

# NEW SOUTH WALES MAJOR DEVELOPMENT MONITOR 2005–06



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# Minister's foreword



I am pleased to present the NSW Major Development Monitor for 2005-06. This document informs communities, councils, developers and government agencies on decisions taken during the year by the Minister for Planning and the Department of Planning on development proposals and proposed local environmental plans (LEPs).

During the year a total of 350 applications were determined, with 52 either refused or withdrawn. Development approvals had a total capital value of \$5.8 billion and provided for about 16,000 jobs. In addition, 248 LEPs were gazetted.

During the year, significant operational reforms were undertaken, including:

- Streamlining of the development assessment process, with the target of processing 95% of applications within six months of their exhibition period in 2006-07.
- An expert LEP panel was introduced to vet proposed LEPs at an early stage to avoid time wasted on proposals that were not supported in principle.
- A standard LEP was introduced to govern the format of all future LEPs. This
  will greatly reduce, and standardise, zonings and definitions across the State
  and dramatically cut the number of LEPs in existence.
- The Department has joined with local councils to prepare new plans (including LEPs) for the city centres of six regional cities – Wollongong, Gosford, Newcastle, Parramatta, Liverpool and Penrith.
- Local councils have been issued with a new standard performance reporting system which will inform the performance of councils in processing some 125,000 applications annually, and will help identify any system bottlenecks.

There is much more to be done, but NSW is already on a pathway of achieving the most efficient and effective planning system in Australia.

I expect this will be the first of ongoing annual summaries to be published. I commend the report to you.

Yours sincerely,

Frank Sartor

NSW Minister for Planning

# New proposals lodged during 2005–06

**During 2005-06, nearly 90 per** 

cent of proposals lodged with

the Department – therefore to be

determined by the Minister - met

a set, publicly-available test under

the major projects law.

A key change to the NSW planning system in 2005 was the introduction of the new major projects law to improve and streamline the assessment of proposals deemed to be of regional or State significance. This reform to the system consisted of:

- A new part of the Environmental Planning and Assessment Act 1979 (EP&A Act). Known as Part 3A, this new part sets out the assessment process for major projects.
- A new environmental planning instrument
   State Environmental Planning Policy (Major Projects) 2005 – known as the Major Projects SEPP.

Historically, the NSW Planning Minister has always had the discretionary power to 'call in' development applications from local councils. In

addition, more than 85 environmental planning instruments were gazetted from 1979 to 2005 which automatically made the Minister the consent authority for development covered by those instruments.

The major projects law replaces these separate instruments and clearly defines, in the one policy package, projects that are determined by the Minister.

The major projects law came into full operation on August 1, 2005. The vast majority of new proposals lodged with the NSW Department of Planning during 2005-06 are being, or have been, assessed under this law.

#### **NON-DISCRETIONARY PROPOSALS**

The Minister, by law, must deal with and determine many major projects. The Major Projects SEPP is the document which outlines which projects come to the Minister, rather than the local council, for consent because of their type, size or location. These projects are also known as "non-discretionary" proposals.

These "non-discretionary" proposals typically fall into the following categories:

- agriculture, timber, food and related industries
- mining, petroleum production, quarries and associated processing industries

- chemical, manufacturing and related industries
- general manufacturing, distribution and storage facilities
- tourism and recreational facilities
- health and public service facilities
- transport, energy and water infrastructure
- resource and waste-related industries.

The Major Projects SEPP sets a threshold, such as capital investment value or the number of jobs to be

created, above which a proposal in one of the categories listed above automatically becomes a major project. As well, certain types of proposals in specified locations, such as the coastal zone, Sydney Olympic Park and Sydney Harbour foreshore sites, are also automatically considered major projects.

During 2005-06, 289 proposals were lodged with the Department of Planning under the major projects law. Of these, 250 were "non-discretionary" matters. That is, they came to the Department automatically under the criteria laid out in the Major Projects SEPP.

This means that during 2005-06, nearly 90 per cent of proposals lodged with the Department – therefore to be determined by the Minister – met a set, publicly-available test under the major projects law.

#### **DISCRETIONARY PROPOSALS**

The Minister does have the discretion to 'call in' certain developments which do not automatically come to him should he consider them to be of State or regional significance.

For instance, the Major Projects SEPP says the Minister can decide to 'call in' a residential, commercial, or retail major project if it has a capital investment value over \$50 million and the Minister believes it is 'important in achieving State or regional planning objectives'.

The Minister exercised his 'call in' discretion for 39 proposals during this 12 month period, of which 20 were major projects, 18 were State significant sites and one was a critical infrastructure project.

State significant sites are those sites which may have a wider significance for the community, for example universities, hospitals, railway stations and heritage precincts. The site may also have redevelopment significance important to implementing State planning objectives.

There are a number of steps leading to the creation of a State significant site. The Minister at first must agree to consider a request to create a State significant site. The Minister may then create the State significant site by placing a new planning regime, possibly including zoning changes, in the Major Projects SEPP. A concept plan or project application can be considered at the same time as a request to create a new State significant site.

The table below shows information on State significant site requests in 2005-06. As of June 30, 2006, no State significant site requests had reached the conclusion of a new planning regime being placed in the Major Projects SEPP.

TABLE 1 – BREAKDOWN OF STATE SIGNIFICANT SITE REQUESTS

	Metro	Regional	Total	\$	Jobs
Total requests	24	20	44	9.4B	
Minister agreed to consider as a State significant site	10	8	18	5.2B	38,894
Decision pending on whether site should be considered	8	4	12	395M	
Rejected/Withdrawn	6	8	14	3.8B	

# **CASE STUDY BREAKFAST POINT**

In August 2005, the Minister for Planning chose to declare the 51 hectare Breakfast Point redevelopment, in Sydney's inner-west, a "discretionary" major project.

