Submission No 93

INQUIRY INTO RURAL HOUSING AND SECOND DWELLINGS REFORM

Organisation: Gunnedah Shire Council

Date Received: 10 October 2025

Gunnedah Shire Council

The Director,
Select Committee on Rural Housing and Second Dwelling Reform
Parliament House, Macquarie Street
Sydney NSW 2000

10 October 2025

Dear Sir/Madam

Re: Submission to Inquiry into Rural Housing and Second Dwellings Reform

I Refer to the Terms of Reference released regarding the subject reforms released by Parliament of NSW to which I wish to make a submission against the proposed reforms as outlined.

The NSW planning system has always been a device which was developed to support the whole of NSW. However, the different regions, focuses and planning proprieties of the varied geographical and cultural demographics across NSW is anything but as simple as the planning process design would have you believe. There is a stark contrast between the areas of metropolitan, urban, regional and rural localities that makes up the whole state. Each of these areas give greater priority to certain objectives and aims that facilitate the broader input that they have into their demographic makeup and economic role within the state. To conduct an inquiry as singularly focused as the scope of this reform is damaging to the greater geographical planning design and undermines the priorities of each demographic and region.

The terms of reference released put a specific 'emphasis on Outer Metropolitan Local Government Areas'. These areas of the state are not those that have the greatest primary production value or output potential across the site. The clear 'emphasis on Outer Metropolitan Local Government Areas' is wholly to the detriment of other areas across the state that rely on agricultural or primary production output and provide clear secure food production capacities that supplies the remainder of the country and beyond. Areas of primary production land is a valuable resource that is highly volatile in its capacities due to increases in population, loss of biodiversity and increases in climate variability. The emphasis on metropolitan areas continues to highlight the Syndey centric focus of the NSW political and planning system and does not consider planning priorities of the regions across NSW. There should be more thought given to the four clear different regions (metropolitan, urban, regional and rural) to consider appropriate land use zoning and planning for each of these demographics individually, considering them as a whole is flawed and threatens other areas with poor planning outcomes.

An emphasis on housing targets is fed from metropolitan areas and is contradictory to the focus of regional areas in preserving the highly valuable agricultural and primary production land, land that is going to be required in the future for greater agricultural production, and energy generation. The introduction of additional receivers into these areas is detrimental to the planning outcomes of these spaces and can result in more difficult constraints for development of industries appropriate for rural zones such as compliance with noise, odor, dust, visual impacts and glare.

Residential zones are strategically planned to provide residential development in a controlled area that they are not impacted by other developments and also do not detract from other primary production

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or employment zones. Introducing more controls or enabling release of more residential land should be seen as the more appropriate resolution to the availability of residential land for development as it aligns with the zone objectives as outlined within Environmental Planning Instruments, especially the zone objectives of the R1 General Residential, R2 Low Density Residential, R3 Medium Density Residential, R4 High Density Residential and R5 Large Lot Residential zones. Having a planning focus to create more housing opportunity in other non-residential zones creates more opportunities for development that is contrary to strategic planning purposes and the zone objectives set out within *Standard Instrument—Principal Local Environmental Plan (2006 EPI 155a)* and could in this instance promotes rural fragmentation. The current zone objectives within the Standard Instrument for the RU1 Primary Production zone are:

- To encourage sustainable primary industry production by maintaining and enhancing the natural resource base.
- To encourage diversity in primary industry enterprises and systems appropriate for the area.
- To minimise the fragmentation and alienation of resource lands.
- To minimise conflict between land uses within this zone and land uses within adjoining zones.

Particular attention should be paid to maintaining and enhancing the natural resource base, ensuring primary industries are appropriate for the area, minimising fragmentation and alienation of resource lands and minimising conflict between land uses. The introduction of a residential focused activity within this zone does not align with the noted purposes and objective of this zone. Poor planning decisions made now may result in irreparable degradation and loss of resource land if the decisions made have limited focus and do not show any foresight. It is even unclear if the term Second Dwelling is intentional, proposing an additional land use activity, or is an error and should refer to Secondary Dwellings as per the Standard Instrument Dictionary.

> ***secondary dwelling*** means a self-contained dwelling that—
> (a) is established in conjunction with another dwelling (the principal dwelling), and
> (b) is on the same lot of land as the principal dwelling, and
> (c) is located within, or is attached to, or is separate from, the principal dwelling.
> Note.
> See clauses 5.4 and 5.5 for controls relating to the total floor area of secondary dwellings.
> Secondary dwellings are a type of residential accommodation—see the definition of that term in this Dictionary.

