

LAND RELEASE AND HOUSING SUPPLY IN NEW SOUTH WALES

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Dear Committee Members,

**TWEED SHIRE COUNCIL (STAFF) SUBMISSION - INQUIRY INTO LAND
RELEASE AND HOUSING SUPPLY IN NSW**

Tweed Shire Council welcomes the opportunity to provide feedback to the Committee in relation to its Inquiry into land release and housing supply in NSW.

In particular we welcome and appreciate the opportunity to raise our concerns and suggestions in the light of the barriers and opportunities as we perceive them as a regulatory and utility authority and trust they will assist and inform consideration of any policy reform.

Please find attached our specific comments for consideration and/or clarification by the Committee.

Should you have any queries please contact Council's Coordinator Strategic Planning, Iain Lonsdale, on [REDACTED] [REDACTED]

Yours Sincerely

A black rectangular box redacting the signature of Vince Connell.

Vince Connell
Director, Planning and Regulation



Land Release and Housing Supply in NSW

Submission to the Legislative Assembly -
Committee on the Environment and Planning

by
Tweed Shire Council Staff

Council's Submission

Tweed Shire Council welcomes the opportunity to provide comment on the challenges and barriers affecting the housing delivery and supply process in NSW, in so far that it may add a local perspective to the plethora of current information widely available on this topic.

Council has taken every opportunity to provide its comment on this and previous related government Inquiry as well as in response to a wide variety of legislative planning amendments. It has done so from local government area perspective where high growth pressure has, and continues, to pervade local strategic growth planning, and which despite the identification of long-term opportunities for new greenfield development has not been immune from the widening gap in supply and demand, and resultant decline in housing affordability.

By way of submission to the Inquiry into Regional Planning Processes in NSW, Council touched on an element of the supply chain which it considers one of the most significant contributors to delay in the supply chain, as well as, the ultimate cost of housing when it said; "contributions planning under the Environmental Planning and Assessment Act 1979 (EPAA), whether by s.94 plan or s94A percentage, is ineffective at capturing the cost of infrastructure work necessitated by new development¹" and went further to say that the capping of infrastructure charges, as they were and still fundamentally remain, works against aspirations to plan strategically for long-term growth, and ultimately operates such that it actually hampers implementation

¹ Tweed Shire Council submission in reply to the Inquiry into Regional Planning Processes in NSW of 1st December 2015.

of the Government's housing policy – planning reforms.

While there are many factors that work in tandem to influence the time and cost involved in bringing 'developable' land to the public market, the underlying premise of this submission is to highlight the concern for the lack of reform or intervention aimed at easing the funding or construction of new or augmented infrastructure to support new and infill housing development. In a local context we consider this unresolved situation to be the greatest threat to the Australian home ownership dream and as discussed within this submission Tweed is an example, in our view, where the pressure and tension on the local development industry to fundamentally carry the burden of infrastructure delivery, combined with there being no easy platform to discuss those concerns with the State, spills over in to the wider, but we consider, exaggerated debate about the detrimental impact of local planning controls and assessment timeframes.

The news worthiness of these apparent shortcomings, including those regulated by the State, was arguably fuelled by the rapid and extensive policy reform from around 2005 in response to such things as the Commonwealth of Australian Governments (COAG) National Affordable Housing Agreement (2009), the Productivity Commission Research Report (2011)² and the Final Report on Australia's Future Tax System³, among other notable research and commitments, and all of which heavily emphasised legislative planning reforms as a large component of the solution for example:

² Volume 1, Performance Benchmarking of Australian Business Regulation: Planning, Zoning and Development Assessment.

³ Chapter E: Enhancing Social and Market Outcomes, E4 Housing Affordability.

