4 July 2016

Mr A Albury
Director Regions, Western
Department of Planning and Environment
DUBBO NSW 2830

Dear Mr Albury

DRAFT CENTRAL WEST AND ORANA REGIONAL PLAN – WESTERN PLAINS REGIONAL COUNCIL SUBMISSION

Council welcomes the opportunity provided by the Department of Planning and Environment (DPE) to provide its perspectives and issues in respect of the draft Central West and Orana Regional Plan.

At the outset, a robust regional plan, backed up by an accepted strategy development and consultation components should be a core backbone of the NSW Planning System and achieve the outcome of guiding development in our regions, and in particular maintaining the balance between economic development and environmental conservation in the Western Plains Regional Council (WPRC) Local Government Area (LGA). Any regional plan should have a warranted and guaranteed place in the NSW Planning System to guide the preparation of local land use strategies, to aid the preparation of assessment of planning proposals and to provide an understanding of high level regional planning objectives and actions to be utilised in the development assessment process.

It is considered that the regional planning process has been poorly defined and the regions have been selected without proper rigour and a general lack of understanding of the complexities of the issues in the regions. Council considers that the draft Regional Plan in its current format is unlikely to have any significant role in guiding sustainable development in the Orana Region and the Central West Region given the overall structure of the draft Plan.

Over time, the DPE attempted a number of consultation exercises with the Orana Region Organisation of Councils (OROC). However, given a lack of supporting information and an understanding of the role of the draft Plan in the land use planning system, these consultations were in Council’s view unsuccessful. As a result, OROC resolved for Council’s Director Environmental Services to report on the content, structure and very purpose of the draft Plan and to represent the views of OROC. This was determined, as the draft Plan was originally positioned through consultation as a land use strategy not as an overall strategy for economic development.
Officers from the Western Region Office of the DPE met with staff from the former Dubbo City Council on numerous occasions to discuss the Plan development process, individual issues and areas of concern. This work undertaken by the former Dubbo City Council also included Council officers providing significant input across all facets of the draft Plan, including providing input on structure and integration of the draft Plan into the land use planning system. It appears from the draft Plan placed on public exhibition that a significant amount of this work has not been utilised in the final draft of the Plan.

In discussions with the DPE during the consultation period, Council officers were provided with information that the draft Plan was prepared primarily as a land use strategy. Despite this statement and overall intent of the Department, the wording of the draft Plan, positioning statements, identifying framework, key principles and goals are written in the context of economic development activity.

The draft Regional Plan that was placed on public exhibition raises a significant number of concerns and issues in respect of how the draft Plan can effectively influence economic development by integration with the land use planning system. It is considered that there is also a general lack of focus and direction in respect of key planning and development issues likely to face the region over the lifetime of the draft Plan. Whilst positioned as an economic development strategy, the directions and actions of the draft Plan are heavily focused on land use with little influence on economic growth through industry support or development activities relevant to the WPRC LGA.

If the draft Plan is to effectively function in the role of guiding Council land use strategies and to be used in the assessment of Planning Proposals as was discussed during consultation, the document has to present robust planning principles or actions that Council can use to guide the preparation and to maintain the integrity of the local planning system, and in turn to protect the property investments made across the WPRC LGA and implement the land use objectives of the State.

Following are Council's comments in respect of the various issues and components as included in the draft Plan:

1. Plan Structure and Purpose

The draft Plan has been prepared as one (1) single document across the combined Central West and Orana Regions. It should be noted that Orana Region in the context of this draft Plan does not align to the RDA Orana area which are used by WPRC to set data boundaries for industry, population, service area and so on. The following information (in part) describes the composition of the draft Plan:

"The region is made up of two equally important areas – the Central West and the Orana. Each has its own unique economy, environment and settlements. Recognising and strengthening the role of the Central West and Orana will mean that communities can continue to access the infrastructure and services they need to sustain healthy, vibrant lifestyles."
(a) Economic Development Strategy or Land Use Strategy

It is considered that the overall positioning of the draft Central West and Orana Regional Plan as currently prepared is fundamentally flawed. The draft Plan has attempted to be both a land use strategy and an economic development strategy. This concentration on joining two (2) separate and distinct disciplines has resulted in the preparation of a Plan that is more concentrated around marketing and not planning for the sustainable development of the Central West and Orana Regions into the future.

