



Premier of New South Wales

Reference: A1230228

Mr David Blunt
Clerk of the Legislative Council
NSW Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

18 JUN 2015

Dear Mr ^{David} Blunt

Please find attached the NSW Government response to the interim and final reports of the Legislative Council Select Committee Inquiry on the planning process in Newcastle and the broader Hunter region.

Yours sincerely



MIKE BAIRD MP
Premier

Enc.

Inquiry on the planning process in Newcastle and the broader Hunter region

NSW Government Response to
the Interim and Final Reports



1. About this response to the Inquiry

The NSW Government made its [submission](#) to the Legislative Council Select Committee Inquiry on the planning process in Newcastle and the broader Hunter region on 24 October 2014. The submission demonstrated that the NSW Government has acted transparently and in accordance with all relevant legislation. In particular, it demonstrated that the NSW Government has engaged continuously with the community and stakeholders for many years to inform decisions.

This document is the NSW Government's combined response to the Committee's interim report, released on 18 December 2014, and its final report, released on 5 March 2015. It is grouped by theme for clarity and is ordered in line with the final report's recommendations.

2. NSW Government response to each recommendation

Providing Documents (Interim Recommendation 1)

Relevant papers were provided to the Inquiry in accordance with Standing Order 52.

Newcastle East End Height Limits (Final Recommendation 1)

The height controls specified in the *State Environmental Planning Policy Amendment (Newcastle City Centre) 2014* for the East End development ensure that the maximum height of buildings do not exceed the parapet of the nave of the Christ Church Cathedral. This height limit was set in response to community views expressed through an open and transparent consultation process.

More information is available in the NSW Government submission to the Inquiry, pages 11 and 12.

Newcastle East End Development Application (Final Recommendation 2)

As is the case across NSW, development applications with a value greater than \$20 million are assessed by the local council and determined by a Joint Regional Planning Panel (JRPP), which is expert and independent. The development application for the Newcastle East End site will be determined by the JRPP, with two of its five members nominated by Newcastle City Council.

Department of Planning and Environment and UrbanGrowth NSW (Final Recommendation 3)

The NSW Government has strong governance arrangements in place separating UrbanGrowth NSW's development function from the Department of Planning and Environment's assessment role:

- The two organisations operate under separate Acts of Parliament.
- The Chief Executive of UrbanGrowth NSW reports directly to the Minister for Planning.
- Staff of UrbanGrowth NSW are not employed by the Department of Planning and Environment.

All of UrbanGrowth NSW's activity in Newcastle is undertaken through its state owned corporation status, operating under the *Landcom Corporation Act 2001*. The Corporation has a board of directors appointed by the Governor of NSW on the recommendation of the voting Shareholder Ministers (the Treasurer and the Finance Minister) and after consultation with the Portfolio Minister (Minister for Planning).

Hunter Development Corporation (Final recommendations 4-6, Interim Recommendation 8)

On 25 March 2015, the Secretary of the Department of Planning and Environment approved a new, stronger conflicts of interest policy: [Disclosing Interests and Managing Conflicts of Interest Policy](#). The new policy applies to all Department of Planning and Environment employees and senior executive, which includes the staff of the Hunter Development Corporation (HDC). All staff are required to complete a Declaration of Conflicts of Interest Form when commencing a new role. All senior executives are required to complete a form annually and provide updates following any relevant change in their private interests or assignment to a new role. The Policy presents clear guidelines on options for managing conflicts of interest including termination of employment.

Like other NSW Government Boards, board members of HDC manage conflicts of interest in accordance with the [Conduct Guidelines for Members of NSW Government Boards and Committees](#) issued by the Department of Premier and Cabinet. This requires board members to disclose conflicts of interest, including those of an associate or relative, and contains clear guidance on recognising and managing conflicts of interest. The HDC Board has conflicts of interest as a standing agenda item for all of its board meetings and, in line with the Guidelines, where interests are declared the conflicted person does not receive the relevant papers or participate in the related item of discussion.

Newcastle City Council (Final Recommendation 7, Interim Recommendation 6-7)

The NSW Government is committed to Newcastle City Council playing a lead role in determining any future land use on the former rail corridor. Given the importance of this once-in-a-generation revitalisation process, it is critical that Newcastle City Council plays a key role in the planning decisions for the city's future. The revitalisation of the former rail corridor will be central to the revitalisation process and Newcastle City Council will have the final say about what development occurs and will tick off on any proposal before it proceeds.

