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SJ:MC

2 May 2016

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



Dear Sir/Madam

**NSW UPPER HOUSE INQUIRY INTO REGIONAL PLANNING PROCESSES IN NSW –
DUBBO CITY COUNCIL, POST HEARING RESPONSE**

I refer to Council's submission to the Committee on State and Regional Development in respect of the NSW Upper House Inquiry into Regional Planning Processes in NSW, Council's presentation to the Committee Hearing in Dubbo on 5 April 2016 and the email correspondence received by Council on 11 April 2016.

Thank you for the opportunity to address the Committee and to provide Council's perspectives in relation to regional planning processes in NSW and the overdue need for planning reform. Council considers that a number of the issues in respect of the current operation of the NSW Planning System can be furthered by recommencing the stalled planning reform agenda without the need for a separate stand-alone Regional Planning Act.

In respect of the hearing transcript provided in your email correspondence, three (3) amendments have been suggested on page four (4) of the transcript. In addition, Council would also like to correct an error of fact included in paragraph five (5) on page four (4) of the transcript. The relevant sentence included in the transcript states as follows:

"This negotiation achieved a \$25 million contribution for a major road upgrade, and \$130,000 a year for the life of the mine to contribute to the construction of additional roads, generated by the need for additional housing associated with the mine that was calculated in the applicant's own environmental impact statement (EIS)."

Council requests that the figure of \$130,000 as underlined in the sentence above be altered to \$230,000 as the correct figure.

In respect of the further question included with notice as on page eight (8) of the transcript, please find attached document titled 'Dubbo Infrastructure and Services Impact Model.' This document provides an introduction to the Dubbo Infrastructure and Services Impact Model, background to the Model development, structure, relevant inputs and outputs.

If the Committee would like any further information or clarification in respect of the items raised above and/or any issues raised in Council's submission, please contact me on

Yours faithfully

Melissa Watkins
Director Environmental Services

Attachments: 1. Dubbo City Council corrected transcript
 2. Dubbo Infrastructure and Services Impact Model, Summary Document

DUBBO INFRASTRUCTURE AND SERVICES IMPACT MODEL

Summary Document



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Dubbo Infrastructure and Services Impact Model

Dubbo City Council adopted the Dubbo Mining Areas Land Use Strategy on 27 April 2015. One of the key initiatives arising from the Dubbo Mining Areas Land Use Strategy was the development of an Infrastructure and Services Impact Model (Dubbo ISIM). The Model was created with the assistance of consultants REMPLAN and with financial assistance from the Department of Planning and Environment as a component of the Planning Reform Fund.

The Model is an important tool in undertaking the assessment of major infrastructure projects. It allows Council to model the impacts, both in terms of net population, economic output and dollar costs to Council and the community of a proposed major development. The model can provide a range of scenarios for Council to consider and provide a view of likely impacts and costs associated with any development.

The Dubbo Infrastructure and Services Impact Model takes into account the following key components:

- Current population and population projections;
- Phases of project activity including: Construction, Operation and Closure (in relation to the operations of a mine);
- Demand for additional service providers by permanent and non-permanent residents;
- Demand for additional housing by permanent and non-permanent residents; and
- The provision of regional benchmarks for health, education, safety and security and Dubbo benchmarks for road infrastructure.

The inclusion of benchmarks for health, education, safety and security and roads are important components of the Model.

The model relies on key inputs relating to the type of development, number of workers, construction timeframe (if applicable), vehicle movements (light and heavy vehicle and overall development horizon. This information is available in either a proponent's Environmental Impact Statement or Statement of Environmental Effects, depending on the type of project.

The Model uses publicly available information in the assessment of impacts of a development. Such information includes the following:

- Australian Bureau of Statistics 2011 Census of Population and Housing;
- Department of Planning and Environment Population Projections (2014);
- Australian Bureau of Statistics 2011 Census Journey to Work data; and
- National Accounts information.

This effectively provides a starting point in considering the impact of a proposal and more importantly, provides parity in that a development proponent will not have to provide facilities and services to make up for any known shortfall in the current population.

However, it should be noted that the role of the model is not to provide the precise answer for the provision of infrastructure. The role of the model is to adequately assist in arriving at a point of understanding the potential impacts of a development project prior to entering negotiations for Voluntary Planning Agreements or other mechanisms.


Council utilised the model to assist in understanding the impacts associated with the Dubbo Zirconia Project and other major developments in the City.

The following pages provide a snapshot of the key results from the model for a development project:



Dubbo Infrastructure and Services Impact Model Outputs

This sheet shows the variety of information and assessment the Model can provide in the consideration of impacts of a development proposal.