In respect of the overall structure and usefulness of the draft Plan, even with its use principally governed by a Section 117(2) Direction, the overall structure and individual components of the document are confused. It is considered that this is a product of providing the overall draft Strategy in four (4) components of:

- Economy;
- Transport;
- Agriculture and the environment; and
- Communities.

This overall structure and the language used in the draft Plan has resulted in the presentation of a confusing document, which is not likely to be supported by planning practitioners and has little practical application for economic development functions. This further serves to highlight how the draft Plan is not considered to be a land use strategy but rather an economic development strategy.

In respect to the consideration of the draft Plan as an economic development strategy, it should be noted that the Plan does not include focusing objectives and actions that would guide industry development and general economic activity. In addition, language used in preparation of an economic development strategy is either missing from the draft Plan or not considered to be correct. This is further highlighted through a number of key terms being used incorrectly, including “value-add” as representing “supply chain” or “market diversification projects,” rather than as an outcome of “profit” into local “Gross Regional Products.”

The draft Plan provides information that it aims to ensure growth and development is planned and managed so as to not impact existing land use activities and to ensure the integrity of competing land use activities is maintained. The draft Plan also aims to focus on the development of our existing urban areas to capitalise on access to jobs, services and transport and to facilitate the development of new areas. It is considered that the draft Plan has not provided a specific framework for the facilitation of economic growth based on industry development specific to the designated area. In respect of the WPRC LGA, this would include the City of Dubbo as the identified service centre and only regional city in the Orana Region.

The draft Plan includes a significant level of inconsistent wording and/or phrasing, which is likely to be the product of the draft Plan not fulfilling its stated role as a land use strategy and its substandard role as an economic development strategy that is applicable to both Orana
and Central West regions. An example of this inconsistent wording is included in the draft Plan introduction, which includes the following in respect of the Central West region:

"The eastern part of the Central West is closer to Sydney, making it an attractive destination for tourists, day-trippers and for people relocating from Sydney to a regional or rural centre. This area has also become a highly sought after location for rural residential development."

The corresponding section in respect of the Orana Region does not reference the attractiveness of the region for people relocating from metropolitan areas or the significant tourism assets as general attractors of people to the Orana Region and beyond. However, the draft Plan contains a reference to the Evocities Marketing Program as part of Goal 4 of the draft Plan and Dubbo as one of the highest performing Cities in terms of relocation as part of the Program.

2. Role of the Plan in the Land Use Planning System

There are two (2) general considerations in respect of how the draft Plan will interact with the NSW Planning System. This includes ensuring the draft Plan has appropriate connections and synergies with other associated components of the System and to ensure a robust structure is placed around the draft Plan to protect its overall integrity as a key component in the strategic planning process.

At this stage the draft Plan and its associated legislative mechanisms will not achieve these outcomes. The draft Plan does not promote effective synergies at any level in the NSW Planning System and as such its overall relevance and useability to Council is questionable.

The overall structure of the draft Plan presents as a vague collection of various motherhood statements, facts and figures and anecdotal points rather than a complete and robust land use strategy, which is based on an analysis of identified issues. Indeed, the lack of a publicly available Issues Paper as would normally underpin such a strategy that articulates the issues for consideration in the region and provides the basis and background through to the actions included in the draft Plan is a significant shortcoming in this regional planning process.

The directions and associated actions included in the draft Plan are considered to be effective strategic guiding principles for a regional plan. However, it is questionable as to how measurable the actions are, given the majority of the wording used in their construction is vague and somewhat bureaucratic and have been constructed as principles instead of actions.