RECOMMENDATION 69:

COAG should place priority on a review of institutional arrangements (including administration) to ensure zoning and planning do not unnecessarily inhibit housing supply and housing affordability.⁴

However, and despite the many changes and amendments introduced over the preceding decade the debate on supply has barely shifted. This is somewhat surprising because many of sweeping reforms that have been introduced were designed in consultation with the housing industry and have resulted in some speeding up of assessment timeframes and a tempering of cost escalation across the broad range of assessment pathways. Tweed Shire Council has implemented practices wherever it can to assist with this and it is our experience that much of the current industry concern on the land supply side is more correctly about inadequate infrastructure; infrastructure costs, and the ability of smaller developers or councils to fund it.

Our impression is that it is too difficult for the industry to resolve these issues as it has no control over it or the same level of access to the legal or financial institutions or structures which need to change to bring about a much needed integrated infrastructure planning, funding and equitable distribution approach to land supply.

This is State-wide issue necessitating buy-in and leadership of the State government and this Inquiry provides the opportunity to raise this front and centre. Local government similarly shares the industry concerns knowing that the planning reforms to-date have done little to address the infrastructure asset deterioration or backlog, or genuinely improved the funding streams for new construction to support new development, indicating that reform has perhaps only been realised in those areas that were either already serviced or that is planned to be serviced by the State at some level.

In regional areas, or the further development is from established urban centres in the cities or towns, the more costly it is to deliver infrastructure. This may pose significant challenges in the coordination of land development especially where councils are dependent on the developer to provide essential services, for example private waste-water services under the WIK Act, tapping into existing road networks where there is 'technical' capacity and the like; which quintessentially translates to a system where those with a willingness to pay decide the spatial distribution and growth of new residential housing estates. There is a real risk

were councils lack the ability to regulate this more closely, through provision of adequate infrastructure and strategic growth sequencing, that housing developments will occur in a vacuum to the strategic aggregation / location of other land-uses and diminish opportunity for greater sustainability, social equity and other community aspirations articulated in the plethora of strategic plans prepared by state and local governments. It poses as a risk to governments, industries, and communities in meeting the net-zero emissions commitments in accordance with the Paris Agreement by way of example, and is more representative of planning that serves the greater needs or desires of the powerful few over that which serves the greater benefit of the people of NSW, including future generations.

The greatest concern expressed by community relates not to the supply of housing in numbers, but the quality of communities created that can support quality of life and meet the significant challenges of the future. The substantial cost and longevity of necessary development and infrastructure locks in patterns of land-use, transport, energy and water consumption. The way communities grow and develop over the next few years will shape sustainability and social outcomes for generations to come. Communities are keenly aware of environmental and social costs of the traditional 'land release and housing supply' growth model and the need to shift to more sustainable and equitable outcomes.

This ad hoc spatially disintegrated development scenario is the least cost efficient from a wider public tax payer perspective; leading to increased travel demand and emissions, higher living costs, and related social issues.

Having a knowledge of the deleterious effect poor spatial planning can have it is unremarkable that the identification and coordination of essential infrastructure at a regional scale has long since and remains the single most important issue raised by the NOROC group of Councils' during the preparation of the North Coast Regional Plan 2006 and its recent successor, the North Coast Regional Plan 2036; and which remains to be addressed and can only be resolved by state government. There is no magic pudding, silver bullet or legislative panacea for resolving the funding drought and disequilibrium of the distribution or 'sharing' of development infrastructure cost which has progressively shifted from State and Territory government responsibility to councils and now land developers. Respectfully, no matter how quickly or cheaply land can be acquired at a developable scale, rezoned and assessed, it will

⁴ Ibid.

remain in a state of limbo and beyond the reach of the public market unless it has the necessary essential infrastructure services it needs to support it.

This Inquiry has the opportunity to reset the discussion, to steer the paradigm shift toward net-zero emissions economies and improved sustainability outcomes, and evaluate the wealth of empirical data that is available and ultimately reshape the housing supply policy debate, and Tweed Council welcomes this intervention.

