Heavily vegetated sites have generally

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BLEP2012 Clause / Constraint	Comment
	been excluded. However, where there is sufficient area for a dwelling that would have minimal impact on that biodiversity they have been included. The mapping sometimes does not correlate with the extent of vegetation on the ground or the significance of that biodiversity. This is best considered in more detail during the development assessment process.
<b>6.4 Groundwater Vulnerability</b>	Of the six (6) villages, groundwater vulnerability only significantly impacts Newbridge. This Proposal is unlikely to increase impacts as there are limited dwelling opportunities at Newbridge. As there is no reticulated sewer, appropriate geo-technical studies for on-site effluent can generally avoid or mitigate this risk for new dwellings. This is best considered in more detail during the development assessment process.
<b>6.5 Drinking Water Catchments</b>	Of the six (6) villages, only Neville and Barry are in a drinking water catchment (for Lake Rowlands) so all of the dwelling potential for these 2 villages could affect this catchment. However, appropriate geo-technical studies for on-site effluent can generally avoid or mitigate this risk for new dwellings. This is best considered in more detail during the development assessment process.
<b>6.6 Riparian Land &amp; Watercourses</b>	There are riparian watercourses mapped within or close to each of the six (6) villages. Generally, dwelling opportunities have been excluded on likely flood prone land and only lots with reasonable setbacks from the watercourses have a dwelling opportunity. This is best considered in more detail during the development assessment process.
<b>6.7 Development within a Designated Buffer Area</b>	The only designated buffer area near a village is at Neville but there are no dwelling opportunities located in or near this buffer.

**Naturally Occurring Asbestos (NOA):** Of the six (6) villages, only Neville & Newbridge are within an area with Medium Naturally Occurring Asbestos (NOA) Potential on the Naturally Occurring Asbestos in NSW Map (<https://trade.maps.arcgis.com/>). The slight increase in dwelling permissibility is unlikely to significantly increase the risk of exposing Asbestos and can be addressed at the Development Application stage and can be appropriately conditioned for any development.

**Aboriginal Heritage:** A specific review of Aboriginal heritage has not been conducted but would need to be considered for any relevant sites during the development application process. The dwelling opportunity lots are generally in or near urban areas where there has been significant disturbance and a lower probability of finding relics. There are some significant watercourses, but very few of these are permanent and setbacks are proposed. This can be considered in more detail during the development assessment process.

**Gas Pipeline:** The main gas pipeline does not run in or close to any of the six (6) villages and would not be affected by the additional dwelling potential.

**Conclusion:** Based on the above brief review there are no key environmental constraints that would prevent the Proposed Amendment(s) from achieving a Gateway Determination.



### 3 PLANNING PROPOSAL – STATUTORY REVIEW

The guidelines require the Planning Proposal to address six (6) parts, including:

- Part 1 - A statement of the **objectives** or intended outcomes of the proposed LEP;
- Part 2 - An **explanation** of the provisions that are to be included in the proposed LEP;
- Part 3 - The **justification** for those objectives, outcomes and provisions and the process for their implementation;
- Part 4 – **Maps**, where relevant, to identify the intent of the planning proposal and the area to which it applies;
- Part 5 - Details of the community **consultation** that is to be undertaken on the planning proposal. Part 5 would be confirmed following a gateway determination by the Department of Planning, Industry & Environment (DPIE); and,
- Part 6 – **Project Timeline** to detail the anticipated timeline for the plan making process.

#### 3.1 Part 1: Objectives or Intended Outcomes

**Part 1** of the planning proposal should be a short, concise statement setting out the objectives or intended outcomes of the planning proposal. It is a statement of what is planned to be achieved, not how it is to be achieved. It should be written in such a way that it can be easily understood by the general community.

See the **Objective(s)** in Sections 2.2.3.1 & 2.3.3.1 of this Report for each component of this Planning Proposal.

#### 3.2 Part 2: Explanation of Provisions

**Part 2** of the planning proposal provides a more detailed statement of how the objectives or intended outcomes are to be achieved by means of amending an existing local environmental plan.

See the **Preferred Approach** in Sections 2.2.3.3 & 2.3.3.2 and **indicative desired clause wording** in Sections 2.2.4 & 2.3.4 of this Report for each component of this Planning Proposal.

#### 3.3 Part 3: Justification of Proposed LEP Amendments

**Part 3** of the planning proposal provides a justification that sets out the case for the making of the proposed LEP. The overarching principles that guide the preparation of planning proposals are:

- The level of justification should be proportionate to the impact the planning proposal will have;
- It is not necessary to address the question if it is not considered relevant to the planning proposal (as long as a reason is provided why it is not relevant);
- The level of justification should be sufficient to allow a Gateway determination to be made with the confidence that the instrument can be finalised and the time-frame proposed.

As a minimum a planning proposal must identify any environmental, social and economic impacts associated with the proposal. Generally detailed technical studies are not required prior to the Gateway determination.

In accordance with the Department of Planning's 'Guide to Preparing Planning Proposals', this section provides a response to the following issues:

- Section A: Need for the planning proposal
- Section B: Relationship to strategic planning framework
- Section C: Environmental, social and economic impact
- Section D: State and Commonwealth interests.

See the **Justification(s)** in Sections 2.2.3.5 & 2.3.3.4 of this Report for each component of this Planning Proposal.

### 3.3.1 Section A – Need for the Planning Proposal

#### 1. Is the planning proposal a result of an endorsed local strategic planning statement, strategic study or report?

This Proposal is based on the recommendations of the Elton Consulting (2020) *Blayney Settlement Strategy* ('Settlement Strategy') as detailed in *Section 2.1 - PP3 Overview – Blayney Settlement Strategy 2020*. This has had public consultation and being adopted by Blayney Shire Council in early 2021.

#### 2. Is the planning proposal the best means of achieving the objectives or intended outcomes, or is there a better way?

The Planning Proposal and the proposed amendments to BLEP2012 are the best way of achieving the objectives of each component of this Proposal. See the **Preferred Approach** in *Sections 2.2.3.3 & 2.3.3.2* and **indicative desired clause wording** in *Sections 2.2.4 & 2.3.4 – Possible Method(s)* of this Report for each component of this Planning Proposal. This also reviews alternative approaches and confirms that the preferred approach is the best way forward.

The proposed amendments are not of a scale to be considered 'State or Regionally Significant' such that amendments to a State Environmental Planning Policy ('SEPP') would be appropriate to sit above and amend BLEP2012. These are local planning matters only.

### 3.3.2 Section B – Relationship to Strategic Planning Framework

#### 3. Will the planning proposal give effect to the objectives and actions of the applicable regional, or district plan or strategy (including any exhibited draft plans or strategies)?

### Central West and Orana Regional Plan 2036 (June 2017)

Regional plans have been prepared for all parts of NSW including the *Central West and Orana Regional Plan 2036* (June 2017 – *CWORP*) noting there is no District Plan in the Central West & Orana Region. The *CWORP* includes directions, planning priorities and specific actions for a range of different matters relevant to Blayney LGA (ONLY THE RELEVANT PRIORITIES, DIRECTIONS & ACTIONS ARE SHOWN), as follows:

DIRECTION	Actions	RESPONSE
<b>Goal 1: The most diverse regional economy in NSW</b>		
<b>Direction 1:</b> Protect the region's diverse and productive agricultural land.	1.2 Protect important agricultural land from land use conflict and fragmentation, and manage the interface between important agricultural lands and other land uses.	<b>PP3A</b> – No additional impact on agricultural lands as it only changes lot size for subdivision and residential development in existing urban (Zone RUS Village) and quasi-urban (Zone R5 Large Lot Residential) land. The majority of changes reduce potential for sensitive uses (e.g., dwellings) in proximity to agricultural land and, thereby, reduce potential land use conflict.  <b>PP3B</b> – The increase of dwelling opportunity in the rural zones within 500m of the urban areas of the six (6) villages is limited (see mapping and <i>Figure.12</i> in <i>Section 2.3.3.4 – Justification(s)</i> of this Report). The permissibility has been clearly mapped so it is known and transparent. The majority of dwelling opportunity sites are surrounded by smaller urban or 'lifestyle' blocks that provide little conflict with agriculture.
<b>Direction 8:</b> Sustainably manage mineral resources.	8.1 Consult with the Division of Resources & Geosciences when assessing applications for land use changes strategic land use planning, rezoning and planning proposals) and new development or expansions. 8.2 Protect areas with potential mineral and energy resources extraction through local	<b>PP3A</b> – No additional impact on mineral potential lands as it only changes lot size for subdivision and development in existing urban (Zone RU5 Village) and quasi-urban (Zone R5 Large Lot Residential) land. Known mineral potential lands (Mineral Resource Audit Map) do not overlap with urban

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DIRECTION	Actions	RESPONSE
	land use strategies and local environmental plans. 8.3 Protect infrastructure that facilitates mining from development that could affect current or future extraction.	areas of these villages and/or the land use conflict is unlikely to be increased. <b>PP3B</b> – Additional 'dwelling opportunity' has not been identified on known mineral potential lands or near existing extractive industries and additional dwellings close to rural villages is unlikely to significantly increase land use conflict potential.
<b>Direction 12:</b> Plan for greater land use compatibility.	12.2 Identify and protect important agricultural land in local plans. 12.3 Create local strategies to limit urban & rural housing development in agricultural & extractive resource areas, industrial areas, & transport corridors. 12.4 Amend planning controls to deliver greater certainty of land use.	Land use conflicts are addressed in relation to <i>Goal 1 - Directions 1 &amp; 8</i> above and <i>Goal 3 Direction 19</i> below. The <i>Settlement Strategy 2020</i> is an approved land use strategy that balances competing needs for additional housing with agriculture, mineral resources and transport corridors. This Planning Proposal implements the recommendations of that Strategy and uses methods that give a reasonable level of certainty of development outcomes and their likely impacts.
<b>Goal 2: A stronger, healthier environment and diverse heritage</b>		
<b>Direction 13:</b> Protect & manage env. assets <b>Direction 14:</b> Manage & conserve water resources for the env. <b>Direction 15:</b> Increase resilience to natural hazards & climate change <b>Direction 16:</b> Respect & protect Aboriginal heritage assets <b>Direction 17:</b> Conserve & adaptively re-use heritage assets	13.1 Protect high environmental value assets through local environmental plans. 13.2 Minimise potential impacts arising from development in areas of high environmental value, and consider offsets or other mitigation mechanisms for unavoidable impacts. 14.2 Locate, design, construct & manage new developments to minimise impacts on water catchments, including downstream areas & groundwater resources. 15.1 Locate developments, including new urban release areas, away from areas of known high biodiversity value; areas with high risk of bushfire or flooding; contaminated land; & designated waterways. 15.8 Manage the risks of disturbance in areas affected by naturally occurring asbestos by increasing public awareness and providing mapping to Councils. 16.1 Protect, manage and respect Aboriginal objects and places in accordance with legislative requirements. 17.2 Prepare, review & update heritage studies in consultation with the wider community to recognise & conserve heritage assets & items, & include appropriate local planning controls.	None of the proposed areas for new development are located in areas with high risk of bushfire or flooding, in close proximity to riparian watercourses, where biodiversity values can't be protected, or on known Aboriginal heritage or cultural sites and/or these issues are capable of being addressed at the development application stage. Naturally occurring asbestos has been addressed for each Site area above. <b>PP3A</b> – This Proposal only changes lot size for subdivision and development in existing urban (Zone RUS Village) and quasi-urban (Zone R5 Large Lot Residential) land. My increasing MLS for development with on-site effluent systems it potentially reduces environmental impacts, particularly on watercourses and groundwater systems, and increases potential for setbacks from environmentally sensitive areas. <b>PP3B</b> – The increase of dwelling opportunity in the rural zones within 500m of the urban areas of the six (6) villages is limited (see mapping and Table in <i>Figure.12</i> of Section 2.3.3.4 of this Report). The permissibility has been clearly mapped so it is known and transparent. Heritage items have been included. These are >1.5ha lots where dwelling envelopes can be sited within minimal impacts on vegetation or watercourses and sites with significant constraints have been removed. All environment & heritage issues will still need to be addressed by future DAs.
<b>Goal 3: Quality freight, transport and infrastructure networks</b>		
<b>Direction 19:</b> Enhance road and rail freight links.	19.5 Identify existing and proposed freight and transport corridors in local land use strategies to minimise the encroachment of incompatible land uses.	<b>PP3A</b> – No additional impact on key transport corridors (road and rail) as it largely increases the MLS for subdivision/ development – thereby decreasing density in Zone RU5 Village and Zone R5 Large Lot Residential land.