Any actions included in the draft Plan should be clear and concise and include measurable intent. A number of the actions in the draft Plan could be considered satisfied with the undertaking of minor action by a State Government agency. Whilst it is acknowledged that a number of the actions in the draft Plan are currently undertaken by councils or State Government Agencies, commitment must be provided by government to ensure the Regional Plan can achieve its purported place in guiding future planning and development across the region.
Alternative Plan Structure

The draft regional planning processes should result in a common basis for all regional plans in NSW that have the ability to reflect local values and objectives whilst performing the other important role of maintaining the integrity of strategic land use plans prepared by local councils. At the present time, the overall structure, content and mechanisms for consideration of regional plans through the associated Section 117 Direction will result in ability for councils local land use strategies being rendered obsolete if a Planning Proposal is consistent with the overall intent of the draft Regional Plan.

Given the significant weight given in the draft Plan to economic development principles and actions, all other associated considerations may be given less weight in any land use assessments, which overall does not achieve the primary aims of the Environmental Planning and Assessment Act, 1979 in providing for ecologically sustainable and orderly development.

Instead of the current draft Plan as prepared by the DPE, it is considered that the Government could pursue the preparation of a NSW Regional Plan that would become a plan for the regions, with the NSW State Plan being a plan for the metropolitan areas. The preparation of a specific regional plan for NSW could include the following key components:

(i) Issues of Regional Planning Significance

This section could provide the background and basis of issue of regional planning significance including but not limited to mining, water resources, economic development, social planning including safety and security, demographic data, infrastructure, agriculture and food security, and affordable housing.

(ii) Regional Growth Infrastructure Plans

Based on the identified issues of regional planning significance as included in Section 1, Section 2 could specify minimum requirements for the preparation of Regional Growth Infrastructure Plans including structure, content and specify a minimum level for government action. This section could also specify minimum community consultation for each plan and set the roles of government, state agencies, local councils and other stakeholders.

(iii) State Regional Planning Principles

Based on the identified issues of regional significance, Section 3 could include specific State Regional Planning Principles.

These planning principles could achieve two key outcomes. Namely, informing the preparation of local land use strategies and also forming key components of the Planning Proposal process in effectively replacing the current suite of Section 117 Directions.
(iv) **State and Regional Development Policy**

This section of the Plan could explain the basis and background of all state and regional development currently included in a variety of State Environmental Planning Policies. This section could also provide a 'one stop shop' for development permissibility for state and regional development, which is currently included in a range of SEPPs.

Under this model, councils land use strategies would be guided by the overall strategic intent and structure as set by the Plan. However, for development in regional areas further guidance can be provided at the local level to reflect local values and objectives, subject to these plans being consistent with relevant regional and state planning policy.

3. **Plan Implementation and Reporting**

A clear and concise implementation program led by a suitable governance structure that will drive state government agencies to deliver outcomes whilst maintaining the overall hierarchy of the regional plan is considered essential. However, it is unclear from the information included in the draft Plan as to what powers the coordination and monitoring committee will have in maintaining the integrity of any regional plan. It is also unclear as to what role the Chair of the committee will play in overseeing the management of any regional plan.

In addition, the draft Plan does not contain any information as to who the Chair could be, whether the Chair has any powers or specific functions to manage the committee business and how. Given that the DPE is the author of the draft Plan, it is also questionable as to whether a Department representative should be the Chair, as there may be a level of unwillingness to work with stakeholders that may not necessarily support the Plan or the information included or indeed that persons interpretation of the Plan given there is no transparent, publically available issues paper that articulates the issues for the region that assumedly informed the development of actions in the Plan.

It is considered that there is real risk in respect of maintaining the integrity of any regional planning process whilst there are 20 local government areas included in the draft Plan (now 19 with the amalgamation of the former Dubbo City and Wellington Local Government Areas) and the correct expectation that each local government should have an equal say in the governance of the Plan. Again, this situation highlights the fact that the draft Central West and Orana Regional Plan is over a very large and disparate geographical area, with different development pressures, challenges, strengths and weaknesses key industry drivers and people. This point clearly illustrates the fact that there should be separate and unique plans for the Central West and the Orana Region.

