

**Submission
No 261**

**INQUIRY INTO PLANNING PROCESS IN NEWCASTLE
AND THE BROADER HUNTER REGION**

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If I had more time and a more detailed knowledge of the issues I mention below, this would be a rather more substantial submission. Unfortunately it is rather brief, too brief given the matters to be covered and the importance of this inquiry.

First, I would also like to thank those responsible for bringing this inquiry to fruition.

Newcastle has long got the raw prawn from Macquarie Street. Both Liberal and Labor.

The cutting of the rail line into Newcastle:

Newcastle must be the only city in the world that is cutting a rail line into the city. More than that it is cutting it without a definitive plan to replace it which is extraordinary. Many have said this is because the current government has no intention of replacing the rail. Would this sort of planning take place in Sydney? Unlikely.

The plan to allow development on the existing rail line corridor also suggests that the government wishes to prevent it being used for a public thoroughfare in the future. Some have suggested a plan for it to become car parking.

At the same time there are plans to increase the number of people living in the city. Several multi-story buildings are in various stages of construction along with a planned university campus in Hunter Street. The university campus in particular will contribute to a large number of new people living in the area plus those coming in on a daily basis.

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The new law court building is nearing completion and many more people will be drawn into Hunter Street when the courts begin operating. (The NSW Ombudsman actually suggested that this building not go ahead in its current form as it was inadequate for the proposed use.)

If there is one thing that makes a city work well it's connectivity, the linking of different parts of the city together with effective transport options.

Clearly there are problems with the existing heavy rail, passenger numbers are dropping and there are extended waits at one or two crossings, in particular Stewart Avenue. I would argue that passenger numbers will begin to increase in the next couple years as existing and proposed developments are finished.

Innovative thinking can solve the problem with road crossings, whether by converting the existing corridor to light rail or placing overpasses or underpasses at appropriate crossings. Light rail would allow fences to be removed so that people could cross from the city to the harbour front.

There is considerable confusion about what is a light rail and what is a tram. For people travelling from say, Sydney or the Upper Hunter hopping off a train and onto a tram which runs on a street and makes frequent stops is an inappropriate mix. (This is not the same as say, travelling to the Southern Cross Station in Melbourne and then catching a tram to the suburbs.) Light rail generally runs on its own right of way, has fewer stops and higher speeds.

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On some routes a vehicle can be a tram and then leave the street and become a light rail. The route from Melbourne city to St Kilda via South Melbourne is one such example.

The ex-mayor, Mr McCloy, settled for trams to run down Hunter Street from the proposed Wickham rail terminal. This would allow him to meet his election campaign of putting life back into Hunter Street. It is however, not a good example of planning for the future of Newcastle as a whole. Or indeed for the the broader region. He also thought the trains running into Newcastle were ugly. Not a great basis for making public policy.

It's interesting that the government has chosen the mayor's preference and also that this is the most expensive option. The cheapest option by far is to use the existing right of way and put light rail on it. This would also go a good way to solving the wait at rail crossings. At a time when the NSW government is fiscally challenged, choosing the most expensive option makes no sense at all. However, to date, there is no timetable for its completion which makes one wonder if it ever will be completed.

The Liberals are not the only party to spend money in Newcastle in the most inefficient way possible. A good example of state Labor short changing Newcastle is the Tourle Street Bridge. For 40 per cent more, it could have put a double lane each way bridge across the Hunter River. Now there is an inadequate one lane each way bridge. This digresses, but shows that both sides of the House have made poor transport decisions in Newcastle.

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High Rise in Newcastle City

This decision took just about everyone by surprise. Following a long planning process that resulted in a plan that put high rise in the western end of Newcastle, this announcement put high rise in the older historical area of Newcastle, i.e. east of Darby Street. Officially, it was a deal between GPT and Urban Growth NSW. It is meant to get GPT “off the hook” and allow Urban Growth NSW to financially benefit in order to make back on its bailing out of GPT.