In-principle support

Tweed supports the Government's initiative to engage with the wide cross-section of stakeholders that exist at one stage or other in the delivery of housing to the NSW public. We welcome and appreciate the opportunity for a genuine discussion about the real barriers, as we experience and perceive them, in the supply chain preventing a more expedient supply of more affordable and developable land. We are supportive of the following and related actions:

- The opportunity for State government to recognise and evaluate its role in the provision and funding of essential infrastructure to support net-zero emissions economies;
- Enabling a comprehensive review of infrastructure charges;
- Analysis of the role of local government and its genuine ability under the State's legislative framework to fulfil the historic role of the State in providing essential infrastructure;
- Review of the State's capability to influence or provide a fit-for-purpose financing structure and regime for infrastructure that enables equitable apportionment of costs between the tiers of government and developers;
- Support for a plain English policy statement that clearly sets out the responsibility for an apportionment of infrastructure funding from general tax revenue in recognition of the greater benefit to all tax payers from new development as well as that apportionment of local government and developers – to describe who the 'users' are;
- Broadening the ability of government land organisations (GLOs) to facilitate the provision and roll-out of essential infrastructure in targeted release areas as well as initial building to enable viability and establish the character for the remainder of the release area;

- Reform of taxation laws to discourage land banking and encourage the development of available land⁵, and given prevailing circumstances this may warrant a punitive rather than meretricious or token reform;
- Redefine the purpose and scope of the Government's regional plans to incorporate and integrate the priority infrastructure and the structures for it shared funding and delivery;
- Undertake an evaluation of the ownership pattern within currently identified urban release areas and prioritise a framework and structures to enable fragmented ownership to be unified by government ahead of its release to the development market;
- Evaluate governance and structural options to enable the coordination and development of structure plans for all large scale urban release areas through the Department of Planning and Environment and an annual reporting tool for the identification of available 'planned' sites and their uptake: more reliable and accurate data on land suitability, availability and supply for housing, based on demand;
- Evaluate the option of a new 'strategic sites' rezoning practice that permits the community engagement on a strategic concept without the need to demonstrate capability, which is to be demonstrated through detailed development assessment.

Background

From about 2004, strong population growth has increased the demand for housing and the majority of this growth occurred in Victoria, Queensland and New South Wales, collectively absorbing an average of 80 per cent of the total national population increase over the past 10 years. This additional demand has been exacerbated by a declining household population between the early 1960s until around 2006⁶.

Tweed's growth rate over this period has fluctuated widely at times, with noticeable high rates of immigration during the 1980s in excess of 6%, and has maintained its status as one of the fastest growing regional areas in NSW. With a current population of

⁵ Prof. Kim Hawtrey, Associate Director and James Middleton, Research Analyst, BIS Shrapnel Pty Ltd, submission to the Senate Economic Reference Committee on Affordable Housing in Australia 2014, p3.

⁶ Housing Supply and Affordability Reform (HSAR) Working Party, *Housing Supply And Affordability Reform* (2012), p7.

around 92,000 it is project to grow to 115,350 by 2036⁷ at a rate of about 2.1% per annum. Over the last 10-15 years in particular Tweed has also witnessed a rapid decline in affordability with the median 3 bedroom house price estimated at about \$600K and median weekly household income estimated at \$1,056 per week.

In recent years a significant amount of research, analysis and industry / academic submissions have been commissioned and received by all levels of government on all matters affecting the supply and demand, affordability, funding and financing of housing and related infrastructure, and these include and we recommend the following as starting point:

- ~ **Final Housing Supply and Affordability Reform 2012** prepared by the Working Party of the same name for COAG;
- ~ **Supply-side Issues in the Housing Sector**, Wing Hsieh, David Norman and David Orsmond, prepared as a submission to the Senate Economic Reference Committee on Affordable Housing in Australia 2014, along with the following:
- ~ **BIS Shrapnel Pty Ltd submission (2014)** prepared by Prof. Kim Hawtrey, Associate Director and James Middleton, Research Analyst.

These empirical works sit alongside many other instructive, evidenced and research based, and well-articulated, submissions and papers that illuminate the broad range of issues and possible range of options for a reformist policy. This submission draws on a fraction of this to highlight only the issues as viewed from Tweed's experience and its primary concern surrounding the shortage of infrastructure to service the new release areas.