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DIRECTION	Actions	RESPONSE
		<b>PP3B</b> – The increase of dwelling opportunity in the rural zones within 500m of the urban areas of the six (6) villages is limited (see mapping and Table.3B2 in Section 2.3.3.4 of this Report). Only a very small number of lots may require access to a classified road and impacts can be assessed during the DA process.
Direction 20: Enhance access to air travel & public transport	20.1 Identify development opportunities for appropriate and complementary land uses and limit the encroachment of incompatible development around Bathurst, Orange, Dubbo, Mudgee and Parkes airports.	The six (6) unsewered villages are outside the Obstacle Limitation Surface (OLS) and Noise (ANEF) impact areas around Orange Regional Airport so there are no additional impacts.
Direction 21: Coordinate utility infrastructure investment.	21.3 Monitor development and ensure that infrastructure is responsive to investment opportunities.	Proposal areas are all located in close proximity to the existing urban area of the six (6) unsewered villages where there are reasonable existing utilities (except reticulated sewer). PP3A will largely decrease dwelling density & infrastructure demand. The slight increases in density associated with PP3B is unlikely to compromise existing utilities/infrastructure and will rely on on-site effluent management & water.
<b>Goal 4: Dynamic, vibrant and healthy communities.</b>		
Direction 23: Build the resilience of towns and villages.	23.2 Work with councils to better understand the drivers of population change and implications for local communities.	The two (2) components of this Proposal seek to match housing provision to site capacity and proximity to village services and employment. PP3A may result in a slight decrease in dwelling yield (guided by environmental outcomes) but this is partly offset by a slight increase in dwelling potential in PP3B.
Direction 25: Increase housing diversity & choice.	25.2 Increase housing choice in regional cities & strategic centres at locations near or accessible to services & jobs. 25.3 Align infrastructure planning with new land release areas to provide adequate & timely infrastructure. 25.4 Locate higher density development close to town centres to capitalise on existing infrastructure & increase housing choice.	This will enable growth that produces improved environmental outcomes (particularly for on-site effluent systems) whilst increasing flexibility around the perimeters of the villages. This aligns with growth projections set out in the <i>Settlement Strategy 2020</i> . PP3A modifies existing zoned areas so there is limited additional requirement or pressure on existing infrastructure. PP3B only creates potential for limited dwellings around the perimeter where lots can be appropriately serviced.
Direction 28: Manage rural residential development.	28.1 Locate new rural residential areas: • close to existing urban settlements to maximise the efficient use of existing infrastructure and services, including roads, water, sewer and waste services, and social and community infrastructure; • to avoid and minimise the potential for land use conflicts with productive, zoned agricultural land and natural resources; and • to avoid areas of high environmental, cultural or heritage significance, regionally important agricultural land or areas affected by natural hazards.	<b>PP3A</b> – Not applicable. <b>PP3B</b> – The increase of dwelling opportunity in the rural zones within 500m of the urban areas of the six (6) villages is limited (see mapping and Table.3B2 in Section 2.3.3.4 of this Report). They are within 500m of the relevant village/LLR zone and are largely surrounded by quasi-'lifestyle' lots with limited agricultural conflict. Land use conflict is also addressed in the Goals/Directions above.
<b>Local Government Narratives – Blayney</b>		

Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds

DIRECTION	Actions	RESPONSE
	<p>Blayney Local Government Area directly benefits from its proximity to Orange and Bathurst. Residential land releases at Millthorpe and Blayney will meet the needs of a growing population who want to work locally, or in Bathurst or Orange.</p> <ul style="list-style-type: none"> <li>• Leverage Blayney's strategic advantages including its proximity to Bathurst, Orange, Cowra, Canberra and Sydney; the existence of major utility services; and access to transport, warehousing and freight facilities.</li> <li>• Leverage opportunities from the Local Government Area's rural character to support diverse industries such as tourism.</li> </ul>	<p>The Proposal seeks to address the <i>Settlement Strategy</i> recommendations to manage (predominantly residential) growth in and around each of the six (6) unsewered villages. It improves environmental outcomes for on-site effluent management systems with appropriate lot sizes. This will hopefully align strategic outcomes with development outcomes, minimise unsuitable development applications, decrease development costs and impacts on Council resources and improve growth potential in line with the narrative for the LGA.</p>

**4. Will the planning proposal give effect to a council's endorsed local strategic planning statement or another endorsed local strategy or strategic plan?**

Yes, the Planning Proposal will give effect to Council's endorsed LSPS and *Settlement Strategy 2020* and is consistent with the other adopted land use strategies of the LGA, as follows:

**Local Strategic Planning Statement (LSPS)**

Council have prepared a *Local Strategic Planning Statement* (July 2020) (LSPS) to guide future land use decisions in the area. The LSPS was prepared PRIOR to the *Settlement Strategy* so it does not include or address the specific recommendations in that strategy. The LSPS does not specifically refer to the Subject Sites OR suggest the outcomes in this Planning Proposal but this Proposal is consistent with the key relevant Planning Priorities identified in that Statement (ONLY THE RELEVANT PRIORITIES, DIRECTIONS & ACTIONS ARE SHOWN), as follows:

DIRECTION	ACTIONS	RESPONSE
<b>1: Leverage the central &amp; strategic location of the Blayney Shire to encourage growth &amp; economic opportunities</b>		
Reinforce the town of Blayney as the primary retail / business & commercial centre of the Shire.	Guide local and strategic planning to encourage new industries and businesses, and manage the interface with other land uses.	Whilst the six (6) unsewered villages are not the primary centre, they still support a significant population and are located with reasonable proximity to Blayney, Orange, Bathurst and Cowra. Appropriate development in the villages will enhance Blayney as the primary retail/business centre. Land use conflicts are addressed above. See response to CWORP Goal 1 for more details.
<b>2: Support sustainable growth in the mining &amp; agribusiness Sectors within Blayney Shire.</b>		
Protect agricultural land use resources whenever possible, by discouraging land uses unrelated to agriculture from locating on agricultural land and minimising the ad hoc fragmentation of rural land.	Continue to work with Government agencies and other stakeholders to promote Blayney Shire as a productive and viable agricultural and mining local government area.	Potential conflict with agriculture and mineral potential / extractive industry is addressed in detail in response to CWORP Goals 1, 3 & 4 above.
<b>3: Support sustainable growth in the transport, manufacturing &amp; logistics sectors within Blayney Shire.</b>		
Maximise freight and logistics access to the Main Western Line and where possible promote lower residential densities and increased setbacks to the rail line.	Continue to leverage and support the Blayney Demondrille Line and upgrades to Mid-Western Highway and Millthorpe Road to improve access within Blayney Shire and the region.	The Proposal balances growth of sensitive uses in each of the villages. There will be limited additional growth adjacent to the Mid-Western Highway and rail lines. See more detail in response to CWORP Goal 3 above.



Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds

DIRECTION	ACTIONS	RESPONSE
<b>4: Provide diverse housing choices &amp; opportunities to meet changing demographic &amp; population needs.</b>		
Recognise the current demand for dwelling lots with a more rural or landscape character and enhance those settlements with the ability to provide for this type of development. Focus large-scale urban residential development in the town of Blayney and Millthorpe where there are higher levels of service, infrastructure and facilities to support growth.	Implement the recommendations within the review of the Draft Blayney Settlement Strategy 2019. Guide local and strategic planning to create diverse housing choices and opportunities within Blayney Shire.	This Proposal is consistent with and implements the recommendations of the <i>Settlement Strategy 2020</i> , part of which is to manage environmental outcomes and provide suitable development in each of the villages, especially urban and large lot residential housing. See more detail in response to CWORP Goal 4 above.
<b>6: Protect &amp; conserve the natural environment &amp; heritage qualities while adapting to the impacts of hazards &amp; climate change.</b>		
Protect key heritage assets, heritage streetscapes and town and village entrances by identifying the desired character and ensuring development is sensitive to character in Blayney, Millthorpe, Carcoar and Newbridge.	Continue to work with Government agencies and other stakeholders to give the community skills and knowledge to deal with climate change and hazards and cultural heritage.	PP3A will largely reduce dwelling potential in most villages and offsets any minor increase in dwelling potential under PP3B. Where there are increases in dwelling opportunity, heritage items and sensitive areas are either excluded or could be addressed during the development assessment process. See more detail in response to CWORP Goal 2 above.

### **Blayney Settlement Strategy (2020)**

This Proposal seeks to directly implement the recommendations of the Settlement Strategy as set out in this Report – Section 2.1 – PP3 Overview – *Blayney Settlement Strategy 2020*.

### **Sub-Regional Rural and Industrial Land Use Strategy (2008)**

The *Sub-Regional Rural and Industrial Land Use Strategy* (2008) ('2008 Subregional Strategy') covered Councils of Blayney, Cabonne and Orange and was primarily about rural and industrial land use outcomes that are largely unaffected by this Proposal.

Whilst it originally included stand-alone large lot residential recommendations these have now been incorporated into the *Blayney Settlement Strategy 2020* (addressed above). The key relevance of the 2008 Subregional Strategy is the protection of productive agricultural land and this is also addressed above.

### **DRAFT Subregional Rural and Industrial Lands Strategy (2019 to 2036)**

The Elton Consulting (10 February 2020) *Subregional Rural and Industrial Lands Strategy (2019 to 2036) – DRAFT* ('2020 Subregional Strategy') was publicly exhibited by Blayney Shire Council in 2020 but as its exhibition by Orange City Council was delayed – it is yet to be adopted. It will replace the 2008 Subregional Strategy (above).

As stated above, this Strategy predominantly provides recommendations for rural and industrial lands across the LGA. The key relevance of the 2020 Subregional Strategy is the protection of productive agricultural land and this is also addressed in the *Blayney Settlement Strategy 2020* review and the CWORP review above. PP3A is not applicable to the rural zones and PP3B has addressed the agricultural impacts above.

## Community Strategic Plan 2018-2028

The Proposal is also consistent with the *Blayney Community Strategic Plan* and the *Integrated Planning and Reporting* documentation including the Future Directions set out below (and addressed in the CWORP review above) though it does not have any specific directions/actions relevant to the specific outcomes in this Proposal:

- *Direction 1: Maintain and Improve Public Infrastructure & Services;*
- *Direction 2: Build the Capacity & Capability of Local Governance & Finance;*
- *Direction 3: Promote Blayney Shire to grow the Local & Visitor Economy;*
- *Direction 4: Enhance facilities & network that supports Community, Sport, Heritage & Culture;*
- *Direction 5: Protect our Natural Environment.*

### 5. Is the planning proposal consistent with applicable State Environmental Planning Policies?

A State Environmental Planning Policy (SEPP) is a planning document that deals with matters of significance for environmental planning for the State. An analysis of the applicable State Environmental Planning Policies (SEPP) is included in the table below. It is noted that the proposal is broadly consistent with any applicable SEPP's.

#### State Environmental Planning Policy (BASIX) 2004

This SEPP is concerned with appropriate water and energy consumption and sustainable residential development. The Proposal does not affect the application of BASIX to any future dwellings.

#### State Environmental Planning Policy (Infrastructure) 2007

This SEPP is concerned with appropriate opportunities for infrastructure development throughout the State and protecting that infrastructure from incompatible development. This is addressed in relation to CWORP Goal 3 above. Note that additional dwelling opportunity is unlikely to be created where it relies on direct access solely to a highway or is in proximity to the APA gas pipeline.

#### State Environmental Planning Policy (Mining, Petroleum Production and Extractive Industries) 2007

There are no known mineral or extractive resources (as per the latest Mineral Resource Audit Map) in or near the Proposal Sites that would be affected by the Proposal. This is addressed in relation to CWORP Goal 1 above.