The \$1.5 billion residential project is located at the former AGL Gasworks site at Mortlake on the Parramatta River. It is one of Sydney's most important urban renewal projects and a major source of construction employment.

At the time of the major project declaration, there were concerns that planning provisions for the site were unclear and potentially contradictory. Already 2,000 residents had moved into the site but further development was proposed.

In April, a concept plan for undeveloped portions of the site was approved by the Minister providing long-term planning certainty.

It allows up to a further 1,189 dwellings on the site, reservation of a 15m wide foreshore strip and dedication of a heritage building for community purposes.



Scenes from the Breakfast Point residential development



# Development decisions made during 2005-06

During 2005-06, the Minister was the consent authority for a broad range of project applications which were assessed through either the operation of the major projects law, or were lodged under sections of the EP&A Act and various regulations which existed before its introduction.

The Minister is permitted, however, to delegate this authority to the Department of Planning in some circumstances.

Of these 350 determinations, 316 were approved and 34 refused. A further 18 projects were withdrawn by the proponent prior to determination.

The overwhelming majority of withdrawals followed advice from the Department to the proponent that there were significant unresolved issues.

> A total of 350 applications were determined during 2005–2006, with 137 of these determined by the Minister, while the remaining 213 were determined by the Department of Planning under delegation from the Minister. Of the 350 determinations, 25 were under the major projects law and 325 under sections of the EP&A Act which existed before its introduction.

> Of these 350 determinations, 316 were approved and 34 refused. A further 18 projects were withdrawn by the proponent prior to determination. The overwhelming majority of withdrawals followed advice from the Department to the proponent that there were significant unresolved issues.

Table 2 shows a breakdown of these determinations along with the associated job creation figures and the total capital investment.





TABLE 2 – 2005–06 DETERMINATIONS BY MINISTER AND BY DELEGATE

	No. of determinations	Jobs	Capital investment
	BY MINISTER		
Development applications (under Parts 4&5)	78	10,842	\$3.3B
Project applications (under Part 3A)	25	4,419	\$2.3B
Modifications	34	139	\$36.2M
Sub total	137	15,400	\$5.64B
	BY DELEGATE		
Development applications	88	698	\$187.7M
Project applications	-	-	-
Modifications	125	214	\$11.5M
Sub total	213	912	\$199.2M
TOTAL	350	16,312	\$5.84B

For the purposes of this publication, we have divided major projects into four separate classes: infrastructure; industry; residential/commercial; and coastal. The number of projects determined under each class of development is further broken down in the table below.

TABLE 3 – BREAKDOWN OF DETERMINATIONS BY PROJECT CLASS AND LOCATION

Summary Project Determined	Metro	Regional	Total	\$	Jobs
Infrastructure	24	17	41	\$2.44B	7150
Industry	36	63	99	\$1.47B	4904
Residential, Commercial	58	25	83	\$1.65B	2999
Coastal	0	127	127	\$284M	1259
TOTAL	118	232	350	\$5.84B	16,312

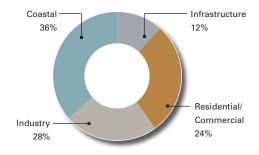


FIGURE 1 – PERCENTAGE BREAKDOWN OF DIFFERENT PROJECT CLASSES

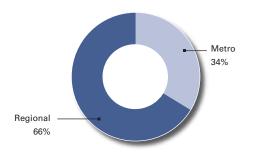


FIGURE 2 – PERCENTAGE BREAKDOWN OF DETERMINATIONS BY LOCATION

# **INFRASTRUCTURE**

The main classes of infrastructure development are: energy; water; transport; hospital/education; and waste. The following table gives a breakdown of the infrastructure developments determined during the last financial year.

TABLE 4 – INFRASTRUCTURE DETERMINATIONS BY PROJECT TYPE

Infrastructur	e type	Metro	Regional	Total	\$	Jobs
Energy						
Power sta	tions		4	4		
Cogenerat	tion facility	1		1		
Wind Farn	ns		1	1		
	Sub total	1	5	6	\$214M	141
Water/sewerage/o	dredge					
Water			1	1		
Sewerage		1		1		
Dredging		0	3	3		
	Sub total	1	4	5	\$341M	110
Transport						
Port & wh	arf facilities	5	3	8		
Road		1	1	2		
	Sub total	6	4	10	\$995M	4645
Hospital/Educatio	n					
Hospitals		2	1	3		
Education		6		6		
	Sub total	8	1	9	\$890M	2196
Waste						
Remediati	on	4	1	5		
Landfill		1		1		
Waste ma	nagement	3	2	5		
	Sub total	8	3	11	\$4M	58
	TOTAL	24	17	41	\$2.44B	7150

One important infrastructure project approved was the Tugun Bypass, which involved the approval of two sections (together totalling approximately 2.5 km) of a 4-lane restricted access motorway between Tweed Heads and an interchange in Queensland. The bypass avoids sensitive habitat areas.

Further details on three other major infrastructure projects determined in 2005-06 – the Port Botany and Port Kembla expansions and the redevelopment of Bathurst Hospital – are shown in the case studies below.

An artist's impression of proposed Tugun Bypass



### CASE STUDY PORT KEMBLA

In April this year the Premier announced the approval of the final stage in a \$140 million expansion of Port Kembla. The expansion, which includes the construction of a 290-metre berth, will transform Port Kembla into Australia's leading car import centre. It is the latest step in a process which began three years ago and which will eventually secure 1000 direct and indirect jobs in the Illawarra region.

The new berth is an innovative bulkhead design, which offers flexibility in berthing options for the various kinds of vessels used in the vehicle importing trade. It will also be able to handle other cargo operations, with the strength to handle extremely heavy loads.

The efficiency of the major projects system allowed the NSW Government to get the project moving just six months after the final phase of the expansion was announced, ensuring this important development could proceed with minimal delay.