Firstly, it is relevant to note that Tweed Shire Council has a long history of preparing urban land release strategies, with its most recent completed in 2009, and with a rolling stock of zoned land, as well as unzoned investigation areas, capable of serving the housing demand well beyond the housing demand projections in the Government's North Coast Regional Plan 2036, as illustrated in the tables below.

Table 1 - Current Situation – Greenfield (zoned land)

Site	Density (persons)	Impediment
1. Kings Forest	8-10,000	DP&E major development approval uncommitted to

⁷ Department of Planning and Environment, *North Coast Regional Growth Plan 2036*, (2017).

			infrastructure provision / contributions and sourcing cheaper alternatives or government investment
2.	Cobaki Lakes	10-12,000	As above – same developer
3.	Bilambil Rise (A)	6-7,500	DP&E major development approval (part of site) - this and remainder of site (B) constrained by lack of public infrastructure including road infrastructure linked with Cobaki Lakes
4.	Area E	4,000	Stage 1 approved and commenced (256 lots) – remainder of site necessitates significant infrastructure provision / upgrades
5.	Tanglewood	1,500	Major development impediments: – Koala habitat, bushfire & limited public sewer capacity
6.	Tweed Heads CBD	7,000	Infill capacity / renewal for medium density construction costs impediment but largely serviced/able with infrastructure
7.	Mooball	400-500	No pubic sewer system

Table 2 - Current Situation – Release Area Planning (unzoned)

Site	Density (persons)	Progression
1. Dunloe Park	3.5-4,500	Master-planning in progress ahead of rezoning – infrastructure impediment is need for a private waste water plant
2. Kingscliff	2.5-4,000	Locality / precinct planning in progress, no major infrastructure impediment

Current Situation – Population

Current population:	92,000	
Project population (2036)	115,000*	+ 23,000
Zoned land capacity	36-42,000	Min surplus +13,000
Unzoned land capacity	6-8,500	Max surplus +28,000

It is necessary to acknowledge the wide variation that exists, particularly in regional and remote jurisdictions, in the ability or foresight of local governments to strategically prioritise land or housing for development along with the necessary supporting infrastructure⁸. It is important we think, in Tweed's and many others

⁸ Professor Fiona Haslam McKenzie, Curtin University submission to the Senate Economic Reference Committee on Affordable Housing in Australia 2014, p5.

cases, that local councils have pursued their capabilities as far as the NSW local government legislative framework and funding regime allows, to pave a fairly predictable and clear pathway for developers, without actually building the essential infrastructure in advance; which naturally presents a significant roadblock on the supply side.

Unhelpful to the discussion about the real blockage and cost is the unreasonable focus and issue that has been made in recent times about such things as the cost and delay in rezoning and assessment. As the AHURI⁹ note through their industry consultation the main concern is the impact of planning regulation on the cost of residential development, including perceptions that restrictions on the release of new greenfield land puts inflationary pressure of land prices, as well as the uncertainty of the approvals systems and increasing complexity of planning controls and their associated increased costs of demonstrating compliance. It is not doubted that there are grounds for reviewing these aspects of the planning process, as no doubt poorly performing or unnecessary regulation poses a significant risk to both costs and project viability however in many instances the cost escalation and delay associated with the land accumulation and assessment pales into insignificance by comparison to those posed by an absence of essential infrastructure, particularly for those sites on the fringes or occurring 'out of sequence' with the utility provider's servicing plans. The wider discussion about contributors to housing cost generally needs to factor these concerns, but the bigger picture surrounding infrastructure responsibility must not remain lost in that debate.

Whilst this is not the forum for a wider discussion concerning the delays and costs that the industry itself is accountable for it is noteworthy that the debate and policy responses to-date have been overtly one-sided, with no real discussion of the cost and time savings that could be delivered through better consultation and reporting processes to councils and the community on their projects.

