

**Submission  
No 49**

## **INQUIRY INTO NEW SOUTH WALES PLANNING FRAMEWORK**

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13 February 2009

Patrick Wong

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

Dear Sir/Madam,

Thank you for the opportunity to comment and please find following a submission from Strathfield Council regarding the "Inquiry into the NSW Planning Framework".

**1. The need if any, for further development of the New South Wales planning legislation over the next five years, and the principles that should guide such development**

- The NSW planning system will need to be developed further to address the challenge of climate change, encouraging planning and development which is sustainable whilst balancing the need to enhance NSW economic position and community interest. It is important that the focus on economic interests do not outweigh social, environmental and equity considerations.

**2. Implications of the Planning System on Housing Affordability**

The planning system has limited opportunities to address affordable housing and there are inconsistencies in government legislation & policies which work against encouraging affordable housing.

Department of Planning

- SEPPs, REPPs, LEPS, DCPs policies & strategies eg metropolitan strategy influence housing affordability & availability of housing eg urban consolidation policy & centres strategy
- The Department can influence the availability of land through rezoning processes & procedures which influence housing affordability
- Planning reforms – to further streamline LEP & DA process to provide for faster approval times for rezoning applications & DAs eg new Housing Codes, planning panels, private certifiers may improve assessment timeframes & reduce delays but may indirectly add to housing costs through increased administrative requirements.

Centre for Affordable Housing (business unit of Housing NSW)

- Seeks to bring together organisations to promote affordable housing and develop partnerships between state and local government.
- Centre for Affordable Housing Toolkit – provides guidance on measures available to facilitate provision of affordable housing through current planning instruments which includes:
  - voluntary monetary contributions through planning agreements,
  - incentives eg floorspace bonus for residential development which includes affordable housing component,
  - specific objectives in LEP/DCP to retain existing affordable housing,
  - requirements for social impact assessment to accompany DAs that may impact on affordable housing, zones to permit housing mix etc.
  - Public/private partnerships

### Lack of Co-ordination Between Departments & Inconsistencies in Policies & Legislation

Problem with current planning system is that there are a number of inconsistent policies & legislative requirements and a lack of coordination between different government departments in addressing affordable housing eg

- urban consolidation policy may result in higher house prices associated with higher densities & medium density housing due to strong developer interest forcing costs
- BASIX SEPP to encourage energy and water saving appliances may increase housing costs,
- Measures to mitigate impacts of climate change and encourage more sustainable building forms may add to increased costs

These policies work against the planning mechanisms suggested by Centre for Affordable Housing to encourage affordable housing and are just a few examples which demonstrate inconsistent policies across different levels of government.

The planning system furthermore is limited in its capacity to directly produce new affordable housing in significant numbers. A consistent whole of government approach is required to address housing affordability and a wide range of measures adopted at all levels of government to complement the planning mechanisms currently available as discussed above. These include commonwealth taxation policies, state housing assistance policies, transportation planning processes, infrastructure programs and the need for more financial incentives to educate developers on the long term cost savings of sustainable buildings..

### **3. Climate change & natural resource issues in planning & development Controls**

There are currently insufficient guidelines, data and planning tools to assess likely impacts of climate change in planning & development controls

- Need firm guidelines and planning tools to assist assessing likely impacts
- Need consistent methods of measuring impacts & evaluating the application of current data eg in planning for biodiversity protection, sustainable economic growth, community wellbeing, drought, bushfire, extreme weather

- events & impacts on buildings, roads, railways & associated infrastructure which require extra repairs & maintenance work
- Need to promote more sustainable urban forms to reduce greenhouse gas emissions
- carbon impact of future land use, alternative transport, walking, bikes, reduced car use, impacts on building codes to encourage suitable building materials to survive extreme weather events eg storms, strong winds
- Need to consider legal liability of local government in regard to responding to address climate change issue.

#### **4. Appropriateness of considering competition policy issues in land use planning and development approval process in NSW**

Strategic planning is based on deciding what the rules are for the use, development or conservation of land and natural resources. It is appropriate to consider competition policy issues in land use planning and development approval process in NSW. The predominant focus on improving NSW economic position should not occur however at the expense of social and environmental considerations, the need to ensure the public interest is maintained, equity & fairness considerations such as the distribution of resources to less influential groups and disadvantaged.

#### Planning Reforms

- An effective strategic planning framework is important for an efficient & effective DA system
- Competition may be inhibited by delays in obtaining planning approvals. Reforms to streamline strategic planning & DA assessment through new processes & procedures may help improve economic efficiencies, employment etc
- Land use planning requires co-ordination of development assessment decisions at different times by different agencies and stakeholders, planning reforms seek to reduce number of concurrence authorities thereby improving DA timeframes and efficiency
- EDA system to improve DA assessment timeframes
- Reforms to improve DA processes & procedures should not occur however at the cost of reduced local government and community participation in the planning process.
- Community should be entitled to a minimum level of social and physical infrastructure, economic opportunities, environmental quality & public participation
- Competition policy does not consider equity issue eg provision of affordable housing, or amenity issues eg provision of parks which do not have a direct measurable cost.
- Planning system should adopt efficient processes that deliver social, environmental and economic outcomes

#### ESD Considerations

- ESD considerations without competitive policies business may not use resources effectively eg water and energy
- ESD considerations may also result in higher costs for sustainable buildings

## Planning Legislation

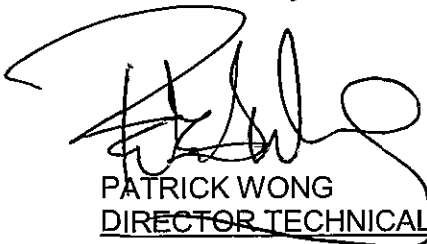
- Regulation which impacts on competition most directly are those which restrict entry to markets and those which restrict competitive conduct by participants in markets
- Planning legislation has the potential to restrict the entry of new competitors into the market eg where schemes limit or restrict commercial development in an area
- Competition may also be inhibited by delays in obtaining planning approvals. The planning process can restrict competition by allowing existing businesses to stop or delay the entry of new competitors to the market by objecting to the proposal because they are concerned about competition.
- NSW has encouraged more competition by opening up the planning approval process to private certifiers (with private sector taking up a large number of approvals and independent panels
- Streamlining gov processes & regulation reduces compliance burden on small business. Reduced compliance burdens & more flexible regulatory systems should improve business efficiency, stimulate growth and help business generate employment
- Location of supermarkets, large shopping centres, should consider competition policy issues so as to not have adverse effects on other businesses

### **6. Duplication of processes under the Commonwealth Environment Protection and Biodiversity Conservation Act 1999 and New South Wales planning, environmental and heritage legislation**

Current NSW planning and environmental legislation provides for the assessment of potential significant impacts of proposed developments on threatened species, populations and ecological communities. A similar process is applied at the Commonwealth level where actions may have potential impacts on matters of national significance. Neither legislation works in tandem with each other, which creates confusion to both applicants and objectors.

Should you require any further information please do not hesitate to contact me on 9748 9933.

Yours sincerely,



**PATRICK WONG**  
**DIRECTOR TECHNICAL SERVICES.**