#### State Environmental Planning Policy No 55 – Remediation of Land

This SEPP seeks to promote remediation of contaminated land and reduce the risk of harm to human health – to be considered when rezoning land or consenting to development on land. Clause 6 and Clause 7 state that contaminated land be remediated when rezoning or when determining a development application. PP3A amends controls in existing urban or large lot residential areas. PP3B allows for minor dwelling opportunity in surrounding rural zones. There is no evidence this dwelling growth is occurring in contaminated areas. Council will conduct a desktop review of each of the sites with additional dwelling potential in PP3B in the Appendices and have confirmed that the subject land is suitable or can be made suitable for the proposed residential use. More detail/confirmation can be provided at the time of a future Development Application for any dwelling.

#### State Environmental Planning Policy (Vegetation in Non-Rural Areas) 2017

This SEPP is concerned with protecting the biodiversity values and amenity of significant vegetation in non-rural areas (that includes Zone RU5 Village and Zone R5 Large Lot Residential) for PP3A. This Proposal seeks to minimise development in areas with significant existing vegetation or potential sensitive biodiversity. Generally, PP3A will likely reduce overall dwelling yield by introducing a Minimum Lot Size (MLS) that can enable increased protection and setbacks to significant vegetated areas. This can be addressed further at the Development Application stage.

#### State Environmental Planning Policies (Koala Habitat Protection) 2020 & 2021

The Koala SEPP 2020 applies to Zone RU1/RU2/RU3 land in Blayney. For the remainder of the zones, the Koala SEPP 2021 may apply. Both SEPPs aim to encourage the conservation and management of natural vegetation areas that provide habitat for koalas to ensure permanent free-living populations will be maintained over their present range. Blayney LGA is identified in SEPP 2021 as containing koala habitat (Koala Management Area – Central & Southern Tablelands). As explained above, this Proposal seeks to minimise development in areas with significant existing vegetation or potential sensitive biodiversity. It is likely that there will be low or no impact on koalas or koala habitat but this can be appropriately addressed at the Development Application stage.

### 6. Is the planning proposal consistent with applicable Ministerial Directions (s.9.1 directions)?

Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds

The relevant *Section 9.1 Directions* are addressed below and we suggest the Proposal is consistent with the Ministerial Directions (latest September 2020) as follows:

Section 9.1 Directions		Applicable to Planning Proposal	Date
<b>1. Employment and Resources</b>			
1.1	Business and Industrial Zones	Yes. PP3A may affect Zone RU5 Village that permits some commercial and light industrial uses but if these uses required on-site effluent management, they would have already been similarly constrained.	01/05/17
1.2	Rural Zones	Yes. Impacts on agriculture through PP3B are addressed in more detail above but are generally minimal due to limited 'dwelling opportunity' and clearly mapped locations.	14/04/16
1.3	Mining, Petroleum Production and Extractive Industries	There are no known mineral potential or existing extractive industries in close proximity to any of the affected land in this Proposal.	01/07/09
1.4	Oyster Aquaculture	No.	01/07/09
1.5	Rural Lands	Yes. See 1.2 <i>Rural Zones</i> above.	28/02/19
<b>2. Environment and Heritage</b>			
2.1	Environment Protection Zones	Yes. Mapped environmentally sensitive areas such as groundwater and biodiversity have been addressed for each Site above and the protections are not weakened by this Proposal.	14/04/16
2.2	Coastal Management	No.	03/04/18
2.3	Heritage Conservation	Yes. All growth sites are not listed heritage items but some are in or adjacent to the heritage conservation area but can be managed during the development application process.	01/07/09
2.4	Recreation Vehicle Areas	No.	14/04/16
2.5	E2 / E3 Zones & Environmental Overlays Far North Coast	No.	02/03/16
2.6	Remediation of Contaminated Land	It is understood that a condition of the Gateway Determination will require Council to undertake a preliminary desktop review of potential contamination for each property shown on the Dwelling opportunity Map.	17/04/20
<b>3. Housing, Infrastructure and Urban Development</b>			
3.1	Residential Zones	Yes. There are both increases and decreases in potential yield and permissibility in residential zones that align with environmental & infrastructure limitations.	14/04/16
3.2	Caravan Parks and Manufactured Home Estates	No change. Zone RU5 Village permits caravan parks but opportunities for these uses remains unchanged.	14/04/16
3.3	Home Occupations	No change.	01/07/09
3.4	Integrating Land Use and Transport	Yes. The proposal is consistent with increasing residential densities in or close to existing villages with suitable infrastructure and services.	14/04/16
3.5	Development Near Licensed Aerodromes	No. None known to be affected.	01/07/09
3.6	Shooting Ranges	No. There are no known rifle ranges in or near any of the Proposal Sites.	16/02/11
3.7	Reduction in non-hosted short term rental accommodation period	No. Byron Shire Council only.	15/02/19
<b>4. Hazard &amp; Risk</b>			
4.1	Acid Sulfate Soils	No. Land not mapped as acid sulfate prone land.	01/07/09

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4.2	Mine Subsidence and Unstable Soil	No. Land not mapped within a mine subsidence district or unstable land.	14/04/16
4.3	Flood Prone Land	Yes. The land is NOT mapped as flood prone land (there are no flood studies outside of the Town of Blayney) but flood potential has been taken into account in determining areas for dwelling growth and is not a major constraint or can be addressed at the development application stage.	01/07/09
4.4	Planning for Bushfire Protection	No. Land identified for growth is not currently mapped as having any bushfire potential (though this may change in the future).	19/02/20
<b>5. Regional Planning</b>			
5.10	Implementation of Regional Plans	Yes. The <i>Central West &amp; Orana Regional Plan</i> is addressed in more detail in <i>Question 3</i> of this section above. The Proposal is consistent with the Regional Plan.	14/04/16
5.11	Development of Aboriginal Land Council Land	No. Applies to Central Coast only.	06/02/19
<b>6. Local Plan Making</b>			
6.1	Approval & Referral Requirements	No change in referrals proposed.	01/07/09
6.2	Reserving Land for Public Purposes	No land reserved for public purpose affected.	01/07/09
6.3	Site Specific Provisions	No restrictive site-specific planning controls proposed.	01/07/09
<b>7. Metropolitan Planning – NOT APPLICABLE (Sydney only)</b>			

### 3.3.3 Section C – Environmental, Social and Economic Impact

#### 7. Is there any likelihood that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the proposal?

Proposal PP3A is within existing urban and large lot residential areas where there is no increase in development density and it is aimed at reducing impact on the natural environment (PP3A is likely to decrease potential dwelling yield). PP3B 'dwelling opportunity' sites have sought to avoid heavily vegetated areas and are mostly on fragmented lots in close proximity to each village. Therefore, it is unlikely that critical habitat or threatened species, populations or ecological communities, or their habitats, will be adversely affected as a result of the Proposal but this can be best assessed during specific development applications.

#### 8. Are there any other likely environmental effects as a result of the planning proposal and how are they proposed to be managed?

The Proposal seeks to reduce environmental impacts compared to existing controls (particularly for PP3A from on-site effluent management). PP3B may have slightly higher potential for environmental impacts but generally constrained sites have been excluded from the additional 'dwelling potential'. This Proposal highlights some of the site constraints for each of the Proposal areas but demonstrates they do not preclude the Proposal from proceeding and overall. Any future development application for Proposal areas is required to address the likely environmental effects in more detail.

#### 9. Has the planning proposal adequately addressed any social and economic effects?

The Proposal seeks to provide a balanced approach to growth in and around each of the six (6) unsewered villages to provides a diversity/choice of housing locations aligned with the site and environmental constraints of each area. Minor growth in dwellings in PP3B is offset by the slight reduction in potential in PP3A from increased Minimum Lot Size (MLS) compared to existing lot sizes.

### 3.3.4 Section D – State and Commonwealth Interests

#### 10. Is there adequate public infrastructure for the planning proposal?

Infrastructure is addressed in more detail in relation to CWORP Goal 3 above. In summary, PP3A is located within existing villages (with appropriate infrastructure levels) and PP3B is located within 500m of certain urban zones. .

Planning Proposal PP3 – Six (6) Unsewered Villages & Surrounds

Additional pressure on local infrastructure and services is likely to be balanced by the slight decrease in dwelling yield in PP3A versus the slight increase in PP3B.

**11. What are the views of state and commonwealth public authorities consulted in accordance with the gateway determination?**

The Proposal mostly makes changes that are of local significance only and do not relate significantly to State infrastructure, heritage, environmental significance or other state or commonwealth issues.

We have based some of the justification on regular/historic advice from key NSW Government agencies responsible for protection of the natural environment, water and planning to support this Proposal but not consulted directly with these agencies.

The Gateway Determination can set out any further agencies that require consultation (see also Consultation opportunities in this Report **Section 3.6 - Part 5: Community Consultation** below).

### 3.4 Part 4: Mapping

See the **Map(s)** in Sections 2.2.3.4 & 2.3.3.3 of this Report for each component of this Planning Proposal. This can be compared to the **Existing Zoning and Lot Size** in Sections 2.2.2 for PP3A only. See also the mapping recommendations from the *Settlement Strategy 2020* in Section 2.1.

Standard Instrument format mapping can be prepared once a Gateway Determination has been issued. Council may seek assistance from DPIE's mapping division. It may not be required for the public exhibition period unless it is conditioned by the Gateway Determination.

### 3.5 Part 5: Community Consultation

The planning proposal community consultation is to be undertaken in accordance with the requirements set out in 'A guide to preparing planning proposals' (2018) and any requirements set out in the Gateway Determination.

It is important to note that the amendments in this Proposal were some of the key recommendations of *Blayney Settlement Strategy 2020* that was publicly exhibited in late 2020 and adopted in February 2021. Therefore, the changes have been recently notified to affected land owners and the community during that process.

The Planning Proposal will be notified for a minimum period of 28 days. The notification period is expected to be outside the Christmas / New Year period (see timeline below). The notification would be placed on Council's website and advertised in the Blayney Chronicle and possibly also on Council's Facebook site.

The notification would:

- Reference this report that includes a description of the objectives or intended outcomes of the planning proposal and the land affected by the planning proposal;
- Advise when and where the planning proposal can be inspected;
- Give the name and address of the Council for the receipt of submissions; and
- Indicate the last date for public submissions.

During the exhibition period, the following material will be made available for inspection at Council's offices in Blayney:

- The Planning Proposal, in the form approved for community consultation by the Director General of Planning;
- The Gateway Determination and any associated conditions or requirements.

Additional consultation is also expected with key government agencies and stakeholders during the public exhibition period – possibly through a letter or notification including, but not limited to:

- Department of Planning, Industry & Environment ('DPIE') including offices associated with the environment & heritage & Mining, Exploration & Geosciences (MEG)
- Department of Premier & Cabinet
- Department of Primary Industries
- Department of Regional NSW including Local Land Services
- Natural Resources Access Regulator (NRAR)
- Central Tablelands Water ('CTW') (water infrastructure).