That said, the prevailing dilemma over the provision of essential infrastructure and services is a shared concern and has come about because governments have shifted away from the traditional approach of funding urban infrastructure through a revenue stream that is generated by taxation or borrowing, towards a

'user pays' model¹⁰ that has progressively been distorted to one where it is now unclear as to who the user really is; the general situation tending to point wholly toward the developer. This is leading to disproportionality in the 'equitable' cost sharing 'user-pays' approach. Recovering the cost of infrastructure from developers is most appropriate where that infrastructure is used to service a specific development, rather than a situation where that infrastructure will be shared among the broader community,¹¹ and this current trend of disproportionality must not be allowed to continue unabated.

In Tweed's case, where there is a plenitude of zoned greenfield land, there is a realisation of the impact of this disproportionality resulting in the actual physical blockage of supply, which in some cases is affecting land zoned for housing supply for nearly two decades. It is not the result of rezoning or assessment timeframes or costs in the sense discussed above, instead it is a symptom of proactive land allocation and zoning that has occurred in isolation of their being a ready ability for the shared funding and construction of the essential infrastructure.

In terms of housing affordability more generally and the corresponding difficulty in regional areas (non-metro) of a lack of genuine demand to support a critical mass, and thence economies of scale in new development, there is an argument for greater targeted development of regional Australia and the non-capital cities, such as, Tweed Heads, Port Macquarie and Coffs Harbour. These areas alone are identified in the State's North Coast Regional Growth Plan 2036 and substantial investment is being made in road transport infrastructure; significantly reducing private vehicle travel times. This has the capability to provide alternative living to the capital cities as well as easing the pressures on the capital city housing stock¹². This requires a redefinition of the role and function of the Regional Growth Plans to incorporate a workable and reportable priority infrastructure framework and a recalibration of State Government's funding commitment and decentralisation to regional areas – it is not simply about housing; this needs to be underpinned with employment and private investment and attraction strategies.

⁹ Nicole Gurran, Kristian Ruming, and Bill Randolph, *Counting the Costs: planning requirements, infrastructure contributions, residential development in Australia*, Australian Housing and Urban Research Institute (2009), p30.

¹⁰ Ibid, p36.

¹¹ Productivity Commission Research Report, Volume 1, *Infrastructure*, p185.

¹² Above n.2, p3.

Variance in Development Rates

Rates of development vary. If local government has constructed long term (50 + years) assets based on a high growth rate and that growth rate is not achieved, the financial robustness of local government can be placed at risk. As with the above example if the lot uptake rate falls to say 250 per year, the \$200M expended by local government to provide trunk/arterial /headworks services, will require 40 years to recover. With the longer recovery period the expenditure on items such as interest will increase, increasing the cost to the council / utility provider and hence, home owners.

In the alternate, if land is rezoned and developed in a strategically staged approach, the financial risk to local government as the utility provider is reduced, and in turn to rate payers.

This can be addressed by local government developing land release plans based on the staging of infrastructure to minimise financial exposure. These can be prepared to coordinate with the priority infrastructure planning at the regional or State level.

To further reduce the cost exposure risk to councils arising when development is delayed or does not go ahead and the ultimate revenue rates drop below those projected by the developer, consideration should be given to the role of bonds or other financial instruments aimed at recompensing Council for the cost difference.

General Comment on Delivery Mechanisms of Greater Sydney versus Non Metropolitan Councils.

Non-metropolitan local governments generally raise revenue for the provision of water supply and sewerage infrastructure to residential development through developer charges. Metropolitan local government do not charge developer charges but fund the provision of trunk/ arterial /headworks services through normal access and usage charges as the services are provided by Sydney Water and Hunter Water. Sydney Water and Hunter Water do not charge developer charges

For metropolitan councils and Sydney Water and Hunter Water this is viable due to both the pace and intensity of development and economies of scale. It is not as viable in non-metropolitan councils where, if a similar model was used, local government would be placed at a greater financial risk by having to make significant capital investment with longer return periods and a greater uncertainty on the revenue streams required to pay for the capital investment.