On 26 May 2015, Newcastle City Council and UrbanGrowth NSW signed the attached memorandum of understanding, committing to work in partnership to deliver high quality urban transformation aimed at stimulating jobs, development and investment in Newcastle.

The planning process has built in ample opportunities for public consultation and this will continue to be the case for Newcastle. In addition, UrbanGrowth NSW's *Design Newcastle* consultation process will continue to be an important opportunity for the community to guide ideas.

Newcastle City Council and Hunter Development Corporation Land (Final Recommendation 8)

For the land currently owned and/or managed by HDC, the Newcastle City Council already plays an important role. It determines applications for works less than \$10 million and can request that the Planning and Assessment Commission determine other applications.

Developments over \$10 million are classified as State Significant Development due to Honeysuckle being identified in Schedule 2 of *State Environmental Planning Policy (State and Regional Development) 2011*. This means that development applications are determined by the Minister for

Planning, however where Council objects or more than 25 submissions are received the application is determined by the NSW Planning Assessment Commission (the Commission).

The Commission is a statutory body established in November 2008 and is independent of the NSW Government, the Minister for Planning and the Department of Planning and Environment. It plays an important role in improving transparency and independence in the planning and decision making processes of the NSW Government.

Heavy Rail Truncation and Light Rail (Final Recommendation 9, Interim Recommendation 2-5)

The NSW Government is committed to revitalising Newcastle and improving public transport in the region. The truncation of the heavy rail in December 2014, the creation of a fully accessible transport interchange at Wickham, and the introduction of light rail will support urban renewal in Newcastle city centre. Pedestrian friendly crossings have opened across the rail corridor, better connecting the city to its waterfront. The revitalisation of Newcastle continues to be the NSW Government's focus.

The NSW Government submission to the Inquiry (page 19) details the extensive community consultation that informed the government's choice of light rail route.

Attachment

Memorandum of Understanding between Newcastle City Council and UrbanGrowth NSW



NEWCASTLE URBAN TRANSFORMATION AND TRANSPORT PROGRAM

**Memorandum of Understanding
Between**

**City of Newcastle Council, 232 King Street,
Newcastle New South Wales 2300 (Council)**

and

**UrbanGrowth NSW of Level 16, 237 Elizabeth Street,
Sydney New South Wales 2000 (URBANGROWTH
NSW)**

May 2015 – December 2017

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1 Purpose

The purpose of this Memorandum of Understanding (MOU) is to define how the Council and UrbanGrowth NSW will work together over the life of the NSW Government's Newcastle Urban Transformation and Transport Program (Program).

2 Introduction

- 2.1 UrbanGrowth NSW is the NSW State Government lead agency for the planning and delivery of the Program. UrbanGrowth NSW is working in partnership with Transport for NSW and other NSW Government agencies to deliver this Program. The Program will be delivered within the area identified as the Newcastle Urban Renewal Precinct depicted in Annexure 1.
- 2.2 Council is the local government authority responsible for the area encompassed by this MOU.

3 Policy Settings

- 3.1 Both parties acknowledge there are legal frameworks the parties are bound by and they will work collaboratively and respect the intent and content of:
 - The Newcastle Urban Renewal Strategy (NURS)
 - The City of Newcastle's Community Strategic Plan
 - The Hunter Street Revitalisation Strategic Framework.

4 Objectives

- 4.1 The parties acknowledge the Program has the following objectives:
 - Reconnecting the city to the waterfront
 - Deliver a new light rail system connecting the main activity precincts in the Renewal Area
 - Facilitate urban transformation
 - Deliver a substantial increase in urban amenity through the activation of Government and other public lands
 - Facilitate activation, vibrancy, amenity and importantly jobs and economic development and diversity in Newcastle.