Artist's impression of Port Kembla expansion

Prior to the commencement of the expanded port project the proponent, the Port Kembla Port Corporation, must submit a Transport Code of Conduct.

The code of conduct must outline ways to minimise, mitigate and manage traffic volume, traffic safety and acoustic impacts of heavy vehicle movements. The code must include measures to minimise or avoid heavy vehicles travelling through built-up areas late at night or during peak times, including appropriate route selection.

### CASE STUDY PORT BOTANY

In October 2005, the NSW Government approved a \$500 million expansion of Port Botany. The Port Botany project is important for the economic growth of NSW.

More than 100 conditions were placed on the approval, to protect the bay's environmental health and the amenity of local residents. These conditions cover traffic, noise, estuary management, safety, air and soil quality, waste management and heritage issues.

The proponent must demonstrate that the terminal design will achieve predicted water quality outcomes in Penrhyn Estuary. A Penrhyn Estuary Habitat Management Plan must also be prepared.



Artist's impression of Port Botany expansion

# CASE STUDY **BATHURST HOSPITAL REDEVELOPMENT**

In April 2006, the NSW Government approved the plans for a \$95 million redevelopment of Bathurst Base Hospital. The project will result in a new 2-3 storey hospital building with 149 beds as well as a rooftop helipad, a new mental health unit and a new state-of-the-art accident and emergency ward.

The hospital's original, heritage-listed main building, built in 1880, will also be restored and will house the health service's administrative and education centre.

The project's approval was an excellent example of the streamlined assessment process under the major projects law. The approval process took just 59 days in total, including the public exhibition period.

The Department delegated the exhibition and assessment of the proposal to Bathurst Regional Council.







Artist's impressions of hospital redevelopment

### **INDUSTRY**

Industrial development covers a wide range of sectors including those associated with manufacturing, rural industries, mining and quarrying. The following table gives a breakdown of the industrial developments determined during the last financial year.

TABLE 5 – INDUSTRIAL DETERMINATIONS BY PROJECT TYPE

Industry		Metro	Regional	Total	\$	Jobs
Manufacturing			,			
Warehousing		19	2	21		
Chemicals		3	2	5		
Paper recycling	9	1	0	1		
Metals		2	5	7		
Cement works			2	2		
S	Sub total	25	11	36	\$505M	2442
Rural industries						
Agriculture			2	2		
Food production	n		3	3		
Timber			2	2		
Feedlots			2	2		
Abattoir			1	1		
Aquaculture			1	1		
S	Sub total	0	11	11	\$325M	1105
Mining						
Coal			24	24		
Mineral sands			2	2		
Cobalt/nickel			2	2		
Gold			1	1		
Gas		1		1		
Coalbed metha	ane	3		3		
Kaolin			1	1		
Related Infrast	ructure		3	3		
S	Sub total	4	33	37	\$390M	997
Quarries						
Hardrock			4	4		
Sand		6	4	10		
Clay/shale		1		1		
	Sub total	7	8	15	\$250M	360
	TOTAL	36	63	99	\$1.47B	4904

The following examples demonstrate the variety of project applications determined in this area:

From the rural industries sector, the approval of a cattle feedlot at Moira Station, located near Mathoura close to the NSW/Victoria border, has a capital cost estimated at \$50 million and will employ approximately 80 people during construction and a further 86 people during its operation. The proposed feedlot will accommodate approximately 80,000 cattle.

In particular, the report anticipates that NSW's major projects laws will provide particular advantages for compliance costs, predictability and certainty for mining project developments.

Mining approvals have been particularly focussed on the coal mining sector, while in the extractive industry sector, the Lynwood hard rock quarry near Marulan will produce 5 million tonnes of hard rock aggregate per annum once in full production. This end product will be transported to the Sydney market by rail.

Further, in May 2006, the Minerals Council of Australia published a "National Scorecard of Mining Project Approval Processes". The scorecard stated that NSW's environmental impact assessment process was the best in Australia, after being judged on issues such as clarity, efficiency, government agency capability and transparency. In particular, the report anticipates that NSW's major projects laws will provide particular advantages for compliance costs, predictability and certainty for mining project developments.

The Minerals Council said that its positive report was due partly to the fact that the Department of Planning will now be the assessor and decision-maker for numerous issues that previously had separate permits, licences and approvals under other statutes and agencies.









# RESIDENTIAL/COMMERCIAL

Residential and commercial projects are generally those projects that have a capital investment value of more than \$50 million. Tourism and recreational facilities, major sporting facilities, and film, television or performing arts facilities that exceed various monetary or employment thresholds are other examples of commercial projects dealt with under the major projects law.

The Major Projects SEPP also identifies a number of specific sites that have been, or are likely to be, redeveloped for residential and/or commercial purposes. These include the Australian Museum, Chatswood Railway Interchange, The Honeysuckle Precinct in Newcastle, Rhodes Peninsula, and a number of prominent foreshore sites.

The following table gives a breakdown of the residential/commercial developments determined during the last financial year.



Newcastle's Honeysuckle Precinct

TABLE 6 – BREAKDOWN OF RESIDENTIAL/COMMERCIAL DETERMINATIONS

Residential/Commercial etc.	Metro	Regional	Total	\$	Jobs
Honeysuckle		21	21	\$8.2M	127
– refusals		1	1		
Rhodes	18		18	\$461M	545
– refusals	1		1		
Ku-ring-gai	6		6		
– refusals	1		1		
Tourism & Recreational	2	4	6	\$87M	342
- refusals	1		1		
Breakfast Point	6		6	\$525M	1000
Sydney Olympic Park	12		12	\$410M	520
Sydney Harbour	5		5	\$2.8M	3
Ryde	4		4		
Redfern Waterloo	2		2	\$4.5M	50
Fox Studios	2		2	\$5.2M	50
Chatswood Station	1		1	\$151M	1262
TOTAL	58	25	83	\$1.65B	2999
REFUSALS TOTAL	3	1	4		

The redevelopment of State significant sites often also includes the concurrent assessment of residential/commercial projects.