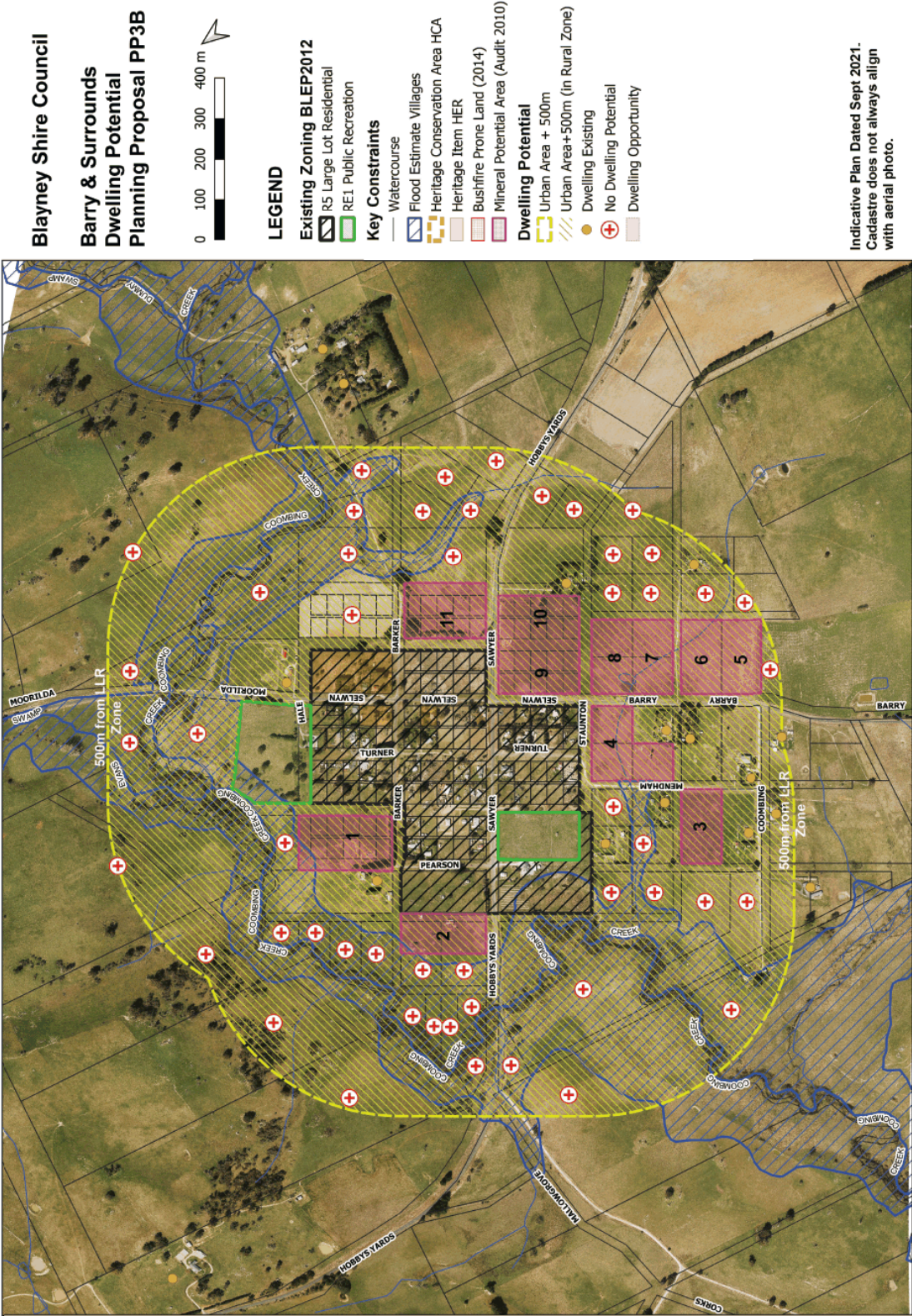


### 3.6 Part 6: Project Timeline

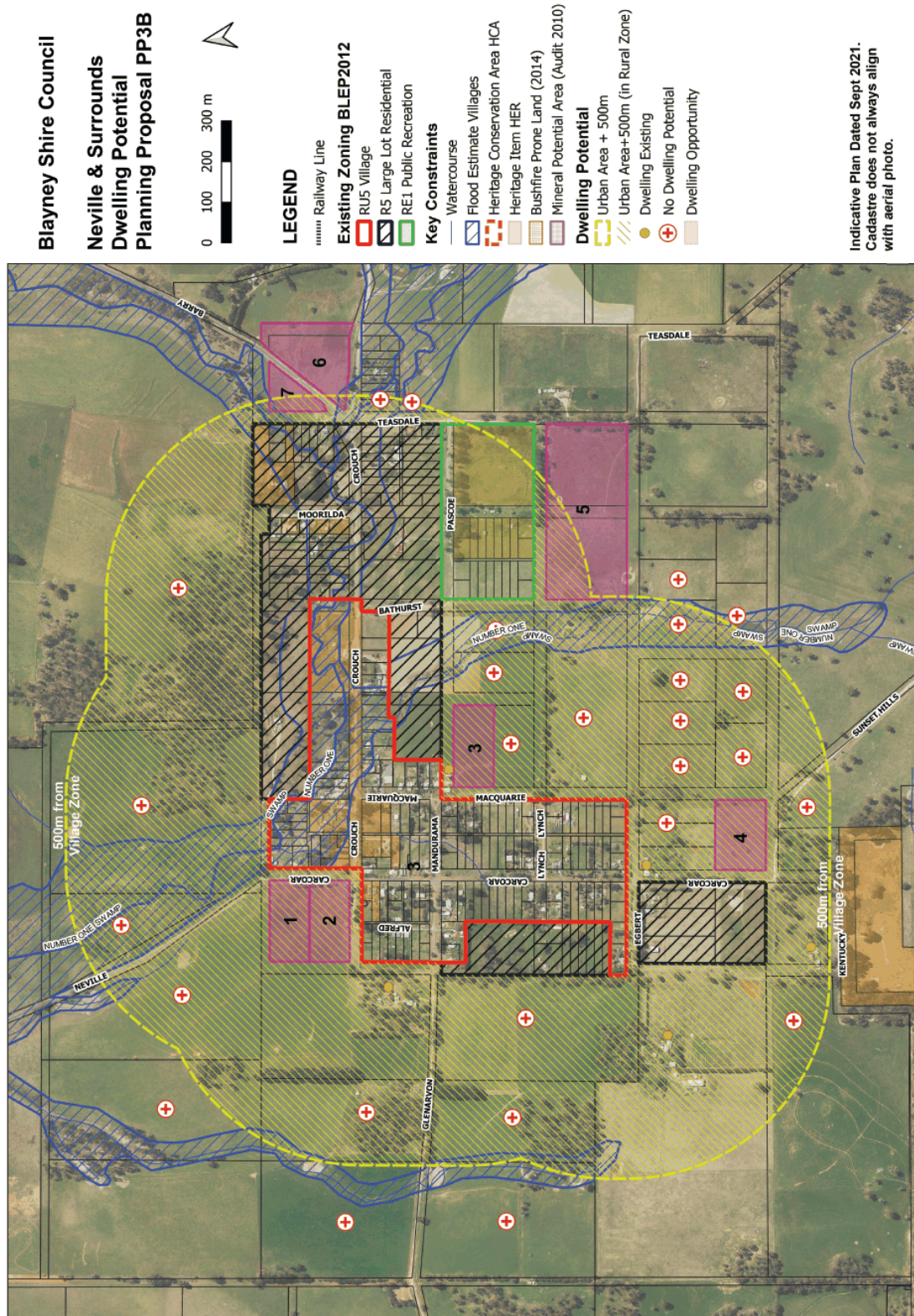
The following provides an anticipated / estimated project timeline for completion (subject to Gateway / Council requirements and extent of submissions/amendments). It demonstrates that from the date of the Gateway Determination it is expected the amendments can be made / commence in up to 9 months from date of Gateway Determination (subject to COVID, Council elections, and matters outside Council's control):

Table 1 - Project Timeline Task	Anticipated timeframe
Planning Proposal to Council for approval to send to DPIE	October 2021
Forward Proposal to DPIE	
Commencement date (Gateway determination)	November/December 2021
Timeframe for the completion of required technical information	January 2022 (unlikely to be required)
Government agency consultation (pre and post exhibition as required by Gateway determination)	January 2022
Commencement and completion for public exhibition period	January/February 2022
Dates for public hearing (if required)	February 2022
Consideration of submissions	February/March 2022
Consideration of a proposal post exhibition	March 2022
Date of submission to the Department to finalise LEP	March/April 2022
Anticipated date RPA will make the plan (if delegated)	April/May 2022
Anticipated date RPA will forward to the Department for notification	Mid 2022
Potential for amendments to commence	Mid 2022