However, in respect of the current draft Plan, an alternative governance structure could adopt a 'core' membership component and an advisory or non-permanent membership component. Such structure could consist of the following:
Permanent Membership Structure

- Independent Chair
- Regional Centre x 2
- Regional Cities x 3
- OROC and CENTROC
- Office of Environment and Heritage
- Roads and Maritime Services
- Department of Industry
- Regional Development Australia
- Transport for NSW
- Department of Premier and Cabinet

Advisory/ non-permanent membership

- Local Land Services
- Neighbouring Councils*
- Department of Planning and Environment
- Impacted Councils*
- Any other relevant person/s*
- Aboriginal Land Council

* Membership dependent on the characteristics of the specific issues under consideration
The key differences from the governance structure proposed in the draft Plan includes the provision of an independent chair and the integration of representatives from the three (3) regional cities and two (2) representatives from regional centres as included in the draft Plan. It is considered that this permanent membership structure can provide a balance between the views of government and the views of councils within the area.

The advisory or non-permanent membership component of the governance structure allows for DPE representation, which may include attendance by specific areas of the Department depending on the issues to be considered. In addition, impacted councils and neighbouring councils along with any applicable local Aboriginal Land Council and Local Land Services have been included.

5. **Specific Comments**

The following are specific comments in respect of information included in the draft Plan:

**(a) Mapping Inconsistencies**

The draft Plan contains a number of mapping inconsistencies as provided in the list below:

- As shown in Figure 4 on Pages 14 and 15 of the draft Plan, it is suggested that the three (3) major dams in the region be shown (Burrendong, Windamere and Wyangala) as they are major regional assets and have already been depicted on several of the other maps as included in the draft Plan. It is also suggested that the dams should be shown on Figure 12, which is a map depicting the Region’s major natural resources.
- On page 42 of the draft Plan, Windamere Dam is spelt incorrectly.
- As shown in Figure 4 on Page 15, the Taronga Western Plains Zoo should be shown as a major regional asset given it achieves in excess of 250,000 visitors per annum.
- As shown in Figure 4 on Page 14 and 15, several key road links are missing as including the following:
  - Ballimore to Mudgee road;
  - Mendooran Road (Brocklehurst to Coonabarabran);
  - The Dubbo, Yeoval, Cumnock Molong road; and
  - The Tomingley, Narromine, Eumungerie road.

A number of these roads are depicted in more detail on Figure 9 on Page 33 of the draft Plan. It is unsure as to why they are not included in Figure 4.

- In respect of Figure 9 on page 33 of the draft Plan, the Dubbo to Yeoval road is not shown. In addition, the Narromine to Tomingley road is also not shown. There is also a cartographic error in the location of the road between Narromine and Peak Hill.
(b) Goal 1 – A growing and diverse regional economy

Page 21 of the draft Plan provides information in respect of Livestock Markets in the Central West. However, the draft Plan has not include the Central Tablelands Livestock Exchange at Carcoar.

In addition, Page 21 also includes the following statement:

"The region is well placed to take advantage of global demands for food and fibre, particularly from Asia, due to a stable investment policy, the climate, and proximity to regional, national and international markets."

It is considered that this statement is partially correct. However, this statement has been included in the draft Plan without clarification or justification and lacks robust supporting data to back up this statement. The Central West and Orana Regions include considerable agricultural activities that could be marketed towards Asia. However, there is limited infrastructure to facilitate timely provision of perishables and other goods into Asia. In addition, at this time, it is unclear as to whether there would be sizeable markets available that would necessitate the construction of considerable infrastructure.

In respect of Southern Queensland, the Wellcamp Airport at Toowoomba was constructed through private investment as a second Brisbane Airport and to also operate as a freight hub for produce from the Darling Downs. However, at this time there is no regular international air freight transportation services operating from Wellcamp Airport.

