Submission to the Department of Planning
Draft Lower Hunter Regional Strategy
January 2006

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The following submission is lodged on behalf of the NSW Division of the PIA.

The Department of Planning is commended on the considerable work undertaken to produce the Draft Lower Hunter Regional Strategy; a document which will guide urban development in the Lower Hunter Region for many years to come.

This submission provides a collaborative response to the Draft Strategy, based on input from PIA NSW members.

General comments

- The Draft Strategy is not so much a strategy for the Lower Hunter as a statement by the State Government on the expectations for the Lower Hunter. The Document is not a true strategy, merely a statement of the State Government’s thoughts or predictions regarding the Lower Hunter. A Strategy is a plan of action to achieve stated aims or outcomes. This document sets out very few meaningful actions or desired outcomes. The housing and job figures that appear within the document are not even described as targets, rather as forecasts or estimates of the numbers that are expected in the Lower Hunter by 2030.

- The Draft Strategy should look further than 25 years. The Strategy needs to think further, for example, up to 50 years on

- It is supported that the Draft Strategy reinforces the existing centres and restricts the urban footprint.

- The Draft Strategy is expected to be implanted primarily through LEPs. It appears to be pertinent to ask what the state government departments are going to do to assist in implementing the Strategy? What are the incentives for actions, nominated targets and where will the finding come from?

- The document does not identify any state government investment to facilitate and support future development within the lower Hunter.
• The Strategy is based heavily on the present rather than being forward looking in outlook. It is unlikely to result in the need for any changes to the LEPs now in place at Newcastle, Lake Macquarie, Ports Stephens, Maitland and soon to be in place at Cessnock. The Strategy appears to have been prepared on the basis of reflecting the existing decisions and directions made by each LGA rather than setting out the actions required to make the Lower Hunter sustainable, affordable, prosperous and liveable (the vision in the Strategy).

• The most significant inconsistency would seem to be the lack of any greenfield/residential release areas around Hunter Economic Zone (HEZ) which is set to be the most significant employment node in the lower Hunter over the next 25 years.

• The Strategy fails to acknowledge employment generating activities in the Upper Hunter such as mines etc around Singleton and Muswellbrook. A lot of people live in Lower Hunter commute to these places for work. The same can be said for the Central Coast.

• The Draft Strategy would seem to be inconsistent with the Metropolitan Strategy objectives in that it appears to be divorcing employment nodes from new residential areas.

• Very little consideration of the Central Coast is evident notwithstanding the fact that there is a lot of social and economic interchange between Lake Macquarie and the Central Coast. The Strategy could be further strengthened by acknowledging and encouraging more interaction between the Central Coast and the Lower Hunter, instead of the Central Coast and Sydney.

• Population forecasting – this should be looking at the average growth over the last five years as an indication of likely future growth.

• The Draft Strategy should be investigating areas around HEZ for urban release.

Growth Scenarios

The Draft Strategy is based on a growth projection that essentially forecasts a higher long-term growth trend 25 years into the future (ie approx 5,000 additional people per annum compared to average historical growth rate of 4,000 people per annum). The Draft Strategy states that while there may be higher or lower growth scenarios, the broad strategic directions contained in the Strategy remain unchanged. This statement is open to challenge, as there could be very different development scenarios with different growth forecasts. The Strategy could benefit from greater evidence of "scenario planning".

Furthermore, articulation of the population capacity of the Lower Hunter Region may be very useful in such a Strategy.

The Draft Strategy does not appear to recognise existing constraints and seems to assume full development of all release areas when in reality, most of these areas are effected by constraints. Consequently the extent of housing production expected from the nominated green field sites is questioned.

One approach which may facilitate the achievement of targets would be that the Strategy set targets for each LGA and each LGA should have a plan to achieve these targets in a 3 year period.

In addition, the Strategy should openly promote housing choices and discuss monitoring the quality of housing products.
Need for an Infrastructure Plan

The Strategy must be underpinned by an infrastructure plan backed by government's commitments and mechanisms to achieve adequate funding for necessary infrastructure. This should cover both hard (engineering) & soft infrastructure (eg human services). Moreover, a definition of infrastructure needs to be given.

Substantial contributions for new infrastructure (including for any backlogs) by developers in new release areas are foreshadowed in the Draft Strategy. This could have significant impact on the cost of new housing & therefore housing affordability. It is noted that the Lower Hunter provides an important supply of housing for low to middle income earners.

The Strategic Context

It is also imperative that other plans are completed to give the Draft Strategy some teeth and implementation focus. These plans include the additional employment investigations being undertaken by the Department of Planning, the Integrated Transport Plan and Regional Conservation Plan. It is also important that all the background research underpinning the Strategy is released for public scrutiny.

Furthermore, the substantive elements of the Strategy are currently absent from the document. The Strategy identifies that the following will occur in the future:

- The preparation of a Regional Conservation Plan.
- Implementation of a biodiversity offset scheme for urban development.
- Preparation of guidelines for how local government can achieve certification under the TSC Act.
- Implementation of an Urban Development Program to monitor housing supply and demand and to monitor available industrial land supply.
- Commencement of a betterment tax scheme, or mandatory planning agreements, to contribute to regional infrastructure costs, including backlogs (although the document is more oblique and does not use these words - see pages 15, 18, & 26).

The Hunter REP made similar promises that were never realised. The Strategy should include timeframes for the completion of the additional studies/strategies/plans/reports to indicate the State Government's commitment to following through with what is identified as outstanding in the Strategy.

