

The Director
Standing Committee on State Development
Parliament House
Macquarie Street
SYDNEY NSW 2000

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22 JUN 2016

**LEGISLATIVE
COUNCIL**

Dear Sir/Madam

RESPONSE TO SUBMISSION FROM BAIADA TO LEGISLATIVE COUNCIL INQUIRY INTO REGIONAL PLANNING PROCESSES IN NEW SOUTH WALES

I write in relation to the submission made by Baiada dated 11 April 2016 to the inquiry into Regional Planning Processes in New South Wales.

As you would be aware, Tamworth is one of Baiada's two main regional centres and we are familiar with the challenges they face in expanding their operations in this area. I appreciate the opportunity to comment on the issues raised in their submission.

I will start by saying that Baiada's suggestion to create a less complicated system that has greater focus on the actual issues is a proposal that we support. The current standardised processes and planning provisions do not allow sufficient consideration for a particular site or regional areas in general. The examples used in their correspondence include designated development thresholds, SEARs, the EPA odour framework and NSW Office of Water ground water and surface water regulations.

These processes are clearly a source of frustration to the poultry industry and perceived to be a barrier to investment and expansion of operations.

In relation to the specific issues raised by Baiada, I comment as follows:

Section 94A Infrastructure Charges

These charges are an important source of capital funds for public works in the area of the development. The philosophy behind the charge is that developments tend to create a demand for a wide range of services and this compounds with each new development. Councils are very regulated and constrained in relation to how they receive income. A policy change which would lead to the removal of this funding means that there is no alternate way to raise the funds. If it is accepted that development does increase the service demand on Councils, then the Section 94 concept remains valid.

Alternatives could be considered, however an alternative that removes this regional funding source, which is directly indexed to the growth of the particular region, would ultimately place a direct funding burden on the NSW State Government or a reduction in service delivery in the region.

The NSW State Government would have very good records reflecting what community assets and services these contributions have delivered in the past. Any contemplation of a change to the system should clearly identify whether these works have been unwarranted or how they would be funded in the absence of the Section 94 contribution policy.

Opportunities for the Planning Framework to better respond to regional planning issues

I am not convinced that the thresholds for designated development or the ground/surface water regulations need to be reviewed, but certainly I agree that the designated and integrated processes could be improved.

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The real issues which create difficulty and cost are procedural. Consistent with our own submission to the enquiry, we believe Government should be active in changing the expectation that the amenity of agricultural areas will be the same as villages or towns. Agricultural areas are commercial centres just like other enterprise areas. The planning process needs to acknowledge the value of this commerce to the State, and that agricultural activities will have particular amenity impacts which need to be accommodated.

An example of this issue is the EPA's cautious approach to odour because it is a subjective impact that is difficult to predict. This approach has developed because complaints about odour impact difficult to address once the development is established. A reconsideration of the type of odour regulation which is appropriate to a dedicated agricultural production area would be appropriate and beneficial to the industry.

To me, the key to continued poultry investment is the provision of a planning framework that not only addresses regional areas, but deals with specific issues associated with poultry development in core locations such as Tamworth. This would give a greater level of certainty to the poultry industry and establish clear expectations for surrounding residents, thereby making the development assessment process less complicated.

Regulation of Water Use

Water is a very important resource to everyone living in a regional area. One of the factors which drives the investigation into water sufficiency is the risk to governments in the event the development fails due to lack of the ability to supply water. With all the best intentions, the owner of a multi-million dollar agricultural production facility which must be destocked due to lack of water supply will hold government responsible. If there was statutory reform which prohibited any liability claim against regulatory authorities in the event water supply is insufficient or not to a standard required by the development then risk would pass to the developer and subsequent owners. This would reduce the level of due diligence currently being employed to ascertain adequacy of supply.

State Environmental Planning Policy Reform

Tamworth Regional Council has led the initiative to use a SEPP to lead change in planning processes for agricultural developer. I refer you to our submission which includes specific comments and changes.

The recent Land and Environment Court case *Woolcott Group Pty Limited v Rostry Pty Limited & Anor [2016] NSWLEC 1113* evidences the complexities of poultry development in NSW. It also highlights the importance of continued investment in regional areas, with the Commissioner concluding "the long-term protection of the poultry industry in Tamworth [sic] to be vitally important".

Economic growth and diversity is vital for regional cities and towns. Any obstacles that can be removed to stimulate development through the review of the planning framework, with a focus on regional issues such as intensive livestock industries would be welcomed by Tamworth Regional Council.

I would be happy to participate in further discussion about regional planning issues and/or facilitation of poultry related developments. Please do not hesitate to contact me if I can be of assistance.

Yours faithfully

Col Murray
Mayor - Tamworth Regional Council

Contact:

Reference: SF7301

15 June 2016