### CASE STUDY

### **AUSTRALIAN MUSEUM**

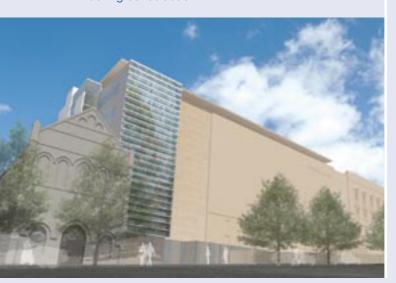
In June 2006, the Minister approved the first stage of a \$41 million upgrade to the Australian Museum in Sydney – the site's first major upgrade in nearly 20 years.

The first stage will include, amongst other things: construction of a new Collections and Research Building to house the Museum's significant scientific zoology collections; restoration of the 1892 northern facade of the former National School; the creation of an extra 7,050 square metres of collections storage, staff accommodation and other facilities.

The Major Projects SEPP lists the Australian Museum as one of the key sites for which the Minister is the consent authority for development. This allows development on the site valued at more than \$5 million to be considered within a framework of State importance.

The Australian Museum lodged a "preferred project report" to address issues raised during the consultation period. In this report, the Australian Museum made some facade design amendments, including changing some building materials, to address concerns raised by the NSW Heritage Office.

As part of consent conditions, the Minister for Planning required a Traffic and Pedestrian Management Plan to minimise traffic interruption during construction.



Artist's impression of the Australian Museum upgrade

### CASE STUDY

### **ROYAL REHABILITATION CENTRE**

In March 2006, the NSW Government approved a concept plan for a new \$45 million rehabilitation and research facility at the Royal Rehabilitation Centre Sydney (RRCS) in Ryde. The proposed new centre will be purpose-built and provide state-of-the-art specialised care for people with traumatic injuries and ongoing disabilities.

The project will also feature a residential development at a density of no more than 50 dwellings per hectare, up to five hectares of public open space and shared recreation facilities.

Since 2002 the RRCS has requested to have its land rezoned by City of Ryde Council on a number of occasions to enable residential uses, which would pay in-full for the proposed new facility. Each of these attempts has been unsuccessful.

Agreeing to consider RRCS's proposal under the major projects law freed the project from its deadlock and allowed the proposal to move through the assessment process in a timely manner, ensuring that some of the most vulnerable members of our society will continue to receive the best possible treatment.

The project has been specifically designed to blend in with the surrounding area and the site's density will be less than a number of other recent major Sydney development sites. Further, traffic consultants and the Roads and Traffic Authority have advised that there will only be modest increases in traffic flows on surrounding streets.

As part of the approval conditions, the RRCS will be required to ensure safe and effective local traffic movement.



Indicative layout of proposed new rehabilitation facility

#### **COASTAL**

The 1500-kilometre long coastline of New South Wales is under strong population pressure but also contains highly significant environmental values. The NSW Government considers significant coastal proposals, including major subdivisions and tourist facilities and tall buildings. This means the objectives of the NSW Coastal Policy can be more easily implemented to protect the coast.

Further, in November 2005 the Minister for Natural Resources gazetted an extension to the Coastal Zone, into the Sydney Metropolitan Region, meaning the entire NSW coastline is now under greater protection from inappropriate development.

The following table gives a breakdown of the coastal developments determined during the last financial year.

TABLE 7 - BREAKDOWN OF COASTAL DETERMINATIONS

Coastal	North Coast	South Coast	Total	\$	Jobs
Tourism	22	3	25	\$39M	94
– refusals	6	2	8		
Subdivisions	55	26	81	\$59M	256
– refusals	11	4	15		
Apartment/retail/commercial	14	3	17	\$186M	906
– refusals	2	2	4		
Telco infrastructure	1	3	4	\$0.5M	3
TOTAL	92	35	127	\$284M	1259
REFUSALS TOTAL	19	8	27		

As the above table demonstrates, the Minister refused almost one in three tourism applications on the coast. Nearly one in five coastal subdivisions was also refused.

Overall, the Minister refused approximately 21 per cent of all coastal applications determined during 2005-06.

With the introduction of the Major Projects SEPP, significant coastal projects can now be considered under Part 3A rather than State Environmental Planning Policy 71 (SEPP 71). As a result, there have been 45 requests for the Minister to endorse the creation of concept plans

Overall, the Minister refused approximately 21 per cent of all coastal applications determined during the 12 months to 30 June 2006.

under Part 3A rather than proceeding through a master plan under SEPP 71.

Of these 45 requests, the Minister has so far endorsed the preparation of concept plans for 8 applications.











Artist's impression of the development proposal at Casuarina Beach

### **Coastal Approvals**

In February, the Minister for Planning approved a \$55 million development proposal at Casuarina Beach on the State's far north coast. The proposal was modified in response to representations from the local community.

The approval provides a number of important gains, including improving public access to the beach, reducing the number of foreshore dwellings and requiring the developer to construct pocket parks in this area for children and people with disabilities.

Other major coastal approvals during the year include a \$20 million subdivision at Barlings Beach and a \$3.5 million subdivision at Merimbula.

# **Coastal Refusals**

The Department and Minister for Planning found during 2005-06 that a substantial number of coastal proposals were poorly-conceived, including having unacceptable environmental impacts.

The high rate of coastal project refusals and withdrawals reinforces the need for the NSW Government to continue to protect the coast from inappropriate development, as it has done since 2002. Three examples of refusals are described below.