In many instances the Strategy states that the detail will be fleshed out in consultation with individual Councils. For example:

- Set dwelling capacity targets with local councils.
- Require Councils to develop plans on how to achieve the nominated outcomes in the Strategy.
- Work with local councils as needed to address land supply, transport planning and other issues in each centre.

This approach lacks regional context or a strategic approach and is likely to result in the inefficient and poorly timed provision of infrastructure, much the same as occurs now.

Employment Land

Historically, the chief constraint to growth in the Hunter has been the lack of jobs, however, unemployment has fallen over the last ten years and during that period there has been an increase in the population above traditional growth rates. The Strategy should further be seeking to encourage employment generating industries to the region and relocating government department to Lower Hunter (and not just Maitland).
Newcastle University is a significant knowledge base and its role has not been acknowledged or its potential to assist in broadening the economic base of the region.

One of the main constraints to new industries (and urban development in general) is that Hunter Water often doesn't have strategies in place to provide water service. The HWC as a key infrastructure provider that needs to be more strategic in its service planning as many industries have been lost to the region because of a lack of adequate service or delays in responding to service demands. It is noted that Heatherbrae that does not have adequate infrastructure such as water.

The DOP should promote regional infrastructure priorities and projects as part of the Strategy. An example of where this has been done is the South East Queensland plan.

More specifically:
- There is a lot of land currently zoned for employment generating purposes eg Tomago which could be utilized;
- RLMC land, Kooragang & BHP – what is happening, what is the vision for these important areas, multi purpose terminal and steel plant gone, need to be proactive.

Local Environmental Plans

The document appears to be contradictory in one regard. It displays a lack of understanding of market forces and an exaggerated faith in the power of LEPs to deliver changes in culture, society and the economy. Yet at other times the document concedes completely to market forces, noting that there will be regular reviews so the strategy can be adjusted to follow the directions that have been taken by the Market. For example, LEPs across the Lower Hunter do not currently restrict the density of new urban subdivisions to less than 12 dwellings per hectare, yet the average density being achieved in greenfield sites is only 6 to 8 dwellings per hectare. This reflects the predictions of Developers that the market does not want 12 dwellings per hectare. The document provides no actual strategies on how to correct/counteract this market force decision and, worse still, if this trend continues the State Government is giving a commitment to adjusting the strategy to reflect the lower densities being achieved and the greater land take required.

Interface with the Existing Hunter REP

As the Lower Hunter Regional Strategy does not extend over the same Local Government areas as the Hunter Regional Environmental Plan, the Strategy would result in only a partial repeal of the REP. Given the lack of detail in the Strategy many in the community, including the development sector, have serious concerns about the loss of planning certainty that will arise with the repeal of the REP. The lack of detail in the document makes it difficult to comply with the new Sec 117 directions issued by the Minister and will result in Councils being unable to use delegations under Sec 65 and Sec 68 of the EP&A Act adding to the length of time it takes to make changes to Local Environmental Plans.

Threshold Criteria

There are only suggested threshold criteria for proposed development sites outside designated areas (Appendix 1 of Draft Strategy). While these criteria are supported, will these criteria also apply to already designated release areas as well as it appears to cover all the essential planning issues (eg sustainability, developer agreements)?

Mechanisms to reach density targets

While the urban consolidation strategies nominated in the draft Strategy are supported, what sort of incentives/mechanisms are available to ensure that up to 50% of new dwellings will be located in existing zoned areas? Also, more detail is required as to how the level of multi-unit housing will increase from 15% to 20% of new dwellings. Similarly, what sort of issues should be addressed in local council strategies on this issue?
Bushfire

There is no mention of bushfire under natural hazards in relation to future urban growth. The implications of bushfire are potentially significant for both future urban and rural-residential development in the Lower Hunter. This is particularly an issue in Lake Macquarie where it is noted that up to one third of future population growth will occur.

Rural Residential

The Draft Strategy promotes potential further subdivision & urban style development in existing rural-residential lands in the longer-term. What is the practicality of this due to existing ownership constraints etc? What are the implications in terms of urban form, servicing, rural/urban landuse conflicts etc?

Rural Planning

Clarification is needed as to the statement on P.25 (4th pt). Does it mean that there can be no decrease in minimum lot size where there are new rural subdivisions created with dwelling entitlements? This may not always be appropriate, such as rural-residential development and smaller rural lots for intensive agriculture, including community title developments.

Vision for the Future

It is not considered that the draft Strategy delivers a strong sense of direction and its purpose if further stymied by looking only 25 years into the future. What is the long term vision? How does the Lower Hunter fit into the big plan for the state? How will Newcastle be promoted as a regional centre? Details are required to map paths to the stated intentions.

RECOMMENDATIONS

1. The Draft Strategy needs to be supported by the completion of appropriate planning strategies including a conservation strategy and an infrastructure strategy. Timeframes for completion of this work should be provided to give certainty.

2. The document should not repeal the Hunter Region Environmental Plan at this stage.

3. The vision for the strategy should include:
   - A competitive and robust economy based around key transport nodes and the regions resource and lifestyle opportunities including a new major economic role for the Newcastle Harbour and port lands (including the former BHP site)
   - An expanded public transport system that effectively serves the future community.
   - New communities that are built are vibrant and allow people to have healthy and enjoyable lifestyles by embracing New Urbanism and sustainability principles and link in with infrastructure
   - People living closer to where they work and less reliance on car
   - In 10 years, a benchmark community should exist in each LGA that meets sustainability criteria.

4. In monitoring the progress/effectiveness of the Strategy, each LGA should be required to submit a biannual report, the DOP should then prepare a report biannually and release it to show how the region is progressing in terms of achieving its vision.