The Planning Institute of Australia (PIA) is the peak body representing professionals involved in planning Australian cities, towns and regions. The Institute has around 4,500 members nationally and around 1,200 members in New South Wales. PIA NSW plays key roles in promoting and supporting the planning profession within NSW and advocating key planning and public policy issues. This submission has been prepared on behalf of PIA NSW by Members of the Institute.

The NSW Division of the Planning Institute of Australia (PIA NSW) welcomes the opportunity to comment on the Planning for Paper Subdivisions Draft Regulation and Guidelines, exhibited by the NSW Government Department of Planning & Infrastructure. This submission has been prepared by members of the PIA (NSW) and focuses on the Draft Guidelines.

The Planning Institute supports the initiative to establish a process to facilitate the development of paper subdivisions which are suitable for urban development and provides the following comments in relation to the Draft Guidelines:

- The introduction to the Draft Guidelines indicates that the process will be of use primarily where land has been zoned or is subject to a planning proposal under the Environmental Planning and Assessment Act (the Act). The Institute considers it important to emphasise that the process will only be appropriate where the land held in the paper subdivision already has demonstrated development potential.

- Given the large number of paper subdivisions located in regional areas, the Institute recommends that it may also be appropriate within the introduction to make reference to regional and local growth strategies which have an important role in guiding future residential development throughout NSW.

- Section 3.2 of the Draft Guidelines indicates that the Minister may make a Subdivision Order and that a pre-requisite to the making of an Order is that a Development Plan must have been prepared for the land. Section 4.1 of the Draft Guidelines, however, indicates that the Minister for Planning may designate in a Subdivision Order the relevant authority to prepare a Development Plan. It is therefore, suggested that clarification be given in the Guidelines that the Minister may direct a Development Authority to prepare a Development Plan before the issue of a Subdivision Order.

- The Institute considers that it should be a requirement that the Development Plan includes a basic land capability study (i.e. environmental and economic analysis) to ensure all stakeholders are fully aware of the constraints that may apply to the land early in the process.
Concerns are raised about the substantial up-front costs associated with the preparation of Development Plans. The preparation of a Development Plan may place an unreasonable burden on the financial and staffing resources of a local Council which has been ordered to prepare a Development Plan. The Institute considers that it is necessary to put appropriate funding mechanisms in place to cover the cost burden associated with the processes involved in the preparation a Development Plan, including the necessary administration and voting requirements for the adoption of the Development Plan.

It may be more appropriate to designate the preparation of a Development Plan to one central authority such as Landcom. This will enable the particular skills and experience in the preparation of Development Plans and the undertaking of the required ballots to be utilised for the preparation of a ‘best practice model’ for future Development Plans and ballots.

Holding the ballot after the Development Plan is prepared, may place the Development Authority in a position of high uncertainty. The Institute considers that it may be better to undertake two ballots. The first ballot would be within the early stages of the process to get 60% landowners / 60% of land area held, agreement to the preparation of the Development Plan and payment of an initial contribution toward costs of studies, legal advice and surveyors etc. The second ballot would then be a vote on subdivision layout, compensation, and profit division etc.

Clarification is sought as to whether or not the subdivision is approved by the Minister under Part 4 of the Act when issuing the Subdivision Order. If the Subdivision Order is also an approval, will it be possible to attach conditions of consent requested by Government agencies and the relevant Council to the Subdivision Order.

There does not appear to be any requirement for the Development Plan to consider compliance with existing Council requirements such as Development Control Plans and Development Contribution Plans. Consideration should be given to this being a requirement of the Development Plan.

The Institute also recommends that some clarification is required with regard to the definition of 60 percent ownership. Does a landowner with multiple landholdings get multiple votes in meeting the 60 percent of owners’ requirement?

The Institute welcomes ongoing engagement on this issue.

PIA NSW Division
29 March 2012