5 Key Principles

- 5.1 The parties agree the key principles of this MOU are:
 - It is acknowledged that there are differing views in regards to aspects of the program. The parties will work in a respectful manner where differing views occur and focus on areas of agreement (Noting Council's decision of 9 December 2014 - Urban Renewal).
 - UrbanGrowth NSW and the Council will work in partnership, within their respective governance frameworks, to deliver high quality urban transformation including

various catalyst project and infrastructure initiatives, which will stimulate activity, jobs, development and investment in the City

- Deliver economically, environmentally and socially sustainable urban transformation outcomes
- To act in a timely and transparent manner in all aspects of the Program
- UrbanGrowth NSW and Council acknowledge that they will endeavour to observe the spirit and intent of this MOU
- Separate legal agreements will be developed to deal with:
 - The transfer of all created public domain to Council together with the ongoing maintenance framework
 - Land transfers
 - Any other agreed matter that arises through the life of this MOU

6 Understandings

6.1 This MOU is based on the following understandings:

- UrbanGrowth NSW has the lead accountability (strategy, coordination, leadership), on behalf of the NSW State Government, for the outcomes of the Program
- In addition to the lead accountability, UrbanGrowth NSW has accountability for funding, planning and delivery of improved urban amenity
- UrbanGrowth NSW will develop and implement a community engagement plan which will be prepared with Council for endorsement by the elected Council.
- Council and UrbanGrowth NSW will work cooperatively to deliver agreed transformation outcomes that may require land contributions from either party for public domain or other uses
- It is agreed that, subject to finalising legal arrangements and maintenance funding, Council will be the long term owner and manager of public domain and streetscaping associated with Program delivery
- Council and UrbanGrowth NSW will jointly develop agreed principles facilitating whole of life value management of defined public domain and infrastructure works
- Council will work with UrbanGrowth to ensure, where appropriate, any works undertaken in respect of their Section 94 plan works, are consistent with the aims of the Program.

6.2 The parties acknowledge:

- The planning, approval and delivery of Program objectives will involve sharing information that is confidential and sensitive
- Inappropriate disclosure of confidential information may jeopardise project outcomes
- They are responsible to ensure participating individuals understand the importance of maintaining confidentiality.

6.3 Internal Sharing:

- Confidential and Communicating sensitive information is limited to those that need the information in order to implement the Program.

7 Probity

- 7.1 The parties must, at all times, adhere to appropriate probity and transparency requirements in accordance with existing legal and statutory requirements.
- 7.2 Council acknowledges that on occasions, 'Cabinet in Confidence' information produced by UrbanGrowth NSW to support decisions by the State Government may not be able to be shared with Council officers.
- 7.3 UrbanGrowth NSW acknowledges that nothing within this MOU should be read or perceived to fetter Council's independence in any planning assessment role.

8 Governance

- 8.1 A Newcastle Urban Transformation Steering Group (NUTSG) will be established to guide urban transformation activities proposed under the Newcastle Urban renewal and Transport Program. This group will consist of: The Lord Mayor City of Newcastle, General Manager of Newcastle, Director of Planning City of Newcastle, Head of Urban Transformation UrbanGrowth NSW, Program Director UrbanGrowth NSW and the General Manager Hunter Development Corporation.
- 8.2 To provide strategic oversight the parties have established a Strategic Oversight Committee (SOC). The SOC shall be comprised of the General Manager City of Newcastle, Head of Urban Transformation UrbanGrowth NSW, Deputy Director General Transport for NSW and the Chair NURTP Advisory Board. The SOC shall meet as required to determine matters of strategic importance to the parties.
- 8.3 To ensure the program achieves its operational objectives, the parties have established a Program Implementation Group. This will comprise individual representatives from UrbanGrowth NSW, Council, Transport for NSW, Roads and Maritime Services, Hunter Development Corporation, NSW Planning and Environment and Department of Premier and Cabinet. This group will meet monthly or as required by agreement of members.
- 8.4 An Urban Transformation Working Group (UTWG) will be established between UrbanGrowth NSW and Council. This group will provide a framework for collaborative planning. The working group will comprise of Council's Director of Planning, other council staff as required, and UrbanGrowth NSW staff. The group will be chaired by UrbanGrowth NSW. Other agencies will be invited as required. Frequency of the meetings will be determined by the UTWG as required.
- 8.5 UrbanGrowth NSW will provide briefings to Newcastle City Council Councillors. The frequency and format of which will be agreed upon by the parties.
- 8.6 The Relationship Owner for this MOU for the Council is the General Manager.
- 8.7 The Relationship Owner for this MOU for UrbanGrowth NSW is the Head of Urban Transformation, UrbanGrowth NSW.

9 Statutory Requirements of the Parties

- 9.1 Nothing in this MOU in any way restricts or otherwise affects the unfettered discretion of each party in the exercise of their statutory powers.