In February, the Minister refused a proposal for a new marina at Careel Bay at Avalon in Sydney's north. The scale and intensity of the proposal would have severely restricted public access to Careel Bay, impeded future remediation of contaminated sediment and possibly exacerbated the spread of a noxious aquatic weed. The proposal attracted more than 200 submissions during its exhibition last year.

Further, in June, an application for a new \$10 million tourist facility on the State's Mid-North Coast, which would have involved 103 detached buildings, was refused due to concerns about threatened species and vegetation clearing.

The proposal was located on an 82-hectare site between Booti Booti National Park and Wallingat National Park, at Pacific Palms near Boomerang Beach.

The proposal would have destroyed a large section of bushland, which is an important corridor between the national parks for threatened fauna. It was also out of scale with nearby urban development.

Also, in early June, a three storey, eleven apartment residential development in Kiama on the State's South Coast was refused. There was concern the design was overly large, would have encroached on neighbours' and future residents' privacy and failed to address Kiama Council's aim to develop an active street front.



Careel Bay in Sydney's north where a proposed new

# How proposals have been determined

#### **DEPARTMENT'S ASSESSMENT ROLE**

The Department of Planning assesses proposals of State and regional planning significance. These proposals have implications for the broader community and are often highly complex requiring specialist assessment skills and resources. The Department has established teams skilled in particular development areas, such as mining. manufacturing, waste, major infrastructure and coastal and urban development.

Major projects considered by the Department are complex for a variety of reasons. They may be located in or near environmentally-sensitive areas or have significant environmental, amenity and human health implications that require close scrutiny. The Department also plays a key assessment role in the provision of essential State infrastructure, development important to the economic well being of the State and emerging industries that may involve new technology.

Where the Minister for Planning considers that the assessment of such projects would benefit from additional and independent expert advice, an independent review panel can be appointed.

Examples of highly complex projects determined by the Minister in 2005-06 include the Wilpinjong open cut coal mine, the Tugun by-pass and the sand and kaolin mine at Newnes near Lithgow.

Furthermore, under the new major project law, State significant site and major project proposals can be considered concurrently by the Department. This effectively means that appropriate planning provisions applicable to the subject land can be considered at the same time as a specific development proposal often in the form of a concept plan. This circumvents the often time-consuming and uncertain process of the local council preparing and processing a draft local environmental plan which can take several years. To date, the Department has been able to achieve a similar outcome in less than twelve months.

#### ASSESSMENT TIMES

The major projects law provides a single process for all major projects, which integrates the consideration of a broad range of technical issues into the one assessment and determination, making the assessment process more efficient.

This process is able to tailor the assessment so that the focus is on areas of most importance for the sustainable management of a particular project, while not compromising the level or intensity of environmental assessment.

With the introduction of the major projects law, there has been a reduction in the time taken to assess and determine projects. In 2005-06, the average assessment time for a project determined under the major projects law was 70 days. The assessment time was measured from the time the proponent responded to submissions, to the date of determination.

The Department has been achieving some good results in the area of mining assessments. The assessment time for mining projects has fallen from 7.3 months in 2001-02 to just over 4 months in 2005-06. The Department has an important role dealing with complex proposals in sensitive coastal areas. It is focussing on improving the efficiency of assessments in this area.

# **DELEGATIONS TO COUNCILS**

In 2005-06, the Department's Director General delegated his assessment functions under the major projects law to:

- Bathurst Regional Council, for the Bathurst Hospital redevelopment
- Randwick City Council, for two new hospitals at Long Bay gaol
- Campbelltown City Council for the Minto housing renewal project

The Department of Planning will negotiate a fee sharing arrangement with local councils that assess major projects.

The Minister has stated publicly he strongly supports expanding such partnerships in the future.

#### **INDEPENDENT REVIEW PANELS**

As part of the Government's planning reforms, provisions have been made in the EP&A Act for the use of independent review panels to strengthen the assessment process.

This could be a panel of experts or a panel of officers representing the Department of Planning and other relevant public authorities. The Minister can decide to convene an independent review panel and appoint panel members at any stage in the assessment process to provide important advice on issues of concern.

Public hearings may also be undertaken to provide input to the panel's assessment and recommendations.

Those panels which incorporate public hearings also have the added benefit of opening up another, very direct means

of public consultation, in addition to the already extensive consultation process required for major project assessments under Part 3A.

Since the introduction of the major project law, four panels have been initiated by the Minister. These panels have been convened for the following projects:

- Enfield Intermodal Logistics Terminal
- Desalination Plant, Kurnell
- Vineyard Rouse Hill Electricity Upgrade
- Wilpinjong Coal Project

#### **AUDITS**

The Department of Planning

is following up all adverse

findings from inspections

with the respective

proponents.

Once projects are approved, the Department of Planning still maintains an audit and compliance role to ensure that proponents are carrying out development in a way that is consistent with the conditions attached to the project's approval.

During the last financial year, audits were conducted on three coal mines to evaluate their compliance, while inspections were conducted on two more to check areas of their operations which were of concern to the Department.

The major compliance audit of the M5 East Motorway against approval conditions relating to air quality, conducted in 2004–05, was finalised and publicly released in February 2006. The RTA has advised that it is preparing an application to modify the approval which is expected to address the findings relating to portal emissions.

The reliability of stack emission monitoring has been improved in response to the audit's other major finding.

Inspections were also conducted on several other approved projects including marina and quarry projects as well as a number of ongoing inspections on projects in the Sydney region.

The Department of Planning is following up all adverse findings from inspections with the respective proponents.

Enforcement actions were initiated in 14 cases, ranging from minor matters in coastal residential developments to more serious matters requiring the issuing of Orders under section 121B of the EP&A Act.

#### **BENCHMARK**

The Department, in 2006-07, will have a benchmark to assess 95 per cent of projects within six months of their exhibition period.

