

## MEDIA RELEASE

28 January 2025

### **Bi-partisan support for planning reform is needed to overcome the housing supply crisis**

CEO of the Urban Taskforce, Tom Forrest today welcomed the meeting between Premier Chris Minns and Opposition Leader, Mark Speakman and their efforts to put politics to one side and work co-operatively towards achieving bi-partisan reform to fix the broken planning system in NSW.

The Environmental Planning and Assessment Act (1979) is tired, cumbersome and complex. It has now been around for 46 years and been amended many times. But worst of all, we have a crisis in housing supply.

Housing supply must be made the primary objective of the Act. While other matters are important, the feasible development and delivery of housing supply in sufficient quantity to meet demand from our growing population is the most basic of objectives.

This change alone would give a clear and simple direction to the Courts and all planning authorities that housing supply is the number one matter of concern in their deliberations and assessment.

The Act has effectively indulged decision makers into thinking everything comes for free.

We can save the environment; we can improve building standards; we can have no over-shadowing of adjoining properties, or public open space; we can have solar access (sunlight) into every bedroom; we will never impact on the views or sightlines of anyone or anything; we will consult with community about everything, over and over again; we will require volumes of consultant reports which address each object of the Act, every objection, show compliance with Region Plans, District Plans, Local Plans, State Environmental Planning Policies, Ministerial Directions, and pass an assessment of both strategic merit and also site specific merit.

Clearly, this is just too much and it's no wonder we are now in crisis.

But we can't afford to wait for a new Act to focus on solving the problem.

We need a short piece of legislation, with bipartisan support, could make a big difference to housing supply right now.

The first job for the bipartisan review team is to identify quick wins to build confidence among investors, many of whom have given up.

Urban Taskforce members have developed a non-exhaustive set of short term and medium-term suggestions of reforms to the Act and the NSW planning system. These are attached.

Planning reform is difficult when the major parties are playing politics. This is a chance for genuine and meaningful reform which, if successful, will place both Chris Minns and Mark Speakman on a higher pedestal of civil service than most.

The process of re-drafting the Act must be undertaken with a mindset which starts with: "the current Act is part of the problem". To achieve this, we need to have independent leadership of the process of reform.

Ideally, instructions to the leaders of the process would come from both the Premier (or Minister) and the Leader of the Opposition (or Shadow Planning Minister).

This field is both complex and has been vexed by politics. At least with the leaders being constructive, we have a chance for improvement.

### **Short Term Reforms – suggested quick wins**

- 1) Re-draft the Objects of the Act. Make housing supply (and employment) the primary objective of the Act. Every new "Object" generates the need for a detailed Consultant Report.
- 2) Re-establish flexibility (merit-based assessment) into the planning system which explicitly considers the housing supply shortage as the key priority objective of the Act.
- 3) Remove the need to comply or be consistent with the outdated Greater Sydney Region Plan (published pre-Covid and pre housing supply crisis in 2017) and assess rezoning applications against a short set of key criteria, the top of which must be housing supply and targets set for each LGA.
- 4) Review the Apartment Design Guidelines to ensure that it is understood that they are guidelines only and are not necessarily applicable in many cases.
- 5) Allow for non-compliance with the controls prescribed in Local Environment and Development Control Plans, including on permissible height, the land use permitted by the zoning, density controls, and the separation between buildings, all based on a merit-based assessment. This could be brought in for a set period to assist in achieving the Housing Accord targets. This used to be allowed through SEPP 1 but was abolished when the Template LEP was adopted over a decade ago. The replacement was too complex and convoluted.
- 6) There is an urgent need to review the time consuming, repetitive and expensive Design Review process to allow for exemption for applicants that use a top tier architect. This was foreshadowed by the Premier in the 2023 Bradfield Oration, but has not yet happened.

## The longer-term review of the Act should:

1. Allow for a Land and Environment Court appeal processes for rezoning applications (at the moment there is no appeal to the Courts possible). You can appeal a DA assessment, but not a rezoning. Many NIMBY Councils know this, so they are super tight on their local controls, forcing an applicant to make a rezoning application, adding to time and costs, and undermining housing supply.
2. Introduce a voluntary mediation process to offer a low-cost option which assists in resolving disputes between Councils and applicants (this can be done through the Court or independently) but overall, there must be a reduction in time not just a new or additional process.
3. Establish a simple process for medium-density, complying development framework for buildings up to 8 storeys. Where there are non-compliances with the "code" (which will happen with the varying landscape and typography of our city and across the State). Only those aspects assessed to be non-compliant should be subjected to detailed assessment.
4. Adjust the community consultation process to require this to primarily take place when land is rezoned. Once that has happened, only significant variations should require re-exhibition. If this is the case, only the variation should be subject to consultation and comment.
5. The Act should explicitly acknowledge applicant-initiated proposals for the rezoning of land (and abandon this fantasy that councils are the proponent for all planning proposals). Further, when land is being rezoned, the planning system should require that the applicant demonstrate only strategic merit. Site specific merit should be assessed through the development application assessment process (this would reverse a change made by the former Government in August 2016).
6. There should be a single process (not the simultaneous undertaking of two separate processes) for considering rezonings (strategic merit) and development applications (site specific merit) utilising a single set of consultant reports and planning submissions.
7. Infrastructure fees, taxes and charges, including exorbitant affordable housing requirements, all require urgent review in the context of their impact on the cost of new housing supply. The Act should enable competition for the delivery of essential infrastructure and encourage Works-in Kind in lieu of infrastructure levy payments. The concepts of nexus, apportionment and fairness need to be re-introduced to the process of considering fees and charges, either through the Housing Productivity Contribution (HPC) or through a Voluntary Planning Agreements (VPA).

*The comments and analysis above can be attributed to **Tom Forrest**, CEO, Urban Taskforce.*

**Media Enquires: Tom Forrest, Chief Executive Officer: 0429460863**

**Follow us:**



*The **Urban Taskforce Australia** is a property development industry group, representing Australia's most prominent property developers and equity financiers.*