INFRASTRUCTURE AND SERVICES IMPACTS MODEL (ISIM) - REPORTS AND GRAPHS

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	MINING IMPACTS				
	Population	Construction	Operation	Closure	Summary
Population and Dwellings	Population Projections	Population and Dwellings	Population and Dwellings	Population and Dwellings	
Health Services	Health Services	Health Services	Health Services	Health Services	
Education	Education	Education	Education	Education	SUMMARY SERVICES
Safety and Security	Safety and Security	Safety and Security	Safety and Security	Safety and Security	
Road Infrastructure	Road Infrastructure	Road Infrastructure	Road Infrastructure	Road Infrastructure	SUMMARY ROADS
Population (Benchmarked)	Population Benchmarked				

Service Workers Impact

This component of the model provides a snapshot of the number of additional service workers that are required as a result of the subject development during construction, operation and closure phases.

REMPLAN

COPY ALL

COPY TABLE

SUMMARY ROADS

REPORTS

INFRASTRUCTURE AND SERVICES IMPACTS MODEL (ISIM) - SERVICE WORKERS IMPACT SUMMARY

POPULATION IMPACTS - Workforce, Population Multiplier and Dwelling Impacts

	Year 1		Year 2		Year 3	
	Resident	Non-Resident	Resident	Non-Resident	Resident	Non-Resident
Construction Phase						
Workers	320	80	320	80	0	0
Population Multiplier	677	80	677	80	0	0
Dwellings	276	33	276	33	0	0
Operation Phase						
Workers	250	0				
Population Multiplier	529	0				
Dwellings	215	0				
Closure Phase						
Workers	0	0				
Population Multiplier	0	0				
Dwellings	0	0				

SERVICES IMPACTS - Demand for Additional Service Workers (based on population increase)

	Year 1		Year 2		Year 3	
	Resident	Non-Resident	Resident	Non-Resident	Resident	Non-Resident
Construction Phase						
Health	11	1	11	1	0	0
Education	16	2	16	2	0	0
Safety & Security	3	0	3	0	0	0
Total	31	4	31	4	0	0
Operation Phase (Annual Demand)						
Health	9	0				
Education	13	0				
Safety & Security	2	0				
Total	24	0				
Closure Phase (Annual Demand)						
Health	0	0				
Education	0	0				
Safety & Security	0	0				
Total	0	0				

SCENARIO: 0
IMPACT: MINING

For each year of the Construction, Operational and Closure phases, the new resident workforce is expected to generate additional residential population (based on a population multiplier), as families relocate to the region. The increase in population is expected to generate demand for infrastructure and services. In addition, to a lesser extent, the non-resident (FIFO/DIDO) workforce is also expected to generate demand for some additional services and infrastructure within the region.

POPULATION IMPACTS

Construction Phase
During the first year of construction, it is estimated that the permanent construction workers will generate the following additional resident population:

320 workers generating total population of 677 residents
80 non-resident workers, with no additional population multipliers.

Operation Phase (Annual Demand)
It is estimated the annual operational workforce will have the following population multipliers:

250 workers generating total population of 529 residents
0 non-resident workers, with no additional population multipliers.

Closure Phase
It is estimated the annual operational workforce will have the following population multipliers:

0 workers generating total population of 0 residents
0 non-resident workers, with no additional population multipliers.

SERVICES IMPACTS

Construction Phase
Increase in the workforce will generate demand for the 'Health', 'Education' and 'Safety & Security' service workers. It is estimated this will result in the demand for:


31 additional service workers to support the increase in the resident population; and
4 to support the increase in the non-resident (FIFO/DIDO) population.

Operation Phase (Annual Demand)
During each year of the Operation Phase, it is estimated there will be additional demand for the 'Health', 'Education' and 'Safety & Security' service workers required to support the additional resident and, to a lesser extent, the non-resident (FIFO/DIDO) workforce. It is estimated this will result in the demand for:

24 additional service workers to support the increase in the resident population; and
0 to support the increase in the non-resident (FIFO/DIDO) population.

Closure Phase (Annual Demand)
During each year of the Closure Phase, the increase in the associated population that is generated due to the increase in the number of workers will generate additional demand for the 'Health', 'Education' and 'Safety & Security' service workers. It is estimated this will result in the demand for:

