

A NEW PLANNING SYSTEM GREEN PAPER

TTF Submission

SEPTEMBER 2012



Membership of Tourism & Transport Forum

Tourism & Transport Forum (TTF) is the peak industry group for the Australian tourism, transport, aviation and investment sectors. A national, member-funded CEO forum, TTF advocates the public policy interests of the 200 most prestigious corporations and institutions in these sectors.

TTF is one of Australia's leading CEO networks and represents over 460,000 employees. In addition to strong policy advocacy for its member sectors, TTF works at many levels to provide influence, access and value to member businesses.

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Responding to the Green Paper

1. Introduction

Tourism & Transport Forum (TTF) welcomes the opportunity to provide commentary on the NSW Planning Review Green Paper. The Green Paper provides the NSW government and industry with the opportunity to restore certainty in the planning system through a greater emphasis on strategic planning and de-politicised decision making. Furthermore, TTF welcomes the broader purpose of the proposed planning system that will help facilitate economic development for NSW.

Planning for the visitor economy

The Green Paper provides the NSW government with the opportunity to ensure that land use planning, strategic planning, and policy objectives are aligned for the first time through a planning act. As with other sectors, tourism needs adequate planning if it is to continue to make a significant contribution to the state economy. Currently, the visitor economy contributes \$11.1 billion directly to Gross State Product (GSP) with total consumption amounting to \$28.7 billion. Tourism is also a significant contributor to state employment with 160,300 people directly employed in the industry¹. The efficient operation of the NSW Planning System will play a key role in further growing this sector for NSW.

A key aspect that dominates TTF submission is the need to plan for tourism as a land use. Without a planning system that recognises and encourages tourism development, the ability of the NSW government to deliver on its commitment to doubling overnight tourism expenditure by 2020 will be significantly constrained. The future planning system needs to actively facilitate the growth of the visitor economy at all levels to ensure that this objective is reached.

The following submission will seek to address changes proposed within the Green Paper that are of interest to the tourism, transport, and aviation sectors. However, while TTF supports in principle the objectives proposed within a new act, further consultation will be required to ensure that provisions introduced in a White Paper do not cause unintended damage to the visitor economy of NSW.

¹ Tourism Research Australia (2011), *International Visitors Survey*, June 2011 edition

Summary of Recommendations

The following are TTF's recommendations to changes proposed in the Green Paper:

- TTF supports a public participation charter on the condition that the process is accompanied by a clear framework to resolve decisions in a timely manner where there is a divergence of opinion.
- Strategic community participation must include input from tourism and related industry associations.
- Tourism sectoral strategies should be developed to help local government and communities plan for new product development in areas of high tourism visitation. These strategies will provide an evidence base to help support unlocking dedicated land zoned for accommodation supply, which supports the NSW visitor economy.
- A NSW planning policy for tourism should be developed to support the NSW government's commitment to double overnight visitor expenditure by 2020.
- The preparation of regional growth plans should include consideration for tourism development and establish targets for accommodation supply.
- The minister should be empowered to direct local government to comply with targets established within subregional delivery plans.
- Sectoral strategies for the visitor economy should be developed for all subregional delivery plans.
- TTF supports the relaxation of zoning provisions to promote greater flexibility and innovation in investment, including the enterprise zone.
- TTF would caution the use of a suburban character zone without further information on its application.
- TTF supports the proposed model of delegated determination authorities.
- The NSW government should establish a clear procedure and process for the operation of delegated decision making bodies.
- The Department of Planning & Infrastructure should be provided with adequate resources to accelerate the development of subregional land use plans and build community engagement with the new planning process.
- The roles and responsibilities of local government and Joint Regional Planning Panels need to be clarified in relation to restructuring the assessment process.
- Joint Regional Planning Panels should be adequately resourced to support a faster assessment and determination process.
- Growth infrastructure delivery plan managers should consult with TTF in the development of their local plans for metropolitan Sydney.
- A procedure for review and regular updating of government progress should be built into growth infrastructure plans.
- Further supporting information on the role and responsibilities of regional planning boards needs to be provided in the White Paper.

2. Submission on proposed changes

Change 1: A public participation charter

TTF supports in principle the proposed concept of a public participation charter. The intention of engaging a broader cross section of the community in the plan making stage should be promoted. However, the framework should not delay decision making and the determination of projects before consent authorities. The charter should also seek to engage community at the strategic planning level and drive greater community consensus on broader community objectives.

TTF RECOMMENDATION:

- TTF supports a public participation charter on the condition that the process is accompanied by a clear framework to resolve decisions in a timely manner where there is a divergence of opinion.

Change 2: Strategic community participation

TTF supports greater guidance for community participation in the planning system. As noted in the Green Paper, the multiple opportunities to revisit planning issues create uncertainty for long-term investment decisions. Community participation needs to include a role for industry to work with local communities to explore broader community objectives at a strategic level. Strategic community participation should not be driven by localised issues that would discourage investment and job creation; rather it should be built around educating and promoting a greater understanding of the economic contribution of tourism to a region.