To manage these issues it is proposed that firstly the existing system of developer charges be maintained, and that the development of land be undertaken in a coordinated manner managed by local government to limit the financial risk. The State Government could similarly fund these works through general tax revenue with a level of financial structure to allow the local government to repay a share of the cost over time.

Development Inconsistent with Local Government Strategic Plans

Where development proposed by parties other than local government is inconsistent with regional or local strategic plans and the cost of that development would cause the council to expend funds greater than those it would if the strategic plans were followed, then the additional cost should be met by the developer / proponent.

Local government is required to develop strategic growth plans, and these are typically prepared on the least cost servicing options. From these, local government is required to develop long term financial plans and these should address the servicing of development. Where local government is required to do deviate from its strategic growth plans, it is often at a cost to the council, again a cost which should be met by the developer / proponent of the changes to the strategic plan. To do otherwise would mean the local ratepayers may be subsidising a more expensive option simply to fulfil the "wants" of a developer.

Terms of Reference- specific comments

In preparing our specific comments in reply we thank our partner Council, Lake Macquarie City Council (LMCC) for their leadership in sharing their review, the findings of which Tweed generally supports.

a) i) The resources and support needed within the Department of Planning and Environment for the delivery of a housing supply process.

The LMCC submission is supported and adopted. We would add that, as a tool for State Government their Regional Growth Plans are the most appropriate current planning tool with the regional ability to identify priority infrastructure, and to establish a priority infrastructure framework within sub-plans. This represents the missing commitment to the housing supply chain established through broad level regional strategic planning through these Regional Growth Plans; it marks the difference between aspirational objectives for development that local government simply cannot afford to fund in such short

timeframes as the 'demand' dictates, and the realities of these infrastructure costs being, at least in part, the burden or responsibility of the wider public owing to the far reaching benefits development brings to the whole of the State.

Whilst we generally consider that streamlining approval pathways is not likely to have any major impact on the cost and supply of housing in the short-term; where infrastructure remains a key barrier, there is opportunity not so much for removing parts of the assessment pathways but compressing those that lead to duplication.

There is an opportunity to add rather than takeaway. Complimenting the existing and often criticised rezoning processes, there is opportunity for a new process, one that might be considered akin to the staged development process for development consent purposes; the introduction of a strategic sites amendment to an LEP. This could entail the ability to seek the identification of a site for urban purposes without the need for any substantive reports or detailed assessment. It would be a strategic process involving community engagement about the suitability of a site, not its capability, where important considerations concerning opportunity costs of rezoning existing agriculturally productive or ecological land to residential can be discussed, as is often the case in the Tweed Shire. The amendment could then operate for a specified time thus allowing the developer to lodge a development application for the nominated (strategic sites) proposal – in essence the zoning is suspended and if the development is approved and construction commenced within an agreed time the ultimate zoning 'comes-in' and if not, the zoning reverts to what previously existed. Not only would such a process substantially reduce the cost of gaining in-principle buy-in from local communities, it would increase certainty in the project and boost confidence in making the investment in seeking the development approval.

In theory, this should reduce the attraction for land-banking¹³ and bring supply to the market sooner: there would be no advantage in gaining the strategic approval if infrastructure was to remain a barrier; this may have the advantage of influencing those areas which would and should develop first – those with existing infrastructure. The latter could lead to a more cost-efficient asset and assist with the further funding of council infrastructure elsewhere.

¹³ For a wider discussion on land banking refer to the Productivity Commission Research Report, Volume 1, *Urban land supply – processes and outcomes*, p162.