# Decisions on Local Environmental Plans

#### **LEPS GAZETTED**

The NSW Department of Planning and Minister for Planning have an important role assessing and approving council local environmental plans (LEPs). LEPs are statutory instruments which include planning rules such as permitted land uses, zoning, floor space, heights, lot sizes and how an area is to develop.

Some LEPs cover entire council areas, while others may be limited to one or a few sites. They are one of the cornerstones of the environmental planning system in NSW, ensuring that land-use provisions are clear and publicly-available.

In 2005-06, 248 LEPs were published in the Government Gazette. This represents 38 more plans than the previous year, although the overall trend is a consistent decline from a high of 553 LEPs in 1999-2000. This is in line with the Department's intention to see a reduction in one-off rezoning proposals, with a move towards a broader strategic approach to regional planning (see Spot Rezonings on

Further, under section 69 of the EP&A Act, the Director General of the Department of Planning has the function of reporting to the Minister on draft LEPs. The Director General delegates this function to councils for certain types of LEPs, generally where the draft plan is clearly consistent with State and regional policy.

During the last financial year, 65 per cent of draft plans were reported to the Minister directly from councils, an increase of 6 per cent over 1999-2000 levels.

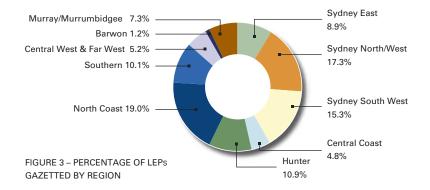
The table below shows the breakdown of the number of LEPs gazetted by region and how many were referred to the Minister under delegation. Of the 248 LEPs gazetted, 115 were from the Sydney and Central Coast councils, with the remaining 133 from rural and regional councils.

During this period, the Minister decided not to proceed with 10 draft plans.



TABLE 8 – BREAKDOWN OF LEPS GAZETTED BY REGION AND BY DELEGATION

Region	Referred to Minister direct from Council	Referred to Minister through Department	Total
Sydney East	20	2	22
Sydney North/West	36	7	43
Sydney South West	33	5	38
Central Coast	9	3	12
Hunter	17	10	27
North Coast	12	35	47
Southern	19	6	25
Central West & Far West	6	7	13
Barwon	3	0	3
Murray/Murrumbidgee	6	12	18
TOTAL LEP	s 161	87	248



#### **LEP REVIEW PANEL**

Some changes to the processing of LEPs were introduced in 2006. From February 22, councils were advised that the Department would use a panel of experts known as the LEP Review Panel to provide advice to

the Director General on each LEP as to whether it should proceed to public exhibition. The new system provides greater upfront certainty to councils, the community and investors about the likely success or failure of proposed LEPs.

In many cases, LEPs are ultimately rejected because they are not consistent with State or regional planning

The new system provides greater upfront certainty to councils, the community and investors about the likely success or failure of proposed LEPs.

objectives. The LEP Review Panel can give a clear indication early in the process as to the draft plan's level of consistency with these objectives.

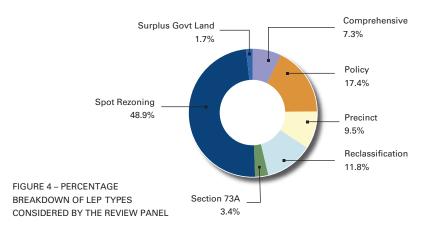
Of the 178 proposals considered by the Panel in just four months to the end of June 2006, 101 were from rural

and regional councils, with the remaining 77 from Metropolitan Sydney or Central Coast councils.

In notifying the Department of LEP proposals. councils identify the category, or type, of LEP proposed. The table below gives a breakdown of the LEPs considered by the Panel in the period to June 30 by LEP type.

TABLE 9 – BREAKDOWN OF LEPTYPES CONSIDERED BY THE REVIEW PANEL

Type of LEP	Panel recommendation to proceed with LEP	Not proceed	TOTAL
Comprehensive	12	1	13
Policy	21	10	31
Precinct	16	1	17
Reclassification	10	11	21
Section 73A	5	1	6
Spot Rezoning	49	38	87
Surplus Govt Land	3	-	3
TOTAL	116	62	178



Comprehensive LEPs – Local Government Area-wide LEPs

Policy LEPs - Involving a change in general and specific planning policy and provisions across the LGA or part of it, e.g. adding prohibited uses to a number of zones, changing development standards, introducing provisions inconsistent with SEPPs, Ministerial directions or other policies.

**Precinct LEPs** – Involving part of a local government area (LGA), e.g. city centre, including a review of general and specific planning policy and provisions.

Reclassification LEPs - LEPs to reclassify council land from community to operational uses (or vice versa) under the Local Government Act.

Section 73A – Allows certain types of minor amendments to be made to environmental planning instruments without following the usual procedures for preparing an instrument (particularly public exhibition) under Part 3 of the EP&A Act.

Spot rezoning LEPs – Usually involve a change of zoning for a single site, or additional permitted uses and/or development controls that relate to the development of that site.

# Surplus government land LEPs -

Involving the rezoning of surplus State and local government sites

#### **SPOT REZONINGS**

On June 15 2006, the Department issued a circular outlining its position on spot rezonings. Spot rezonings usually involve a change of zoning for a single site, or additional permitted uses and/or development controls that relate to the development of that site.

The circular confirmed that the Department has an objective to reduce the number of spot rezonings to encourage a planning approach which is fair and transparent, deals with all like cases consistently and provides for planning decisions with a clear strategic basis.

Secondly, reducing the number of amending LEPs in the planning process limits the administrative load on councils and the Department. As a result, councils are encouraged to prepare only one amendment, or a limited number of amendments, to their existing instruments per year, incorporating the minor proposals for changes in development controls. The Department however recognises that some spot rezonings have planning merit. Therefore it will continue to assess, and when appropriate support, spot rezonings on a merit basis.