Enabling second dwellings as a Complying Development Certificate (CDC) removes the ability for a merit-based planning assessment to consider land use conflict that could be created by introducing a second dwelling into a rural area. The consideration made by a merit based assessment under Section 4.15 of the *Environmental Planning and Assessment Act 1979* that considers the impact that an additional receiver could have on an established industries or practices. Existing considerations such as Section 2.19 *of State Environmental Planning Policy (resource and Energy) 2021*, require consideration of how any new development would impact any existing industry. This sort of assessment is not possibly under a CDC and can promote the type of development encroachment in to key primary production areas that the zone objectives, listed above, are trying to avoid. The purpose of CDC is seen to be development that has clear controls established known to have limited impact to land zoning, localities and streetscape. Residential development creating higher density of residential receivers does not afford the type of considerations and wholistic assessment that should be required for development that could affect availability of primary resources in the future.

By introducing or adding controls to a SEPP that enables the creation of second dwellings in rural areas this overrides local planning controls, controls that are set in consultation with Department of Planning, Housing and Infrastructure (DPHI). Also, the proposal to create additional controls within the Housing SEPP or Codes SEPP would create a conflict between the aims and objectives of Chapter 2 of *State Environmental Planning Policy (Primary Production) 2021*, which aims to:

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a) to facilitate the orderly economic use and development of lands for primary production,
b) to reduce land use conflict and sterilisation of rural land by balancing primary production, residential development and the protection of native vegetation, biodiversity and water resources,
c) to identify State significant agricultural land for the purpose of ensuring the ongoing viability of agriculture on that land, having regard to social, economic and environmental considerations,
d) to simplify the regulatory process for smaller-scale low risk artificial waterbodies, and routine maintenance of artificial water supply or drainage, in irrigation areas and districts, and for routine and emergency work in irrigation areas and districts,
e) to encourage sustainable agriculture, including sustainable aquaculture,
f) to require consideration of the effects of all proposed development in the State on oyster aquaculture,
g) to identify aquaculture that is to be treated as designated development using a well-defined and concise development assessment regime based on environment risks associated with site and operational factors.

This SEPP is currently underutilized with limited planning consideration in areas that are currently not seen as being a priority politically or to the wider population. However, in times of drought or if availability of viable primary production land results in resource scarcity, this would become a higher priority. However, once resource land is developed it is much more difficult to regain this land for primary resource purposes based on the vast areas that are required. The band-aid approach to planning remains politically driven and singular focused.

Current planning legislation already grant the opportunities for permissibility of other land uses within the creation of individual Local Environmental Plans (LEPs) from the structure of the Standard Instrument should council's wish to encourage development of residential development within the Rural land zones. This becomes a strategic decision of each Local Government Area (LGA) as to what purposes or land use which is possible based on the demographic or economic priorities of the LGA. This does not have to be a whole of state process. There are no pre-set prohibited land uses within the standard instrument for zones such as the RU1 Primary Production zone that would prevent selected Council's from choosing to include certain development types within each of the zones. It becomes a choice of the Council through the making of its specific Environmental Planning Instrument.

The standard instrument already grants opportunities for land uses such as Rural Workers Dwellings as an alternate type housing stock which may be provided within primary production zones, without detracting from the primary production value of the land and area. Rural Workers Dwellings require compatibility with primary production resources and preservation of the viability of the holdings based on development planning controls.

Recent flooding events and increased frequency of flood events has raised question as to if the 1% average recurrence interval (ARI) may not be the most appropriate planning control for safety in flood control areas. More dwellings in these areas increases risk and responsibility for emergency services. Primary production land us typically located on flood plans due to the higher fertility of the soils created by deposition of silt and nutrients during flooding. The result of permitting additional dwellings through CDC without appropriate planning considerations is likely to create residential housing in volatile, vulnerable and susceptible areas.

This *Inquiry into rural housing and second dwellings reform* fails to consider what the impact of introducing additional residential receivers into primary production land will do to land use conflict and how creating greater avenues for high residential density in rural land may result in loss of valuable agricultural land creating rural fragmentation. The consideration of housing demands of metropolitan areas and the method by which they use primary production zones should not be considered across the entire state. The way that regional areas rely on the availability of resource land and the need to retain separation between areas of agricultural production, energy generation and resource generation emphasises the need to limit residential receivers. There are already mechanisms available to LGAs to

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permit higher density of residential development through planning proposals and strategic planning without forcing the change and encroachment of residential development into rural area across the entire state.

Should you wish to discuss the content of this submission in further detail, please contact the undersigned on 6740 2100 or email

Yours faithfully

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