With respect to land-banking, and without unnecessarily labouring the point for this Inquiry, it has been said that while speculative land-banking represents a limit on supply without any compensating benefit, there is apparently insufficient evidence to establish that it represents a material limitation on the supply of land¹⁴. The Tweed Shire has two major urban release areas with the capacity for at least 10,000 persons (4000+ dwellings) each, held under the same single ownership and rezoned with development approvals for many years. It is difficult to see how, in these circumstances, that such high value, highly prized coastal lands of a developable scale would not qualify under that description, and which should arguably be subject to a tax penalty commensurate with the present lost opportunity and potential gains their withholding represents.

a) ii) The resources and support needed within the Department of Planning and Environment for the coordination and funding of enabling infrastructure

The LMCC submission is supported and adopted. Further, there is likely to be unanimous agreement across local government that ongoing cost-shifting from the State to councils and ultimately land developers is unsustainable and is detrimental to the State's economy and the welfare of its citizens.

The fact remains that the legislative framework for local government does not support effective governance. It restricts the ability of councils to raise the gap in the funding shortfalls between general (capped) revenue, grants and developer levies. While one answer is to shift the responsibility of the provision of new infrastructure on to the State, in a realistic sense this is no answer at all when the utility providers in many parts of the State are the local councils. It must therefore be a question of how do these different tiers of government and industry work together to share the equitable cost of infrastructure and its efficient construction.

Government Land Organisations (GLOs); Landcom, might be part of that solution. Working in tandem with the DP&E to identify key infrastructure priority areas (some of which are identified in Tables 1 and 2 above) and developers to establish cost-sharing arrangements. This will likely require NSW Treasury to provide input and design on the debt financing structures required for the funding of these works, where other more traditional finance models are unsuitable owing to the higher risks associated with housing infrastructure (sewer, water, roads).

¹⁴ Ibid, p163.

b) Delivery mechanisms following the rezoning of land through to construction

The LMCC submission is supported and adopted, in particular there is an overwhelming need, especially in light of the Paris Agreement greenhouse emissions targets, to ensure that new land supply is not only available but communities developed and supported by essential infrastructure are sustainable and liveable over the longer term. The proposed Greenfield Subdivision Guidelines would be a welcome addition however, it is agreed that unless they have statutory affect their benefit will be outweighed by their irrelevance; there is a plethora of litigation that demonstrates the derogation of relevance of development control plans within the statutory planning framework since their 'purpose' of serving as a 'guideline' was inserted into the EP&A Act in recent times. Whilst there was no doubt a need for a policy response, owing to some councils overburdening the merit-based planning regime with quasi 'development controls'; the effect of the extreme measures taken is the fragmentation and devaluation of the workable planning frameworks many councils were operating and with which the local industry had some certainty.

If the objects of the EPAA are to deliver improved social equity and sustainable planning outcomes for NSW citizens then Council suggests DPE invest and deliver scenario modelling and rating tools based on measureable and actionable objectives embedded in NSW policies and decision-making, as opposed to arbitrary and subjective guideline objectives that can be treated as discretionary. BASIX scheme provides a strong example for other policies to leverage, where more streamlined, cost efficient, measurable and consistent solutions are identified, implemented and evaluated. Performance indicators and frameworks are being explored at international and national jurisdictions and various options already exist and their take-up is increasing by industry and government alike, for example, Green Star Communities and CCAP Precinx Tools.

c) The complementary roles of state authorities, local councils and utilities

The LMCC submission is supported and adopted. Further, as discussed above there is an opportunity through structure planning for the State Government as a the lead agency to bring all key stakeholders together and to establish the framework and sequencing of infrastructure, its funding and delivery, as well as other key elements such as density, layout and character. This will require a dedicated agency group with the appropriate skills and legislative framework and clear linkages with the Regional

Growth Plan and priority infrastructure plan (to be established).

d) The different characteristics of Greater Sydney and non-metropolitan NSW

The LMCC submission is supported and adopted and we note in addition that the economies of scale and population demand are seeming very different, as is the level of infrastructure and governance provided by the State in metro and emerging outer-metro areas when compared areas such as Tweed.

Strategic growth plans and associated essential infrastructure delivery plans need to acknowledge the local aspirations for growth in regional areas, and the impact that Stage complying housing development policies has on perpetuating a metropolitan growth model in rural, regional and ecologically sensitive locations.

e) Other related matters

NIL.