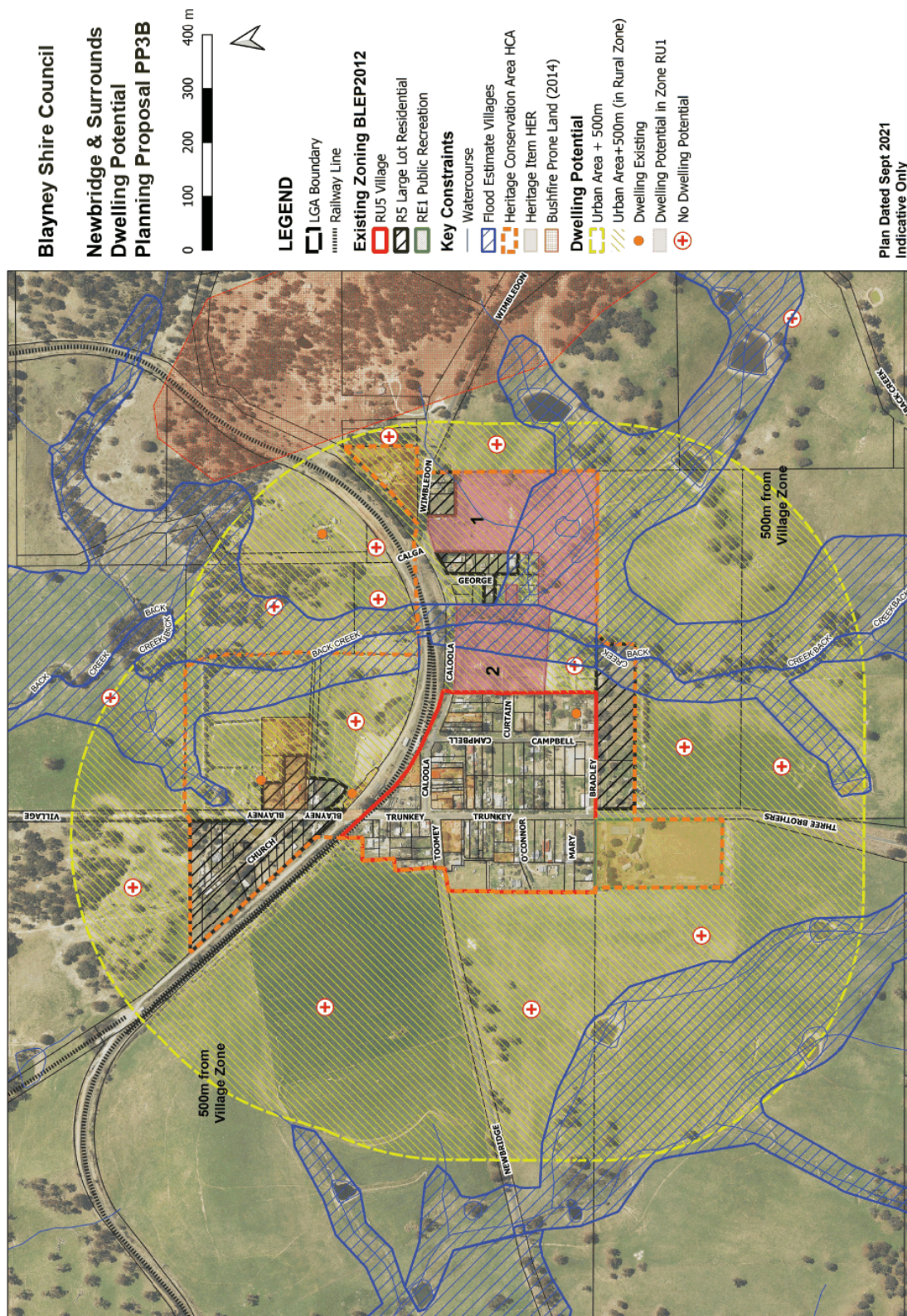








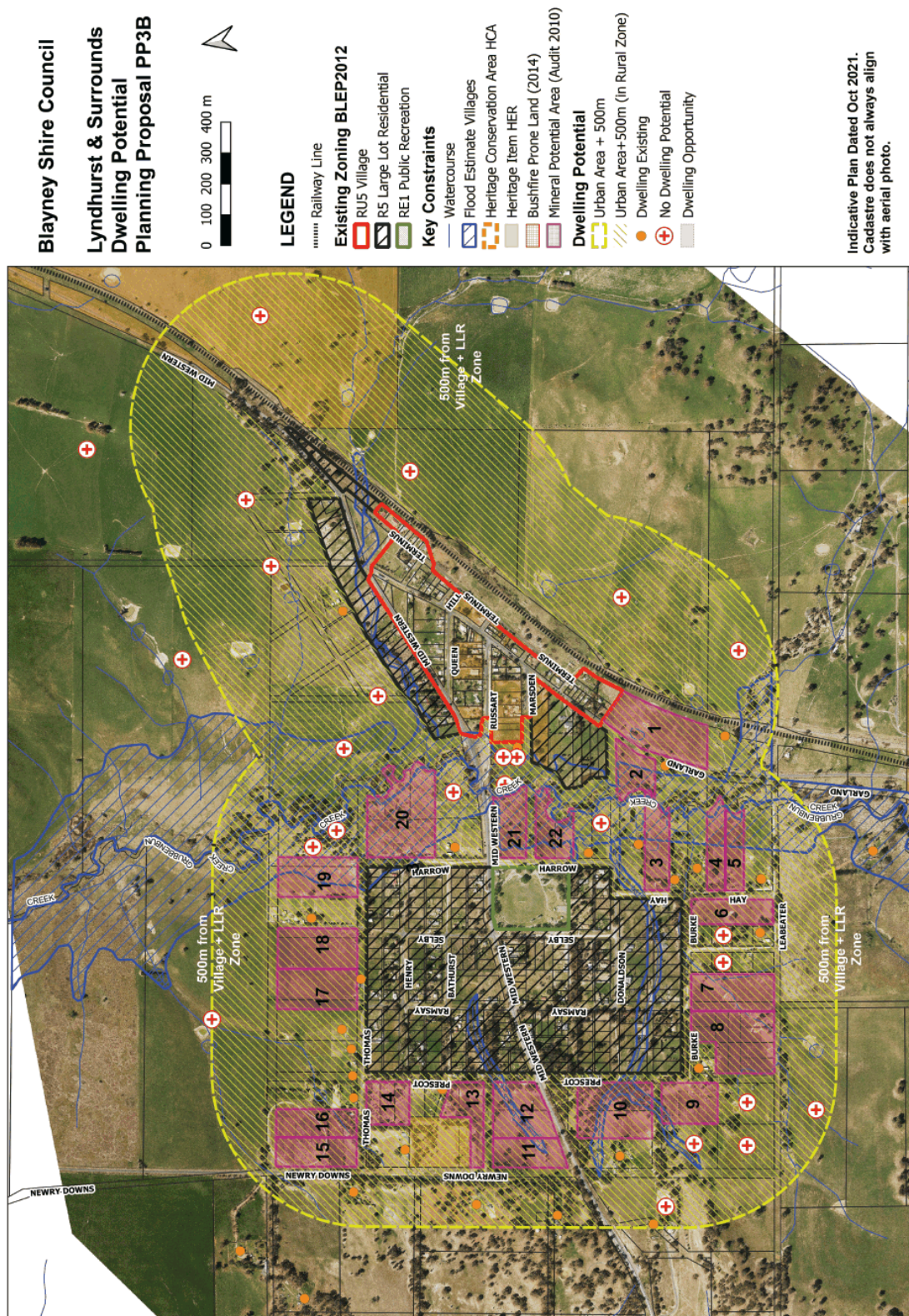






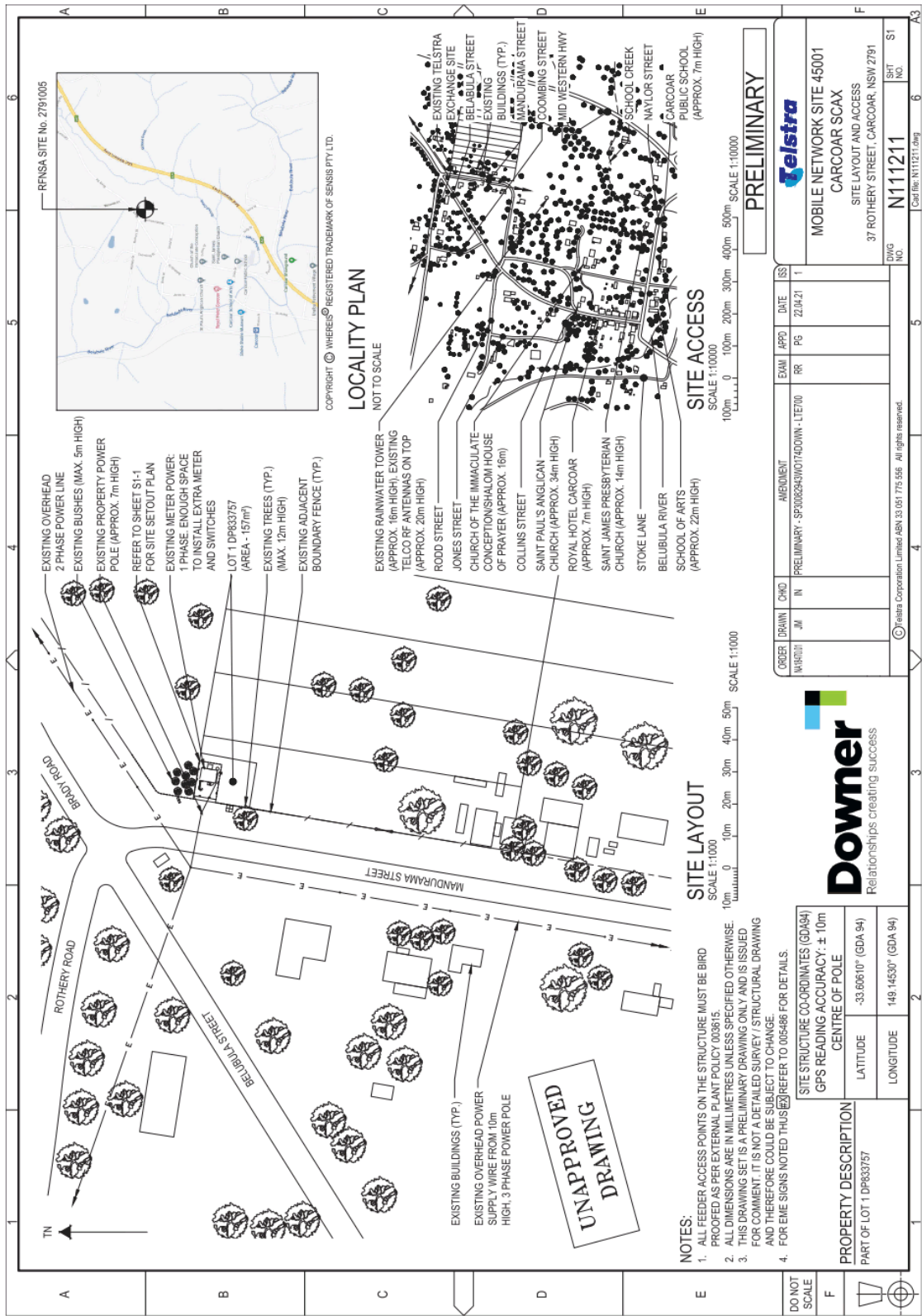




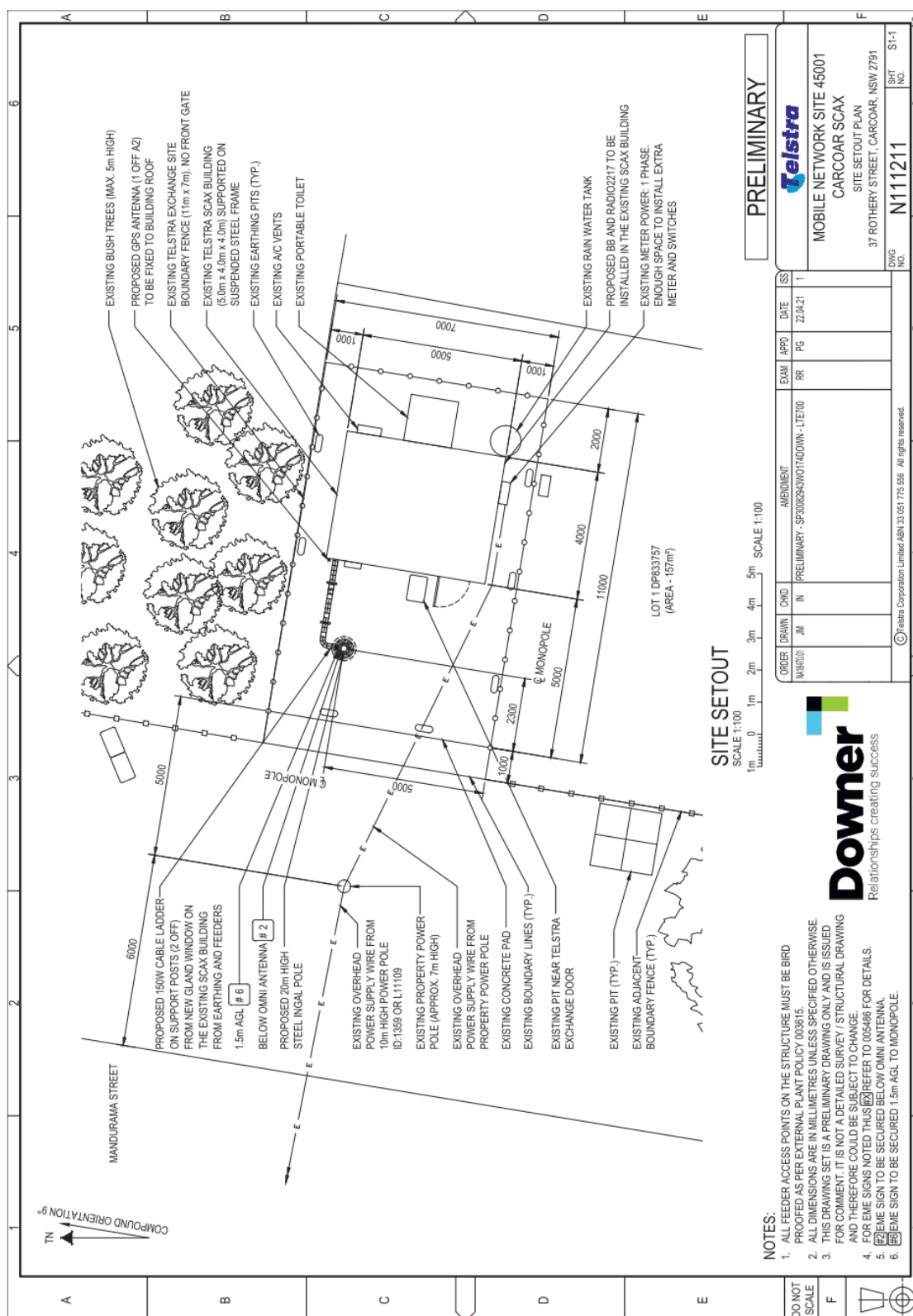


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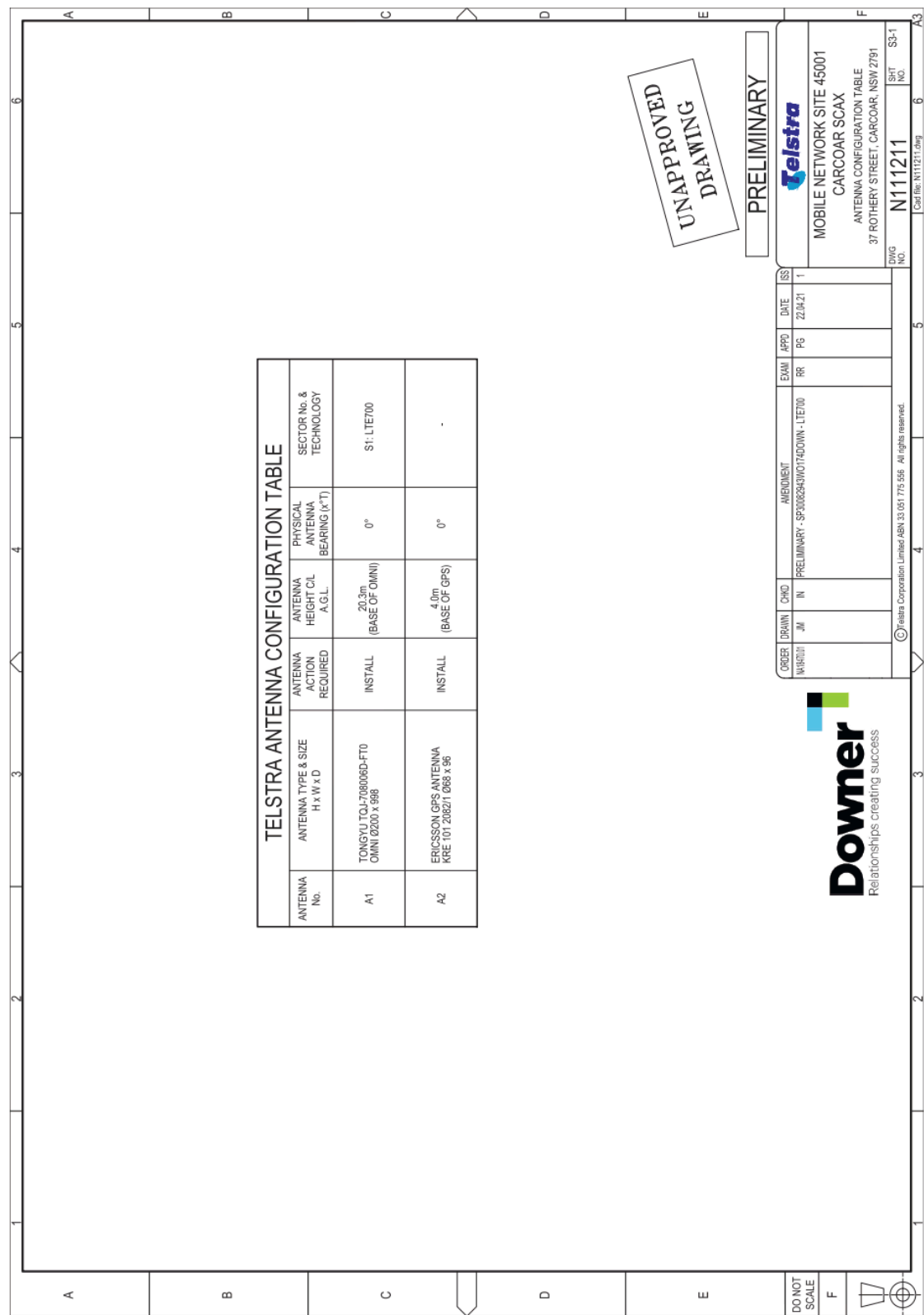












## Environmental EME Report

<b>Location</b>	37 Rothery Street, CARCOAR NSW 2791		
<b>Date</b>	09/03/2021	<b>RFNSA No.</b>	2791005

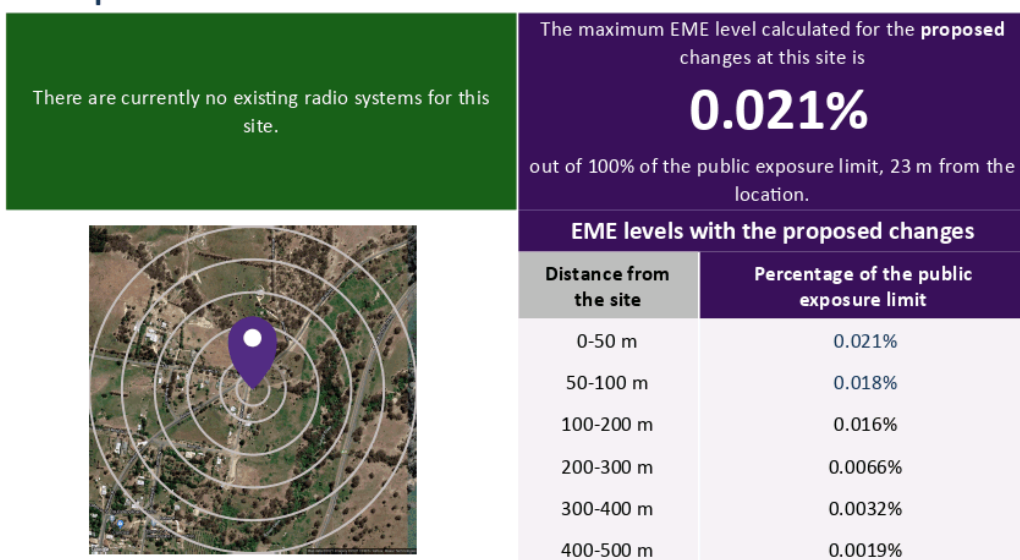
### How does this report work?

This report provides a summary of levels of radiofrequency (RF) electromagnetic energy (EME) around the wireless base station at 37 Rothery Street, CARCOAR NSW 2791. These levels have been calculated by Downer Group using methodology developed by the Australian Radiation Protection and Nuclear Safety Agency (ARPANSA).

A document describing how to interpret this report is available at ARPANSA's website:

[A Guide to the Environmental Report.](#)

### A snapshot of calculated EME levels at this site



For additional information please refer to the EME ARPANSA Report annexure for this site which can be found at <http://www.rfnsa.com.au/2791005>.

### Radio systems at the site

This base station currently has equipment for transmitting the services listed under the existing configuration.

The proposal would modify the base station to include all the services listed under the proposed configuration.

Carrier	Existing		Proposed	
	Systems	Configuration	Systems	Configuration
Telstra			4G	LTE700 (proposed)



### An in-depth look at calculated EME levels at this site

This table provides calculations of RF EME at different distances from the base station for emissions from existing equipment alone and for emissions from existing equipment and proposed equipment combined. All EME levels are relative to 1.5 m above ground and all distances from the site are in 360° circular bands.

Distance from the site	Existing configuration			Proposed configuration		
	Electric field (V/m)	Power density (mW/m <sup>2</sup> )	Percentage of the public exposure limit	Electric field (V/m)	Power density (mW/m <sup>2</sup> )	Percentage of the public exposure limit
0-50m				0.54	0.78	0.021%
50-100m				0.5	0.66	0.018%
100-200m				0.48	0.61	0.016%
200-300m				0.31	0.25	0.0066%
300-400m				0.21	0.12	0.0032%
400-500m				0.16	0.071	0.0019%

### Calculated EME levels at other areas of interest

This table contains calculations of the maximum EME levels at selected areas of interest, identified through consultation requirements of the [Communications Alliance Ltd Deployment Code C564:2020](#) or other means. Calculations are performed over the indicated height range and include all existing and any proposed radio systems for this site.

#### Maximum cumulative EME level for the proposed configuration

Location	Height range	Electric field (V/m)	Power density (mW/m <sup>2</sup> )	Percentage of the public exposure limit
No locations identified				

## Statement of Heritage Impact for The erection of a telecommunications tower at 37 Rothery Street, Carcoar



Figure 1.0 View of the existing Telstra exchange site building at 37 Rothery Street, Carcoar.

**Date:** 1<sup>st</sup> of June 2021

**Reference:** Carcoar Heritage Conservation Area

SHI No: 1161113

**Address and property description:**

Lot 1, DP833757

37 Rothery Street,

Carcoar,

NSW, 2791

**Prepared by:**

High Ground Consulting

116 Hassans Walls Road

Lithgow NSW 2790

0419 438609

**For:**

Telstra Corporation Limited

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Statement of Heritage Impact | 37 Rothery Street, Carcoar 2791

## 1.0 Executive Summary

This Statement of Heritage Impact has been prepared by High Ground Consulting for the client Telstra Corporation Limited; to assess the potential heritage impact of the erection of a telecommunications tower, within the subject site – 37 Rothery Street, Carcoar – which lies within the Carcoar Heritage Conservation Area. The Carcoar Heritage Conservation Area is of local significance and is listed under Schedule 5 of the *Blayney Local Environmental Plan 2012*.

The subject site contains an existing Telstra exchange site building. The proposal is to erect a 21.3m high signal pole and antenna on the premise; along with a 150W cable ladder and GPS antenna, both fixed to the existing building.