GPT didn't go ahead with their original development plans for Newcastle City because it said the the existing rail line would make the whole development unviable. In reality there were commercial pressures that prevented GPT from going ahead. The rail issue was a cover.

Urban Growth NSW is both the rule maker and the player in this case. An absolute case of conflict of interest. That conflict of interest should be investigated.

Peter Rees, recently retired as the City of London Corporation's chief planner, has been involved in shaping London for 30 years. He has recently had some things to say that apply to Newcastle in relation to high rise, “building tall is the last option” because everything else should be explored first.

He's also said that the problem with a bad precedent is that once you've made one mistake you're free to keep making many more. One or two high rise east of Darby Street means that many more will follow. While some will no doubt sell quickly, one wonders how many will

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stand empty or be bought by “phantom owners”. Melbourne is currently facing a glut of apartments. There are estimates around for the demand for accommodation in Newcastle but I don't have these at present.

In any case the real concern regarding this high rise is that the normal planning process has been thrown out of the window to suit some who will do nicely out of it.

This development has been strongly supported by Mr McCloy who argues that a city with lots of people leads to a safer city. This argument has been used on a number of occasions though I'm not sure where he gets his evidence from. Alcohol is one leading cause of lack of safety rather than a lack of people.

The Art Gallery

Questions need answering in relation to the Newcastle Art Gallery and the sacking of the director of the gallery (and the director of the Newcastle Museum) and the director in the Newcastle City Council to whom both were responsible. This matter has been kept under wraps without the real story been made public. Apparently much of this revolved around the acquisition of the Black Totem II, a large public sculpture by Brett Whitely. The re-development of the art gallery failed due to the state government not contributing \$7 million as a one third contribution, coincidentally after the mayor made it clear he didn't support the re-development.

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King Edward Park

A longer running saga is that of the proposed development in King Edward Park. I understand that the King Edward Headland Reserve was spot re-zoned to make it an exception to the rule that applies to RE1 Land in the Newcastle 1012 LEP that excludes function centres. I have been informed by the Friends of King Edward Park Inc. that the proposal to change the LEP was rejected by Council but that the alteration was written into the new LEP by a process that was not transparent and did not involve community comment. This was in spite of the fact that there is strong public interest in the DA proposing the construction of a 450 capacity private function centre and car park on this iconic public headland.

The role of the ex-mayor

Many of the sudden changes in policy in Newcastle can be traced back to the ex-lord mayor's time on the Newcastle City Council.

Mr McCloy has a very successful track record of managing his private businesses (33 companies according to his evidence at ICAC) and applied this experience to the Council. With the support of four Liberal councillors and two "independent" councillors he had control of Council on the floor.

Unfortunately, the Council is not a private company and it is meant to operate under a different set of rules. Transparency is key among this set of rules. Mr McCloy never adapted

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well to this environment. Those who are less kind might suggest Mr McCloy was happy to pay to get the decisions he wanted.

During his time on Council he has been ably assisted by the CEO, Mr Gouldthorp, whom he appointed. During Council meetings Mr Gouldthorp acted (and continues to act) more as a councillor than as a CEO.

The lack of transparency in Council business has been promoted by the ex-mayor and the CEO of Newcastle City Council to the extent that it now seems to be the prevailing culture within council management. The story “City’s Secret High-Rise Memo” in the *Newcastle Herald* only this morning (24 October 2014) is one example. My most recent experience of this is when I submitted a number of questions (admittedly 22) during the budget consultation process. I only received a reply some seven weeks later after I said that I would GIPA the questions.

It’s not unreasonable to say that there seems to have been a considerable entanglement between local and state government in relation to issues mentioned above and no doubt others not mentioned. There needs to be some public dis-entanglement.

Jackie Kelly recently resigned from the Liberal Party saying it was in the “strangle-hold of lobbyists”. The problem in Newcastle was that the lobbyist was the mayor.

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His role in the sudden changes of policy such as the high rise development and the plan to cut the rail (admittedly a longer term issue) without any firm proposal to replace it, among other policies, should also be investigated.

Bryan Havenhand