ANNEXURE 1: Newcastle Urban Renewal Precinct

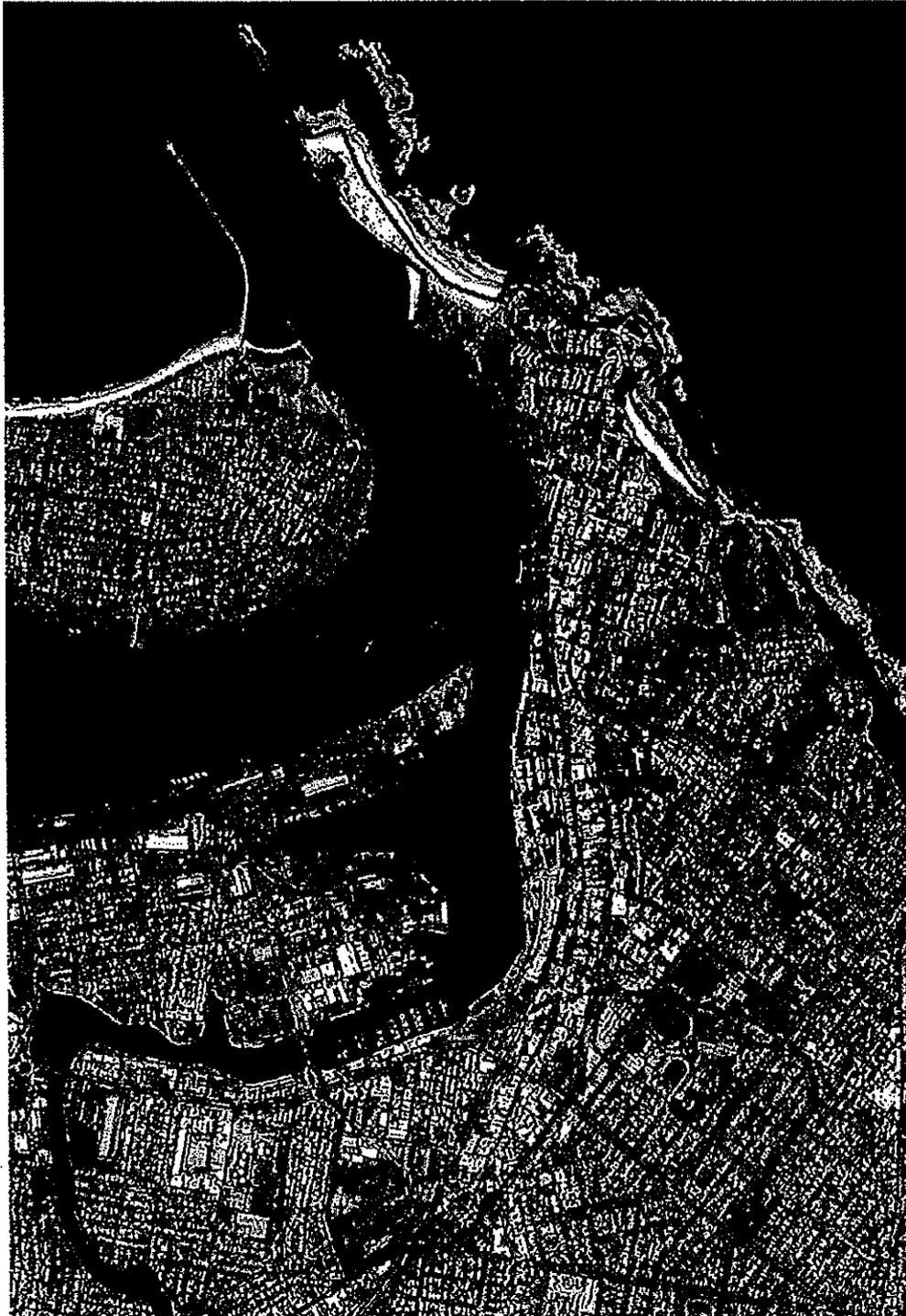


FIGURE 1. AERIAL VIEW OF NEWCASTLE CITY WITH THE URBAN RENEWAL PRECINCT HIGHLIGHTED

Source: Urban Renewal in Newcastle; State Environmental Planning Policy (Urban Renewal) 2010