These works have been proposed in response to the local demand for telecommunication improvement. At present, Carcoar has very minimal cellular reception. Carcoar's existing telecommunication antenna is attached to the roof of the town's rainwater tower, just 300m south of the subject site.

This report will address the following:

- Why the subject site is of cultural significance;
- What impact the proposed works might have on that significance;
- What measures can be used to mitigate negative impacts;
- Why more sympathetic solutions were not viable.

### 1.1 Methodology

This report has been guided by the following documents:

- *The Burra Charter, 1999*
- *New South Wales Heritage Manual, 1999*
- *Blayney Local Environmental Plan, 2012*
- *Blayney Heritage Inventory*

A non-invasive visual inspection of the subject site was conducted on the 31<sup>st</sup> of May 2021 by High Ground Consulting; relevant photographic images were taken.

## 2.0 Introduction

### 2.1 Location

The subject site is situated approximately 770m north-east of the town centre of Carcoar. The township of Carcoar is located 285km west of Sydney city and 52km south-west of Bathurst. Carcoar is located within the Blayney Shire Council local government area, and the area falls under the Orange Local Aboriginal Land Council.



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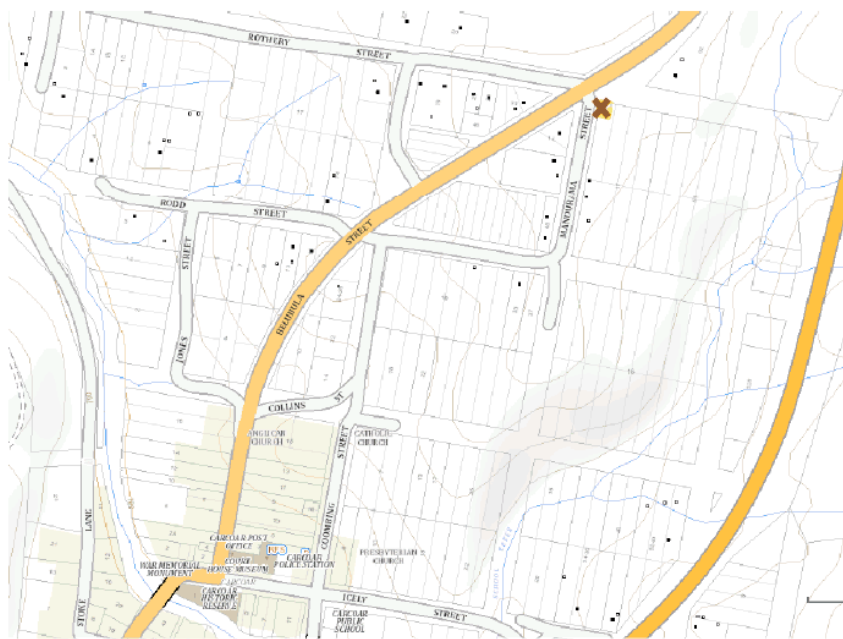


Figure 1.1 Aerial view of subject site (marked by red cross) in context to Carcoar town centre.  
[Source: New South Wales ePlanning Spatial Viewer]



Figure 1.2 Town centre. Carcoar Bridge over the Belubula River, with the Carcoar Railway Station in the background.  
[Source: High Ground Consulting, 2021]

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Figure 1.3 Town centre. View from the top of Belubula Street.  
[Source: High Ground Consulting, 2021]



Figure 1.4 Town centre. Corner of Belubula and Icely Street  
[Source: High Ground Consulting, 2021]

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## 2.2 Definition of Study Area

The subject area is located at 37 Rothery Street, Carcoar; situated on the corner of the Mandurama Street, Belubula Street and Rothery Street intersection. The property is identified as Lot 1, DP833757.



Figure 2.0 Aerial view of subject site outlined in yellow.  
[Source: New South Wales ePlanning Spatial Viewer]

## 2.3 Site Assessment

The subject site contains an existing smaller portable exchange site building (SCAX building) owned by Telstra. The building has an open boundary fence. There are existing bush trees (max. 5m high) along the northern side of the site. This vegetation acts as a façade for the SCAX building, helping to camouflage it from street view. An existing overhead power supply wire runs above the site and onto the adjacent streets. This power supply wire is held up by various 10m high power poles; one of which sits at front of the subject site, facing Mandurama Street.



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Figure 2.1 View of existing SCAX from Mandurama Street facing east.  
[Source: High Ground Consulting, 2021]



Figure 2.2 View facing away from SCAX onto Mandurama Street, facing west.  
[Source: High Ground Consulting, 2021]

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Figure 2.3 View from the back of the SCAX facing east.  
[Source: High Ground Consulting, 2021]



Figure 2.4 View from SCAX, facing south west towards Carcoar village centre  
[Source: High Ground Consulting, 2021]

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Figure 2.5 View from Mandurama Street facing north east towards SCAX  
[Source: High Ground Consulting, 2021]



Figure 2.6 View of SCAX from Belubula intersection.  
[Source: High Ground Consulting, 2021]

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### 2.3 Associated Sites

At present an existing telecommunication antenna runs off the top of the town's rainwater tower. This tower needs multiple replacements. The tower is located approximately 300m south of the existing SCAX building. The rainwater tower sits at approximately 16m high with a 4m antenna on top; making the total height 20m. This rainwater tower, along with its telecommunication antenna are not visible from the village centre. The overall height has no direct impact on the significant views from Carcoar's village centre.