(c) Goal 2 – A Region with strong freight transport and utility infrastructure networks that support economic growth

Page 35 of the draft Plan provides information in respect of future bridge crossings. However, duplication of the LH Ford Bridge, including the $50 million funding commitment from the NSW State Government has not been discussed. It is considered that this should be included as the LH Ford Bridge duplication is a key regional priority for the NSW Government and Dubbo as a regional city.

Page 35 of the draft Plan also provides discussion in respect of a bypass for Dubbo being listed as an investigation target. However, the map as provided on Page 37 appears to provide greater certainty of the bypass being pursued. It is considered that this map should include an appropriate symbol or markings reflecting the fact that the bypass as being a possibility. The draft Plan hasn’t provided any information in respect of the long term infrastructure planning activities Council has undertaken for the future management of traffic impacts in the City. The Dubbo City Planning and Transportation Strategy 2036, prepared by the former Dubbo City Council in 2009, introduced the concept of a system of distributor roads throughout the perimeter of Dubbo to carry traffic to the various industrial areas and the defined Residential Urban Release Areas. This planning was also included in the Dubbo City Transportation Strategy to 2045, which was prepared by the former Dubbo City Council in 2012.
Page 42 of the draft Plan provides information in respect of water supply security. The draft Plan includes the following statement:

"Supply deficiencies of greater than 50 percent by 2036 are forecast in Mid-Western, Wellington, Dubbo, Parkes, Bogan and Warren Local Government Areas."

This statement is not considered to be correct for Wellington, Dubbo, Bogan (Nyngan) and Warren. It is also unclear as to where this data has been sourced.

(d) Goal 3 – A region that protects and enhances its productive agricultural land, natural resources and environmental assets

Goal 3 provides a significant level of information in respect of mining and mining impacts in the Region. It is considered that this component of the draft Plan requires significant re-drafting and clarification to be able to be used by planning practitioners and the public. This section of the draft Plan should commence with the provision of flow diagrams to explain the process for the development of mining projects including the mining lease process and the mining development assessment process.

In respect of the information provided on Coal Seam Gas activities, the draft Plan has incorrectly included information on Page 51 that the WPRC LGA is not included in the Surat Basin. It is Council’s understanding that the Surat Basin extends through the Goonoo Forest and into the Council area.

In respect of Figure 13 and Figure 14 on Page 53 and 54 respectively, it is unclear as to whether the information included especially on Figure 14, is accurate given the announced government buy back of Petroleum Exploration Licenses. In addition, it is unclear as to whether this mapping has also included the government announcement in respect of the sale of the Cobbora Coal Mine lands.

It is also noted that the draft Plan has not provided any information in respect of the Narrabri Gas Project, which is a Coal Seam Gas Project adjacent to the north-eastern boundary of the Region. The size and scale of this project has the potential to impact water resources and amenity of residents in the region.

Figure 16 as included on Page 63 of the draft Plan contains a number of errors. Water supply and services are provided by both State and Federal Governments, with the former through Local Water Utility Functions and the latter courtesy of the Commonwealth Environmental Water Holder’s Office, which is not the largest single water license owner in both the Macquarie and Lachlan River Valleys. However, Local Government plays a significant role in water quality management and in water planning and management.

It is considered that Figure 16 requires significant re-drafting to reflect the overlooked role of Local and Federal Government.
Goal 4 – Strong communities and liveable places that cater for the region’s changing population

Page 76 of the draft Plan includes Figure 20, which shows land in North-West Dubbo as existing industrial land on the western side of the Mitchell Highway (Industrial Candidate Area Number 2). The actual industrial development on the land at this stage does not encompass the overall area. The balance of land in this area is still utilised for rural purposes.

It is suggested that Figure 20 be changed to reflect zoned industrial land.

It is also noted that this section of the draft Plan provides a limited level of information in respect of the importance of affordable housing in the region. Council undertakes frequent reviews of the state and health of the Dubbo housing market and the demand for housing in Dubbo as a component of the ongoing review of the Dubbo Residential Areas Development Strategy. This includes a housing and land supply monitor which enables Council to closely consider how development progresses through a housing supply pipeline.