The graph below indicates the strong decrease in the number of LEPs gazetted since 1999-2000.

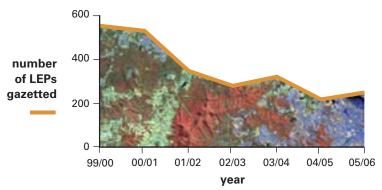


FIGURE 5 – RECENT TREND IN THE NUMBER OF LEPS GAZETTED

#### INDEPENDENT PANELS

From time to time, the Minister or the Director General of the Department of Planning may set up an independent panel to review particular planning matters and provide recommendations. These panels receive submissions from interested parties and undertake public hearings before reporting to the Minister or Director General.

During the last financial year, the Minister initiated three independent panels which reviewed the following issues:

Planning matters in Cowra Shire – including a proposed interim amendment to the Cowra LEP; possible planning errors made by Cowra Shire Council; and the orderly and sustainable development of the Cowra area.

Queanbeyan land releases – to investigate, report and make recommendations on current rezoning proposals for residential land development in the Queanbeyan City Council area.

Sensitive urban lands on the South Coast – to review a number of sensitive urban lands identified in the draft South Coast Regional Strategy, as well as an additional site at Comberton Grange.

The panel investigating planning matters in Cowra Shire reported back to the Minister in April 2006 and the panel's recommendations were implemented by the Minister. The other two panels were still in progress as at 30 June 2006.

# Appendix 1

# **SIGNIFICANT APPROVALS DURING 2005-06**

Project Name	Proponent	LGA	Category	Capital Investment Value	Jobs Construction (	Jobs Operational
Hunter River South Arm Dredge	Newcastle Ports Corp	Newcastle	Port Facilities	\$330,000,000	50.0	N/A
Chatswood Transport Precinct Project	CRI Chatswood Pty Ltd	Willoughby	Urban	\$151,000,000	1142.0	121.0
Coles Myer Distribution Facility, Goulburn North	Walker Corporation Pty Ltd	Goulburn Mulwaree	Warehousing & Distribution	\$45,000,000	100.0	308.0
Bluescope Steel Lysaughts Rollforming Facility	BlueScope Steel Limited	Penrith	Metals	\$85,000,000	45.0	250.0
Port Botany Expansion	Sydney Ports Corporation	Botany Bay	Port Infrastructure	\$576,000,000	400.0	3700.0
Bluescope Cold Mill and Pickle Line Upgrade	BlueScope Steel Limited	Wollongong	Metals	\$78,000,000	250.0	N/A
145 apartment residential development - Rhodes	Walker Group Constructions	Canada Bay	Residential	\$50,000,000	150.0	35.0
Erection of two apartment buildings containing 372 residential apartments	Meriton Apartments P/L	Canada Bay	Residential	\$95,000,000	220.0	20.0
Ulan Coal Mine	Ulan Coal Mines Limited	Mid Western Regional	Mining: Coal	\$67,000,000	96.0	0.0
Lynwood Quarry, Marulan	Readymix Holdings Pty Ltd	Goulburn Mulwaree	Mining	\$195,000,000	200.0	115.0
Tugun Bypass	RTA	Tweed	Transport	\$340,000,000	200.0	N/A
Construction of 4 Towers	Sydney Olympic Park Authority	Auburn	Residential	\$190,000,000	250.0	N/A
Taralga Wind Farm	RES Southern Cross	Upper Lachlan	Wind Farm	\$185,000,000	40.0	6.0
Wilpinjong	Wilpinjong Coal	Mid Western Regional	Mining: Coal	\$1,160,000,00	200	100
"The Casuarina" master plan & Stage 1 residential development - Casuarina	Multiplex Casuarina	Tweed	Coastal: Tourist	\$55,000,000	350.0	25.0
Rhodes - Precinct C Staged 'masterplan' DA	Meriton Apartments	Canada Bay	Urban	\$200,000,000	N/A	N/A
RRCS	Royal Rehabilitation Centre Sydney - Ryde	Ryde	\$50 million construction project Medical facilities	\$250,000,000	N/A	500

Project Name	Proponent	LGA	Category	Capital Investment Value	Jobs Construction (	Jobs Operational
Tumbarumba Mill Expansion	Hyne and Son Pty Ltd	Tumbarumba	Agricultural, timber, food and related industries	\$35,000,000	50	15
St Vincent's Research and Biotechnology precinct project	St Vincents RBP	City of Sydney	Research and biotechnology facility	\$58,000,000	150.0	270.0
De Bortoli Winery Expansion	De Bortoli	Griffith	Agricultural, timber, food and related industries	\$84,000,000	30	138
Cargill Oilseed Facility	Cargill Australia	Newcastle	Agricultural, timber, food and related industries	\$35,000,000	20	54
Bayswater Power Station Wastewater Upgrade	Macquarie Generation	Muswellbrook	Electricity generation	\$50,000,000	80	15
Port Kembla Port and Cargo Handling Expansion	Port Kembla Port Corporation	Wollongong	Port and wharf facilities	\$80,000,000	70	150
Waterpoint Master Plan	Waterpoint Homebush Bay Pty Ltd	Auburn	Urban: Residential	\$130,000,000	N/A	N/A
Bathurst Base Hospital	NSW Health	Bathurst	Medical Facilities	\$74,000,000	200	76
Breakfast Point	Rosecorp	Canada Bay	\$50 million construction project	\$560,000,000	1000	n/a
CSR Regional Distribution Centre	CSR	Blacktown	Rail and related transport facilities	\$110,000,000	220	270
Emirates Luxury Resort, Wolgan Valley	Emirates	Lithgow	Tourism and recreational facilities	\$56,000,000	150	120
Moira Station Cattle Feedlot	Agricultural Equity Investments	Murray	Agricultural, timber, food and related industries	\$50,000,000	80	86
Minto Urban Renewal	Department of Housing Landcom Campbelltown City Council	Campbelltown	\$50 million construction project	\$80,000,000	tbc	tbc