TTF RECOMMENDATION:

- Strategic community participation must include input from industry associations from the tourism industry.

Change 3: Transparency in decision making

The intention to create a more transparent decision making process and to de-politicise the planning process is strongly supported by the tourism industry. Planning decisions need to be made based on merit and their alignment with the strategic objectives for a region. TTF welcomes the concept of sectoral strategies to support the process of identifying existing and future growth potential across regions in NSW. A sectoral strategy for tourism should be developed for regions of high visitation to provide an objective evidence base to help plan for greater tourism investment. Tourism sectoral strategies should include targets for accommodation supply and infrastructure.

TTF RECOMMENDATION:

- Tourism sectoral strategies should be developed to help local government and communities plan for new product development in areas of high tourism visitation. These strategies will provide an evidence base to help support unlocking dedicated land zoned for accommodation supply, which supports the NSW visitor economy.

Change 5: NSW Planning Policies

Existing State Environment Planning Policies (SEPPs) are numerous, often conflicting, and unclear, increasing the regulatory risk of significant capital investment. The proposal to reduce the number of SEPPs into new NSW planning policies should help to remove this regulatory risk. NSW planning policies should reflect the agenda of the government to deliver on key areas of the economy. TTF strongly supports the formation of a NSW planning

policy for tourism, to support the broader agenda of the NSW government in doubling overnight visitor expenditure in NSW by 2020.

TTF RECOMMENDATION:

- A NSW planning policy for tourism should be developed to support the NSW government's commitment to double overnight visitor expenditure by 2020.

Change 6: Regional growth plans

The alignment of regional planning with infrastructure delivery is critical for tourism development. TTF agrees that previous planning lacked consistency and clear indications of timing for the delivery of infrastructure. Without a clear plan that has whole-of-government support, policy outcomes such as tourism accommodation supply cannot be delivered.

It is critical that regional growth plans help deliver on the tourism objectives and targets articulated within the *NSW 2021- A Plan to Make NSW Number One* policy document to double overnight tourism expenditure by 2020. Regional growth plans with clear measures that hold agencies accountable for project delivery will be critical in delivering on this objective. TTF is supportive of planning that will identify key infrastructure projects and outline when they will be funded, as well as charging an agency with the responsibility for delivery. Importantly, regional growth plans should be a transparent working document allowing industry to monitor agency performance.

TTF strongly supports the inclusion of evidence-based targets within regional growth plans to ensure that local government across the state adequately plans for tourism development. As tourism is often not the highest and best land use, tourism development needs to be supported if it is to make a broader economic contribution to a region. Land use planning at a regional level can help identify accommodation needs for a region and ensure that sufficient supply is planned for and delivered.

TTF RECOMMENDATION:

- A NSW planning policy for tourism should be developed to support the NSW government's commitment to double overnight visitor expenditure by 2020.
- The preparation of regional growth plans should include consideration for tourism development and establish targets for accommodation supply.

Change 7: Subregional delivery plans

TTF also supports the development of sectoral strategies to facilitate the development of the visitor economy. Tourism is a regional economic driver, providing an economic impact beyond local government area boundaries. In this way, sectoral strategies can support a broader appreciation of the value of the visitor economy to a region and allow councils to work together to plan and implement measures to support it.

Subregional delivery plans are supported where they promote consistency with regional growth plans and help deliver on government policy. Importantly, this initiative helps to provide a mechanism to build regional recognition on the benefits of tourism development. TTF believes that targets established by the NSW government through the regional growth plans need to be strongly enforced at the sub-regional level, with councils required to deliver on agreed outcomes, including the supply of short-term accommodation.

However, the Green Paper fails to identify the governance of regional planning boards and what capacity this body will have to enforce targets on local government should those targets be rejected. The White Paper should include provisions that allow the minister to direct a local government area to comply with initiatives determined at a regional level.

TTF RECOMMENDATION:

- The minister should be empowered to direct local government to comply with targets established within subregional delivery plans.
- Sectoral strategies for the visitor economy should be developed for all subregional delivery plans.

Change 9: New zones and greater flexibility within zones

TTF continues to support greater flexibility within zoning to promote innovation and new tourism development. Proscriptive regulation has in the past prevented tourism development, such as accommodation, in zones where it would otherwise be suitable. The intention to create more flexible zoning is welcomed and is in line with TTF's *National Tourism Planning Guide: Regulatory Reform Report* completed in 2011. However, the Green Paper should provide greater clarity on new zoning to be applied in local land use plans.

The proposed enterprise zone is strongly supported for its ability to encourage innovative investment. Tourism product, including accommodation supply, is increasingly integrated into other types of development. The creation of an enterprise zone will allow for more innovative urban outcomes with mixed-use development.

TTF cautiously welcomes the creation of a suburban character zone and looks forward to further guidance as to how this would be applied. While the preservation of suburban character is important in preserving the heritage and constancy of an urban space, the subjectivity of this zone could act to limit development and impose unreasonable controls on development. Further guidance should be provided by the Department of Planning on how this zone would be applied, so it is not used as an instrument to block new tourism-related development in urban areas.