The last review of the Dubbo housing market undertaken by consultants, Hill PDA, showed that the City needs to ensure an adequate supply of affordable housing is provided based on the average annual household income. This showed that the City may have a home affordability issue for the percentage of Dubbo households that can afford a dwelling. The analysis also showed that the City requires further investment in social housing that can deliver housing outcomes for the percentage of the Dubbo population that is unlikely to have the means to afford outright home ownership through either purchase of a dwelling or unit.

The Hill PDA Review also found that due to the uneven nature of income distribution in Dubbo, the provision of affordable rental accommodation was even more critical than the provision of affordable housing for purchase. Hill PDA also found that 46% of Dubbo households fall into the low to very low income bracket (below $45,093 pa) and will be unlikely to purchase a property without significant government assistance or subsidy. Therefore increasing the supply of affordable rental accommodation provides the most immediate and effective means of relieving housing stress.

Hill PDA in preparing the report also prepared a Household Income Affordability Calculator model of housing affordability in Dubbo. The model provides a profile of household income levels based on Australian Bureau of Statistics Census Data for Dubbo and consideration of the level of debt or rent each household income could afford to pay, dependent on a number of key variables. These key variables include interest rates, deposit availability and the level of household income. The table below shows the level of home affordability in Dubbo across a range of household incomes.
Page 86 of the draft Plan provides a number of mechanisms by which councils can seek to improve affordable housing availability. However, the draft Plan hasn’t provided any information as to how councils can implement such provisions in a financially sustainable manner, without impacting the delivery of infrastructure and placing undue pressure on land rates and other council fees and charges.

Council is of the view that there are a number of mechanisms and policy positions the government could enact to further assist in the provision of affordable housing across the region, as provided below:

(i) Section 94 Contributions

Government could focus specific regional planning provisions and incentives in respect of the developer contributions system. This focus could be provided through State Environmental Planning Policy (Affordable Rental Housing) 2009 and provide specific allowances for developer contributions, provided certain criteria and processes were met.

The general rules and practices around such system could include the following:

- Sale of the development to a third party must be undertaken at no greater than the average price for housing in that Local Government Area for the 12 calendar months prior to the granting of development approval;
- A Caveat could be included on the title of the development with Council having the right to vary, modify or remove such for re-sale of the property to not be undertaken within a two (2) year period and for the property to be owner-occupied for the same period; and
- The Caveat could be amended in certain circumstances if required.
In respect of social and public housing, a mechanism could be introduced that allows for the collection of developer contributions towards the provision of social and public housing. This could allow for the levying of contributions as a flat percentage rate which must be utilised by the Government in the delivery of social and public housing within a specific timeframe based on the greatest percentage of need per head of population, with a specific requirement for development to be prioritised in regional areas.

(ii) Planning Reform Fund Levy

Government could focus specific spending on social and public housing in regional areas from monies collected through the Planning Reform Fund. Such an initiative could consist of the following:

- The Planning Reform Fund Levy collected on certain developments be utilised (in full or part) to a new housing fund; the housing fund to be utilised by non-government housing providers under certain circumstances.
- Monies from the levy provided to a Local Government Area based on the greatest percentage of need per head of population.
- Administration of the fund undertaken on a Local Government Area basis by a structured panel including Housing NSW and Local Government representatives.

Council appreciates the opportunity to provide these comments and issues in respect of the draft Central West and Orana Regional Plan. Council also looks forward to working closely with the Department of Planning and Environment to prepare a regional land use strategy that integrates effectively with the NSW Planning System and guides the sustainable development of the WPRC LGA and the overall Orana Region.

Should you require further information or clarification, please contact Council’s Director Environmental Services, Melissa Watkins, during normal office hours on (02) 6801 4000.

Yours faithfully

Mark Riley
Interim General Manager