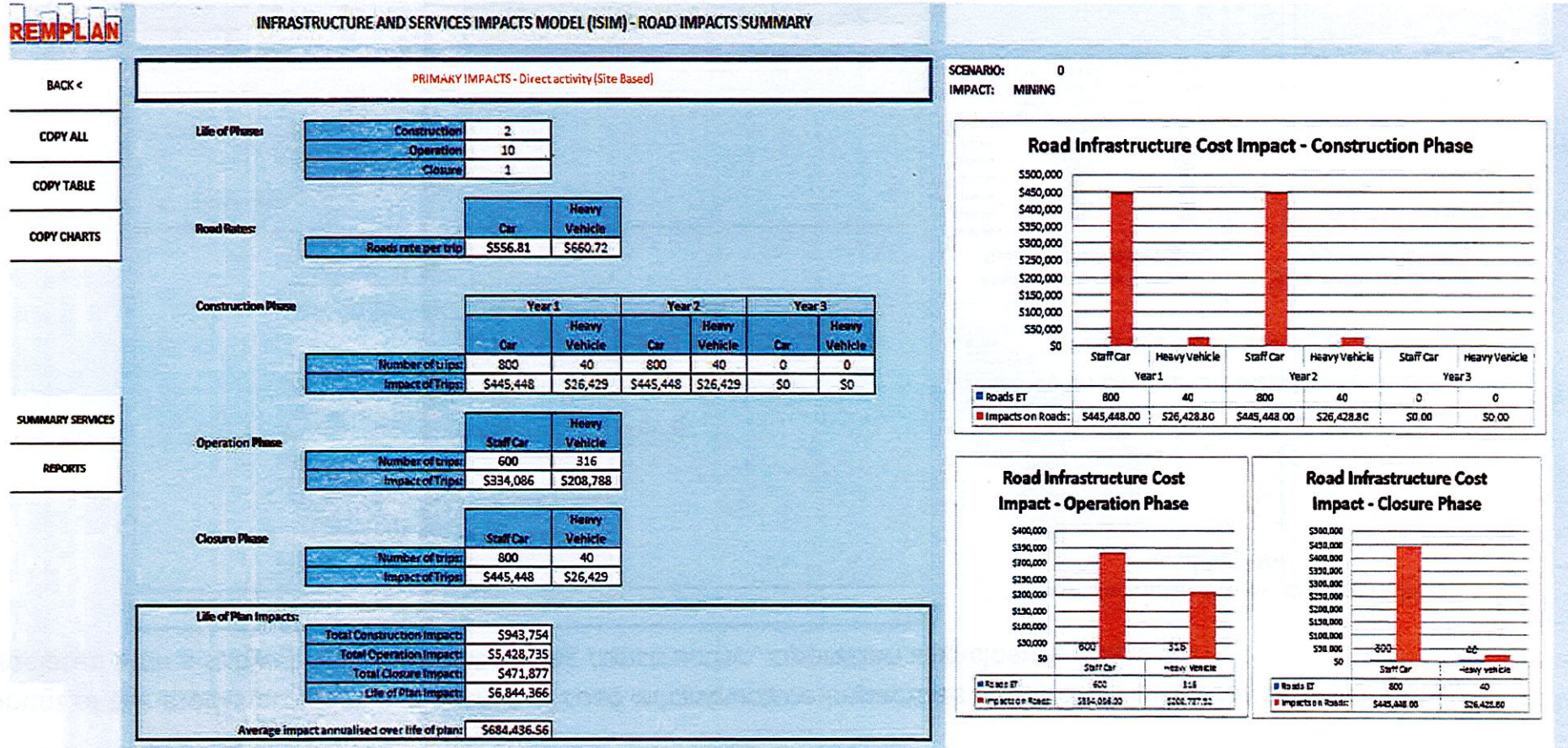
0 additional service workers to support the increase in the resident population; and
0 to support the increase in the non-resident (FIFO/DIDO) population.



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Road Impacts

This component of the model provides a snapshot of road infrastructure impacts as a monetary value for light and heavy vehicles associated with a subject development during construction, operation and closure phases.



Housing and Dwelling Impacts

This component of the model provides a snapshot of road infrastructure impacts as a monetary value for light and heavy vehicles associated with a subject development during construction, operation and closure phases.

SECONDARY IMPACTS - indirect activity (Housing / Dwelling Demand)

	residential housing	residential units
Dwelling type %:	84%	16%
Roads ET:	11	5
Road Rates Charge:	\$551.57	\$551.57
Admin Charge:	\$5.24	\$5.24

Number of Dwellings:

	Year 1	Year 2	Year 3
Construction	308	308	0
Operation	215		
Closure	0		

	Year 1		Year 2		Year 3	
	Houses	Units	Houses	Units	Houses	Units
Construction	\$1,583,218	\$138,608	\$1,583,218	\$138,608	\$0	\$0
Per year for life of plan						
Operation	\$1,106,094	\$96,836				
Closure	\$0	\$0				

Life of Plan Impacts:

Total Construction Impacts:	\$3,443,652
Total Operation Impacts:	\$12,029,302
Total Closure Impacts:	\$0
Life of Plan Impacts:	\$15,472,955

Average impact annualised over life of plan: **\$1,547,295**

TOTAL IMPACTS - Direct Activity + Indirect activity

	Direct	Indirect
Construction:	\$543,754	\$3,443,652
Operations:	\$5,428,735	
Closures:	\$471,877	\$0
Sub Totals:	\$6,844,366	
Totals:	\$22,317,320	

Average impact annualised over life of plan: **\$2,231,732.02**