TTF RECOMMENDATION:

- TTF supports the relaxation of zoning provisions to promote greater flexibility and innovation in investment including the enterprise zone.
- TTF would caution the use of a suburban character zone without further information on its application.

Change 10: Depoliticised decision making

TTF welcomes the intention to deliver a more transparent decision making process in relation to assessment and determination of development. The NSW planning system should deliver an assessment and determination path that is consistent, transparent, and facilitates the policy initiatives of the government, including the target to double overnight tourism expenditure by 2020.

The proposed delegated authorities for planning decisions, including the Planning Assessment Commission and Joint Regional Planning Panels, are supported. However, as noted in the Green Paper, further guidance is required to determine the roles and responsibilities of these bodies. Without a clear mandate to make decisions and an established procedure, bodies like the Planning Assessment Commission open themselves to becoming inconsistent in the manner in which they assess and determine development.

TTF RECOMMENDATION:

- TTF supports the proposed model of delegated determination authorities.
- The NSW government should establish a clear procedure and process for the operation of delegated decision making bodies.

Change 11: Strategic compliance

The elevation of strategic planning to reduce the need for concurrence is supported. However, communication and stakeholder management will be a key consideration prior to the creation of subregional land use plans and local land use plans. The introduction of a new planning system poses significant regulatory risk for proponents seeking to introduce a new development. The proposed Strategic Compatibility Certificate may provide a remedy while the government commences the development of subregional land use plans. To ensure that the introduction of a new planning system is less problematic for stakeholders, the government needs to adequately resource the Department of Planning & Infrastructure to educate and engage all users with the new planning process.

TTF RECOMMENDATION:

- The Department of Planning & Infrastructure should be provided with adequate resources to accelerate the development of subregional land use plans and build community engagement with the new planning process.

Change 13: Smarter and timely merit assessment

The Green Paper rightly identifies the excessive duplication that occurs during the assessment process. TTF welcomes the decision to remove the duplication of material that has already been determined as sufficient for any aspect of an application. Furthermore, measures to increase accountability of decision makers to reach a determination in a reasonable time period are supported.

As mentioned above, greater guidance needs to be provided on the role of Joint Regional Planning Panels (JRPPs). The Green Paper proposes an increased role for JRPPs in the development assessment process. If this is to occur, this would once again require a significant increase in the resources required by this body. TTF would support this arrangement if the roles of local government and JRPPs were clearly defined and adequately resourced to avoid an unnecessary duplication of processes.

Finally, conditions placed on development consents for tourism projects can be unreasonable and onerous, especially where there are significant heritage or environmental issues to address. Compliance and monitoring costs can become a significant financial burden for tourism operations. For this reason, TTF supports the development of standard conditions that would provide sufficient protection for environmental or heritage areas that would be more cost effective to monitor.

TTF RECOMMENDATION:

- The roles and responsibilities of local government and Joint Regional Planning Panels need to be clarified in relation to restructuring the assessment process.
- Joint Regional Planning Panels should be adequately resourced to support a faster assessment and determination process.

Change 17: Growth infrastructure plans

Planning for the future provision of public transport infrastructure is critical to urban growth in NSW. TTF welcomes the Green Paper's commitment to the integration of transport and land use planning for high growth areas. The formation of growth infrastructure plans prepared in conjunction with subregional delivery strategies is a positive step towards ensuring government agencies deliver on infrastructure, of which public transportation and roadways are critical elements.

TTF notes that the development of growth infrastructure plans will require consultation with stakeholders at a sub-regional level to identify key projects to unlock economic growth. TTF, as a national representative body for the transportation industry, would welcome the opportunity to provide further input into these plans and work with delivery managers to ensure that industry is able to deliver on proposed projects in a timely manner.

The commitment to reserve land for future infrastructure projects in local land use plans is also strongly supported. It is important to note that the reservation of land for such projects shapes significant commercial decisions by private land holders. Therefore, decisions agreed upon within growth infrastructure plans need to be committed to by government and updated on a regular basis to reflect shifting priorities and the likelihood of projects progressing. A period of review and a requirement for growth infrastructure plans to remain live and accurate should be determined in the White Paper.

TTF RECOMMENDATION:

- Growth infrastructure delivery plan managers should consult with TTF in the development of their local plans for metropolitan Sydney.
- A procedure for review and regular updating of government progress should be built into growth infrastructure plans.

Change 21: Regional Planning Boards

TTF welcomes the role of a Regional Planning Board in helping to draw together multiple stakeholders to oversee regional and sub-regional planning initiatives. However, the White Paper needs to better articulate the decision making capacity of Regional Planning Boards and what standing these bodies would have under a future planning act. Presently, the Green Paper describes the makeup of the board and its general decision making roles. However, no further information is provided on the ongoing role for a Regional Planning Board after regional and sub-regional planning has been developed.

TTF RECOMMENDATION:

- Further supporting information on the role, and responsibilities of Regional Planning Boards needs to be provided in the White Paper.