Figure 2.7 View of the existing rainwater tower from Mandurama Street, facing south-west.  
[Source: High Ground Consulting, 2021]





Figure 2.8 View from behind the rainwater tower, facing south-west to Carcoar village centre.  
[Source: High Ground Consulting, 2021]

### 3.0 Historical Overview

The township of Carcoar was established in 1839, making it the third oldest town west of the Blue Mountains. Carcoar's geographical and topographical setting were the main factors which contributed to the settlement and development of the small village.



Figure 3.0 View of Carcoar taken from the western side of Brady Road c.1900.  
[Source: Carcoar and District Historical Society]

The township developed out of a property purchased by Thomas Icely in 1831. The municipality was formed in 1879 and the town continued to grow with the help of many local copper and gold mines. The prosperity of Carcoar was heralded by the establishment of many public buildings such as the court house (est.1842) and the Commercial bank (est. 1863). Carcoar's delay in establishing a railway meant that the neighbouring town of



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Blayney superseded in development and dominance. As a result of this, the town's population fell by 1950 making Carcoar an almost dormitory town. It is for this reason that Carcoar was untouched from major modern development and subsequently retained its nineteenth century character and charm with excellent integrity; both in its architecture and village layout.<sup>1</sup> It is evident that much of Carcoar's heritage significance pivots around its village centre.

## 4.0 Heritage Listing

### 4.1 Statutory listings and non-statutory listings

The subject site is located within the curtilage of the Carcoar Heritage Conservation Area, which is of local significance; listed under Schedule 5 part 2 of the *Blayney Local Environmental Plan 2012*.

The village of Carcoar is also listed under the following non-statutory listings:

- National Trust of Australia Register (no.1627)
- Register of the National Estate (no.000869)

The subject site is not listed as a heritage item of local or state significance; nor does the subject site obtain any heritage items on the premise, of local or state significance.

## 5.0 Existing Heritage Status

### 5.1 Statement of Significance

The Statement of Significance of the Carcoar Heritage Conservation Area, as identified in the Blayney Heritage Inventory is as follows:

*"The strong topography produces a picturesque setting for the village, which is further enhanced by the traditional character of many of its buildings, St. Paul's spire and the steep twisting nature of the main street all contribute to a remarkable experience. Carcoar is significant for representing a nineteenth century Australian township possessing a high level of integrity and having few modern intrusions. (The town is historically important for its associations with the development of the Central West region during the nineteenth century. Carcoar contains a range of different types and forms of buildings and other cultural features. Many of the buildings in the village are important for their fine architectural styling. Carcoar is a picturesque place of strong aesthetic qualities. The town's pervasive historic character and its setting within the Belubula River Valley are major features."*<sup>2</sup>

In short, Carcoar's heritage significance comes down to its excellent integrity, particularly in its architectural and topographical aesthetics. The topographical views which provide a picturesque setting for the village, its highly intact, traditional nineteenth century architecture and its representation of early Australian townships, with very little modern intrusions; all contribute to the town's heritage significance. Proposed works within the Carcoar Heritage Conservation Area should be sympathetic to these significant features.

### 5.1 Statement of Significance Break Down

This significance is further defined in accordance with the NSW significance assessment criteria

NSW Heritage Assessment Criteria	Significance	Reasons
Historical Significance Criterion (a)	Local	The Carcoar Heritage Conservation is of local significance due to its high historical significance pertaining to its associations with the development of the Central West region during the early nineteenth century.
Historical Association Significance (b)	-	-

<sup>1</sup> Blayney Heritage Inventory- Carcoar Urban Conservation Area.p.2

<sup>2</sup> Blayney Heritage Inventory- Carcoar Urban Conservation Area.p.1

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<b>Aesthetic Significance</b> Criterion (c)	Local	The Carcoar Heritage Conservation is of local significance as a town with high aesthetic significance; both topographically and architecturally. The strong topography of the area – which lies within the valley of the Belubula River – provides picturesque views for the village. This topography is further enhanced by the architecture of the town centre. The town has a range of different types and forms of buildings from the nineteenth century, with fine architectural styling and integrity; such as St. Paul's spire. The street scape of the village centre also contributes to Carcoar's high aesthetic significance.
<b>Social Significance</b> Criterion (d)	Local	The Carcoar Heritage Conservation area is of local significance due its social associations in providing the community with a sense of place.
<b>Technical Research Significance</b> Criterion (e)	-	-
<b>Rarity</b> Criterion (f)	-	-
<b>Representativeness</b> Criterion (g)	Local	The Carcoar Heritage Conservation area is of local significance for its representation of a nineteenth century Australian township.
<b>Integrity</b> Criterion (h)	Local	The Carcoar Heritage Conservation area is of local significance as it holds high integrity, particularly in its nineteenth century architecture and town layout; with few modern intrusions and developments.

## 5.2 Aboriginal Heritage

A search conducted by the Office of the Environment and Heritage's Aboriginal Heritage Information Management System on the 20<sup>th</sup> of April 2021, indicated that no Aboriginal sites have been recorded in or near (50m radius) the subject location; neither have any Aboriginal places been declared in or near (50m radius) the subject location. Therefore, it is highly unlikely that any negative impact would occur to the Aboriginal heritage on the subject location, as no direct significance has been identified.

## 6.0 Proposed works

The client Telstra has proposed the following works in response to the community's demand for telecommunication improvement:

- Erection of a steel signal pole with an attached antenna, transition piece and signal feeders (approx. 21.3m) in front of the existing SCAX building
- A 150W cable ladder running from existing building
- A small GPS antenna fixed to the roof of the existing building

No demolition has been proposed.

## 7.0 Assessment of Heritage Impact

The subject location and existing SCAX building demonstrate no significant contribution to the Carcoar Heritage Conservation Area and as such can be identified as a non-contributory or uncharacteristic item.

As addressed in the Statement of Significance, Carcoar's significance pivots primarily on its aesthetic views, historical nineteenth architecture and representation of early nineteenth century Australian country townships. Due to the subject site's distant location from the Carcoar village centre, as well as its topographical positioning, the proposed work should have minimal impact on the heritage significance of the town Carcoar. The subject site is not visible from the village centre, and therefore the 21.3m high signal pole should not detrimentally impact on the significant views of the town. Furthermore, since the proposed works are not occurring on an Aboriginal site there should be no impact on the Aboriginal heritage of Carcoar.

### 7.1 The following aspects of the proposal respect or enhance the heritage significance of the item or conservation area for the following reasons:

The basic form and structure of the signal tower does not make a statement but is simply designed for functionality. This respects the significant views of the Carcoar Heritage Conservation Area.

The positioning of the signal pole as far as possible from the village centre respects the overall significance of Carcoar Heritage Conservation Area.

The following works will respect the cultural significance of Carcoar in the following ways:

- Historical Significance
  - The historical significance of Carcoar pertains primarily to its associations with the development of the Central West region during the early nineteenth century. Majority of this historical development is present within the village centre. The positioning of the signal pole far from the village centre will respect this significance.
  - The proposed works will further enhance the development of Carcoar through the incorporation of better telecommunication.
- Aesthetic Significance
  - The form and positioning of the proposed works will respect the aesthetic significance of Carcoar. The aesthetic significance of Carcoar is concentrated primarily to the village centre; specifically, the village's architecture and its topographical views. The positioning of the signal pole far from the village centre, allows for minimal visual intrusion on the aesthetic architectural significance of the town and its significant picturesque views. The simplistic form of the signal pole pivots primarily on its functionality, this form and design does not seek to make a visual statement and thus respects Carcoar's aesthetic significance.
- Social Significance
  - The proposed works will enhance the social significance of Carcoar, as it will provide better telecommunication thus creating better liveability for residents and visitors.
- Representativeness
  - The proposed works will respect Carcoar's representation of a nineteenth century Australian township, through its location far from the town's early establishment.
- Integrity
  - The proposed works will respect the integrity of Carcoar as it will not intrude on any significant building or view.

### 7.2 The following aspects of the proposal could detrimentally impact on heritage significance. The reasons are explained as well as the measures to be taken to minimise impacts:

The height of the signal pole could negatively impact the heritage significance of Carcoar. However, the positioning almost 800m north-east of the town centre allows for minimal visual intrusion. It is advised that the signal pole be as visually-discreet as possible, in its form, colour and material. The incorporation of natural vegetation surrounding the site to facilitate a façade from street view, could help mitigate this impact.

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**7.3 The following sympathetic solutions have been considered and discontinued for the following reasons:**

The reduction of the height of the signal pole has been considered and discontinued due to the fact that it would be ineffective for the production and functionality of the antenna.

**7.4 Response to the Evaluation Criteria:**

Major additions

<i>Proposed Change in Heritage Item</i>	<i>Some Questions to be answered in a Statement of Heritage Impact</i>	<i>Response</i>
<b>Major additions (see also major partial demolition)</b>	How is the impact of the addition on the heritage significance minimised?	The impact of the addition will be minimised by its distant location from the village centre, allowing for minimal visual intrusion to the significant views of Carcoar.
	Can the additional area be located within an existing structure? If not, why not?	The proposed works will be located within an existing Telstra telecommunication site, and some of the additions are being fixed to the original structure where possible.
	Will the additions tend to visually dominate the heritage item?	The subject site is not visible from the village centre, therefore the proposed erection of a 21.3m steel signal pole will not visually dominate the significant views from Carcoar's village centre.
	Are the additions sited on any known, or potentially significant archaeological deposits? If so, have alternative positions for the additions been considered?	The additions will not be erected on any areas of potential archaeological significance
	Are the additions sympathetic to the heritage item/ In what way (e.g. form, proportions, design)?	The proposed design, form and height of the signal pole is based purely on functionality, so as to not make a statement that will detract from the significant views in the area.

**8.0 Conclusion and Recommendations**

In conclusion the proposed work seems to have minimal impact on the cultural significance of the Carcoar Heritage Conservation Area. The distant location of the subject site from the Carcoar village centre, mitigates the visual impact the signal pole might have on the towns significant, topographical views.

It is recommended that the works adhere to the Burra Charters cautious approach to change: "do as much as necessary to care for the place and to make it useable, but otherwise change it as little as possible so that its cultural significance is retained."<sup>3</sup> The erection of telecommunications pole is necessary for usability and liveability for Carcoar residents. Functionality and use are imperative for the survival of any place of heritage significance. The erection of a telecommunication tower should improve the liveability and tourism within Carcoar. This should subsequently facilitate in the conservation of Carcoar's overall heritage significance; by preventing the town from becoming unliveable and thus, subject to abandonment and disrepair. The positioning of the signal

<sup>3</sup> The Burra Charter – The Australia ICOMOS Charter for Places of Cultural Significance



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pole, as well as its use of simple steel materials and basic form can be seen as necessary to the use of Carcoar, whilst still being respectful to the heritage significance of the town.

## 9.0 List of References

Australia ICOMOS, 2000. *The Burra Charter – The Australia ICOMOS Charter for Places of Cultural Significance 1999*, Australia ICOMOS, Burwood.

Heritage Council of NSW. Statements of Heritage Impact.

NSW Department of Planning: Heritage Branch, *Blayney Heritage Inventory- Carcoar Urban Conservation Area*

NSW Office of Environment and Heritage, 2021, *AHIMS Web Services Lot 1, DP 833757*

NSW Government, 2021. *NSW Property Report, 37 Rothery Street, Carcoar*.

New South Wales Government, 2021. *Blayney Local Environmental Plan 2012*, <https://legislation.nsw.gov.au/view/html/inforce/current/epi-2012-0573> (Accessed 2021)

Telstra Corporation Limited, 2021. *Proposed Draft Plans: Carcoar Telstra SCAX*.