Note: for the complete list of determinations, please see www.planning.nsw.gov.au

# **ALL REFUSALS 2005-06**

Project Name	Proponent	LGA	Category	Determination Date
3 storey mixed residential /commercial/tourist development - Terralong St, Kiama	King Design Architects	Kiama	Coastal: Tourist	08/07/2005
2 lot subdivision - The Point Rd, Bundabah	Tattersall Surveyors P/L	Great Lakes	Coastal: Subdivision	29/07/2005
Ardmore Park	Multiquip	Goulburn Mulwaree	Quarries	02/08/2005
2 lot residential subdivision, Narooma	John McKee	Eurobodalla	Coastal: Subdivision	23/09/2005
Mixed tourist commercial and residential, Batemans Bay	Martin Norris and Jones Pty Ltd	Eurobodalla	Coastal	23/09/2005
Surf Beach, 2 lot res/rural subdivision , George Bass Drive Surf Beach	Ralph Bullock	Eurobodalla	Coastal: Subdivision	23/09/2005
Demolish existing dwelling, construct 8 tourist apartments and a managers residence	Andrew Bell, Milton Drafting and Design	Shoalhaven	Coastal: Tourist	23/09/2005
3 lot subdivision, Coomba Park	Degotardi Smith & Partners	Great Lakes	Coastal: Subdivision	23/09/2005
5 lot rural/residential subdivision - Tionee Road, Mondrook	Benjamin Keith Burney	Greater Taree	Coastal: Subdivision	07/10/2005
Construction of 5 Tourist Accommodation units - Huskisson	Colin Irwin	Shoalhaven	Coastal: Tourist	21/10/2005
4 lot rural residential subdivision - Long Beach	Ralph Bullock	Eurobodalla	Coastal: Subdivision	26/10/2005
Expansion of tourist facility, Palmers Island	Integrated Site Design	Clarence Valley	Coastal	26/10/2005
2 lot rural residential subdivision - Diamond Beach	Leigh Knight	Greater Taree	Coastal: Subdivision	27/10/2005
Modification to DA 388-8-2003, 2-4 Walker St, Rhodes - Changes to S96 contributions	Walker Group Constructions	Canada Bay	Urban	16/11/2005
Bawley Point - 3 lot sub division, 30 Weemala Crescent	Phillip Brown Surveying	Shoalhaven	Coastal	08/12/2005
Ramada - Modification to configuration of Level 6 Cnr Martin and Fawcett St Ballina	Newton Denny Chapelle Pty Ltd	Ballina	Tourist	28/12/2005
Boundary adjustment, addtional two apartments in Building B2 - Honeysuckle Dve, Newcastle	Caverstock Group Pty Ltd	Newcastle	Urban	13/02/2006
Careel Bay Marina Upgrade and Expansion	Austral Monsoon Industries Pty Ltd	Pittwater	Tourism and recreational facilities	14/02/2006
42 Iluka Road, Woombah - 14 unsewered lots	Aspect North	Clarence Valley	Coastal: Subdivision	25/02/2006
Santai - Lot 224 Dianella Drive, Casuarina Beach	Pacific Projects Group Pty Ltd	Tweed	Coastal: Subdivision	08/03/2006
Marine Parade, Kingscliff - 4 storey building comprising commercial retail, gym and tourist accommodation	Resort Corp P/L	Tweed	Tourist	08/03/2006

Project Name	Proponent	LGA	Category	Determination Date
Bayside Way, Brunswick Heads - Masterplan	Jim Glazebrook & Associates	Byron	Coastal: Subdivision	09/03/2006
Tourist Facility, Oceans Parade Coffs Harbour	Cornado PL	Coffs Harbour	Coastal: Tourist	16/03/2006
Tourist Facility - Caravan Park, New Entrance Road, South-West Rocks	Stephen McEvoy	Kempsey	Coastal: Tourist	22/03/2006
14 lot rural subdivision including access roads - The Branch Lane, Raymond Terrace	Tattersall Surveyors P/L	Great Lakes	Coastal: Subdivision	25/03/2006
Williamtown Tourist Facility - including motel, car hire & fast food outlet 519 Nelson Bay Road	Hunter Development Brokerage	Port Stephens	Coastal: Tourist	25/03/2006
Lots 4 & 1001 Old Coast Road, Korora - 9 lot rural residential subdivision	Jock Palmer and Associates Pty Ltd	Coffs Harbour	Coastal: Subdivision	31/03/2006
315 Old Coast Rd, Korora - 7 lot rural subdivision	Jock Palmer and Associates Pty Ltd	Coffs Harbour	Coastal: Subdivision	31/03/2006
27 lot residential subdivision, Gregory Street, South West Rocks	Dutton Engineering Excellence	Kempsey	Coastal: Subdivision	31/03/2006
52 Cove Boulevard DA - 3 lot subdivision, North Arm Cove	Tattersall Surveyors P/L	Great Lakes	Coastal: Subdivision	31/03/2006
9-25 Tryon Road, Lindfield. Modification to DA 146-6-2004 to vary section 94 contributions.	Mirvac Group	Ku-ring-gai	Residential	26/05/2006
89 Manning Street - Demolition of building and erection of 6 serviced apartments & 5 residential units	Crown Construction Pty Ltd	Kiama	Coastal: Tourist	03/06/2006
Magnus Street, Nelson Bay - Demolition of existing dwelling and construction of 4 storey residential flat building	Coeve Desogn Pty Ltd	Port Stephens	Coastal: Height	03/06/2006
Pacific Palms - 103 unit tourist development, Boomerang Drive	Morrisbray Architects Pty Ltd	Great Lakes	Coastal: Tourist	03/06/2006

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