20 AUGUST, 2021

Your Ref: DB.AB.1671

Blayney Shire Council  
91 Adelaide Street  
Blayney NSW 2799

Dear Sir/Madam

**Applicant: Z Coombes**  
**DA No: 86/2021**  
**Property: Lot 1 DP833757 – 37 Rothery Street Carcoar**  
**Development: Telecommunications Facility (Small Cell)**

I refer to your recent letter regarding the above mentioned development application and would like to lodge a submission of objection to the application.

I do realise the necessity of upgrading the mobile network in Carcoar but I am very disappointed with the location being directly across the street from my house in Mandurama Street [REDACTED]. The tower would be the [REDACTED].

I have made numerous searches regarding telecommunication towers and have found no assurances that the health of residents is not affected which is extremely concerning [REDACTED]. Next door have numerous [REDACTED] to contend with without adding more.

Listed possible Health Issues for close residents are:

- . Cancer
- .Neurodegeneration
- .Sleep Disorders
- .Cardiovascular
- Sensory Disorders

I also believe the value of our homes would be impacted and devalued which would be very unfair as we should have the same opportunities as other residents in the town and, as we don't have any problems here with mobile service, we would be the one sacrificing for the down town residents to have better mobile service. We have all worked hard to obtain our properties and it would be very upsetting to have the values of our properties adversely affected by this development when there are so many other places around Carcoar the tower could be located.

The Carcoar Community values the Historical aspect of the town of Carcoar and the proposed tower, situated at the intersection of Brady Rd. Rothery St and Mandurama St and in the town boundary, would be the first thing visitors and tourists see upon entering the village. Being a part of the committee to save the St Paul's Church building, it is apparent that there are many people Australia wide that want to keep the heritage and history of Carcoar intact including the visual aspect. The tower being at the entrance to Carcoar would be a negative view as a Historical town.



I cannot understand why Telstra did not consider placing the tower only metres away near the water tower in Mandurama Street where there are already telecommunication devices such as the NBN tower. It would be located where it would be less noticeable by visitors and tourist to the village and partially hidden by mature trees and still easily assessable. There would be less impact on residents in the area and, I believe, a better location for the tower. This is a residential area and is already starting to look like an industrial area. It is unfair for the same small area to again be used for all these facilities.

I would also like to note that I had not heard anything about the Telstra Tower possibly being erected near [REDACTED] until a neighbour, [REDACTED] made me aware of it and I had to make a call to Council to get a copy of the letter supposedly sent to me regarding the Development Application, with 2 weeks to respond to, emailed. Your letter is dated 12 August, but was not received until today 20 August. [REDACTED] and still has not received any correspondence regarding the application. It would appear that the decision has already been made without consultation with the residents involved.

I would like Council to consider all parties, as your current rate payers, affected by this Development Application and a small change to the location may be acceptable to all parties and everyone wins.

Yours faithfully,

[REDACTED]

## Draft Conditions of Consent DA86/2021

### Reasons for Conditions

Mandatory/statutory requirement and public interest.

To ensure the health and safety of the public.

Heritage conservation.

### Approved Plans

#### 1. Development in Accordance with Approved Plans & Documentation

Development is to take place in accordance with:

Plan / Doc No.	Plan / Doc Title	Prepared by	Issue	Date
S1	Site Layout and Access	Downer	1	22/04/21
S1-1	Site Setout Plan	Downer	1	22/04/21
S3	West Elevation	Downer	1	22/04/21
S3-1	Antenna Configuration Table	Downer	1	22/04/21

as amended in accordance with any conditions of this consent.

*NOTE: Any modifications to the proposal shall be the subject of an application under Section 4.55 of the Environmental Planning and Assessment Act, 1979.*

### Prescribed Conditions

#### 2. Building Code of Australia

The building work must be carried out in accordance with the requirements of the Building Code of Australia. A reference to the *Building Code of Australia* is a reference to that Code as in force on the date the application for the relevant construction certificate is made.

#### 3. Identification of Site

The developer is to provide a clearly visible sign to the site stating:

- Unauthorised entry to the worksite is prohibited;
- Street number or lot number;
- Principal contractor's name and licence number; or owner builders permit number;
- Principal contractor's contact telephone number/after-hours number;
- Identification of Principal Certifying Authority, together with name, address & telephone number.

*Note: Any such sign is to be maintained while the building work, subdivision work or demolition work is being carried out.*



<b>Prior to Issue of a Construction Certificate</b>
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**4. Traffic and Pedestrian Management Plan**

The applicant is to prepare and implement a Traffic Management Plan that provides necessary direction to traffic or pedestrian movement through or past the work site. The Traffic Management Plan is to be prepared by a suitably qualified person in accordance with the provisions of the relevant Australian Standards and is to be submitted to Council for approval prior to the issue of a Construction Certificate.

<b>Prior to Works Commencing</b>
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**5. Construction Certificate**

Prior to commencement of any works, a Construction Certificate is to be obtained, and where Council is not the PCA, a copy is to be submitted to Council.

**6. Commencement of Work & Appointment of PCA**

The applicant is to submit to Council, at least two (2) days prior to the commencement of any works, a notice of commencement of building or subdivision works and Appointment of Principal Certifying Authority (PCA).

**7. Contact Telephone Number**

Prior to the commencement of the works, the Applicant shall forward to the Council a 24 hour telephone number to be operated for the duration of the construction works.

<b>During Construction</b>
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**8. Excavation Work**

All excavation and backfilling associated with the erection/demolition of the building must:

- a) be executed safely and in accordance with appropriate professional standards, and
- b) be properly guarded and protected to prevent them from being dangerous to life or property.

**9. Erosion and Sediment Control**

Erosion and sediment control measures are to be established prior to commencement of construction and maintained to prevent silt and sediment escaping the site or producing erosion. This work must be carried out and maintained in accordance with Council's *WBC Guidelines for Engineering Works* (see Council's website), and the Dept Housing – *Soil and Water Management for Urban Development (The Blue Book)*.

*Note: All erosion and sediment control measures must be in place prior to earthworks commencing. Copies of the above Policy are available from Council's Environmental Planning and Building Services Department.*

#### **10. Hours for Construction or Demolition**

Construction or demolition only be carried out between 7.00 am and 5.00 pm on Monday to Friday, and 8am to 5pm on Saturdays. No construction or demolition is to be carried out at any time on a Sunday or a public holiday.

Works may be undertaken outside these hours where:

- The delivery of materials is required outside these hours by the Police or other authorities; or
- It is required in an emergency to avoid the loss of life, damage to property and/or to prevent environmental harm; and
- Residents likely to be affected by the works are notified of the timing and duration of these works at least 48 hours prior to the commencement of the works.

*Note: The principal contractor shall be responsible to instruct and control their sub-contractors regarding the hours of work.*

#### **11. Manufactures Specification**

The Telecommunications facility and ancillary facilities are to be carried out in accordance with the applicable specifications (if any) of the manufacturers for the installation of such equipment.

#### **12. Rubbish and Debris**

All rubbish and debris associated with the development, including that which can be windblown, must be contained on site in a suitable container at all times. The container shall be erected on the development site prior to work commencing. Materials, sheds or machinery to be used in association with the development must be stored and stacked wholly within the worksite unless otherwise approved by Council.

*Note 1: No rubbish or debris associated with the development will be placed or permitted to be placed on any adjoining public reserve, footway or road.*

*Note 2: Offenders are liable for prosecution without further warning.*

#### **13. Toilet Facilities**

Toilet facilities must be available or provided at the work site before works begin and must be maintained until the works are completed at a ratio of one toilet, plus one additional toilet for every 20 persons employed at the site.

Each toilet must:

- i. be a standard flushing toilet connected to a public sewer, or
- ii. have an on-site effluent disposal system approved under the *Local Government Act 1993*, or
- iii. be a temporary chemical closet approved under the *Local Government Act 1993*.

#### **14. Finished Colours**

The approved facility must be finished in Dulux Windspray®, or similar if agreed by the Blayney Shire Council Department of Planning and Environmental Services.

**15. Approved Plans to be On-site**

A copy of the approved and certified plans, specifications and documents incorporating conditions of approval and certification shall be kept on the site at all times and shall be readily available for perusal by any officer of Council or the PCA

**16. Site Notice**

A site notice(s) shall be prominently displayed at the boundaries of the site for the purposes of informing the public of project details. The notice(s) is to satisfy all but not be limited to, the following requirements:

- Minimum dimensions of the notice are to measure 841mm x 594mm (A1) with any text on the notice to be a minimum of 30 point type size;
- The notice is to be durable and weatherproof and is to be displayed throughout the works period;
- The approved hours of work, the name of the site/project manager, the responsible managing company (if any), its address and 24 hour contact phone number for any inquiries, including construction/noise complaint are to be displayed on the site notice

**17. Contact Telephone Number**

The applicant shall ensure that the 24 hour contact telephone number is continually attended by a person with authority over the works for the duration of the development and this is displayed for public viewing at the entrance to the site

**18. Impact of Below Ground (Sub-surface) Works – Non-Aboriginal Relics**

If any previously unidentified archaeological relics are uncovered during the course of the work, then all works shall cease immediately in that area and the Heritage Branch of the Department of Planning must be contacted. Depending on the possible significance of the relics, an archaeological assessment and an excavation permit under the NSW Heritage Act 1977 may be required for further works can be considered in that area. Works shall not recommence until the applicant receives written authorisation from the Heritage Branch

**19. Impact of Below Ground (Sub-surface) Works – Aboriginal Relics**

If any previously unidentified Aboriginal archaeological relics are exposed during construction works, the Applicant shall immediately cease work and notify Heritage NSW in accordance with the National Parks and Wildlife Act 1974 and obtain any necessary approvals to continue the work. Works shall not recommence until an appropriate strategy for managing the objects has been determined in consultation with Heritage NSW and the applicant receives written authorisation from Heritage NSW.

<b>Prior to Issue of Occupation Certificate</b>
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**20. Occupation Certificate**

Prior to the occupation or use of the building an Occupation Certificate is to be obtained, and where Council is not the PCA, a copy is to be submitted to Council.

#### **21. Damage to Assets**

The cost of repairing any damage caused to Council or other Public Authority's assets adjoining the subject site as a result of construction works associated with the approved development, is to be met in full by the applicant prior to the issue of an Occupation Certificate.

#### **22. Electromagnetic Emissions**

Where the development is part of infrastructure for a public mobile phone network – the Council must, before commencement of use, be given:

- In the case of development that will produce electromagnetic radiation-a report in the format required by the Australian Radiation Protection Nuclear Safety Agency that shows the predicted levels of electromagnetic energy surrounding the development comply with the safety limits imposed by the Australian Communications and Media Authority and the Electromagnetic Radiation Standard,
- A report showing compliance with the Australian Communications Industry Forum Industry Code entitled CIF C564:2004 Deployment of Mobile Phone Network Infrastructure

#### **Ongoing Matters**

#### **23. Telecommunication facility to be removed if no longer required**

If the Telecommunication facility is deemed to be no longer required by the applicable service provider, it must be removed from the subject property. The subject property must be remediated to its condition prior to the installation of the Telecommunication facility.

#### **Essential Energy Requirements**

#### **24. Essential Energy**

Essential Energy has provided the following commentary:

- Any existing encumbrances in favour of Essential Energy (or its predecessors) noted on the title of the above property should be complied with.
- Essential Energy's records indicate there is electricity infrastructure located within the property. Any activities within this location must be undertaken in accordance with the latest industry guideline currently known as ISSC 20 Guideline for the Management of Activities within Electricity Easements and Close to Infrastructure.
- Prior to carrying out any works, a "Dial Before You Dig" enquiry should be undertaken in accordance with the requirements of Part 5E (Protection of Underground Electricity Power Lines) of the Electricity Supply Act 1995 (NSW).
- It is the responsibility of the person/s completing any works around powerlines to understand their safety responsibilities. SafeWork NSW ([www.safework.nsw.gov.au](http://www.safework.nsw.gov.au)) has publications that provide guidance when working close to electricity infrastructure. These include the Code of Practice – Work near Overhead Power Lines and Code of Practice – Work near Underground Assets."



<b>Advisory Notes</b>
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**Notice of Commencement**

AN1. Notice of commencement of building works – The attached form needs to be completed and emailed, faxed or mailed to Council at least 2 days before any work commences on the site.