

**MINISTER FOR PLANNING,  
MINISTER FOR REDFERN WATERLOO,  
AND MINISTER FOR SCIENCE AND  
MEDICAL RESEARCH**

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**OVERVIEW**

<i>Agency</i>	<i>Budget 2005-06 \$m</i>	<i>Budget 2006-07 \$m</i>	<i>Variation %</i>
<b>Department of Planning</b>			
Total Expenses .....	89.9	94.0	4.6
Capital Expenditure .....	4.5	4.8	6.0
<b>Minister administering the Environmental Planning and Assessment Act</b>			
Total Expenses .....	26.3	47.0	78.5
Capital Expenditure .....	73.0	173.5	137.6
<b>Growth Centres Commission</b>			
Total Expenses .....	41.4	6.0	-85.6
Capital Expenditure .....	...	...	...
<b>Honeysuckle Development Corporation</b>			
Total Expenses .....	12.5	12.2	-2.2
Capital Expenditure .....	0.3	...	-100.0
<b>Redfern-Waterloo Authority</b>			
Total Expenses .....	19.3	16.6	-13.9
Capital Expenditure .....	...	34.6	n.a.
<b>Total, Minister for Planning, Minister for Redfern Waterloo, and Minister for Science and Medical Research</b>			
Total Expenses .....	<b>189.4</b>	<b>175.8</b>	<b>-7.2</b>
Capital Expenditure .....	<b>77.8</b>	<b>212.9</b>	<b>173.7</b>

In addition to the agencies listed above, the Minister is also supported by the Department of State and Regional Development (Section 2) for the Science and Medical Research portfolio area.

## DEPARTMENT OF PLANNING

The Department of Planning oversees and implements the Government's policies on land use planning and development ensuring the ongoing sustainability of NSW communities, and supporting local government planning functions.

It plays a critical role in key State investment decisions, in its role as lead agency advising the Minister and Government on the approval of major development and infrastructure projects of significance to New South Wales' economy and employment.

The Department leads and co-ordinates State-wide planning strategies to guide growth and development in New South Wales and to inform infrastructure planning, staging and delivery.

The Department's governing legislation is set out in the *Environmental Planning and Assessment Act 1979*, the *Heritage Act 1977* and the *Coastal Protection Act 1979*.

## RESULTS AND SERVICES

In delivering the priorities and objectives of its Acts, the Department works towards a number of results for the community, including:

- ◆ The State has an increased level of capital investment and facilitates job creation.
- ◆ Major projects and infrastructure are assessed effectively and in a timely manner.
- ◆ Residential and employment growth are aligned with infrastructure investment and high value natural resources are protected.
- ◆ A detailed strategic framework guides the priorities for land release, infrastructure and natural resources.
- ◆ Planning instruments and development approvals are aligned with strategies.
- ◆ The community knows, values, and cares for the State's heritage.

Key services provided by the Department to contribute to these results include:

- ◆ assessing and approving major development and infrastructure projects of State importance;

- ◆ reviewing legislation and developing and implementing planning reforms that ensure up-to-date and efficient plan-making; developing and managing planning systems and building systems; managing sections of the building profession; and administering funding programs;
- ◆ developing and implementing State strategic and statutory Plans, policies and planning objectives to facilitate investment and land release for housing and employment; assessing local government statutory Plans; and co-ordinating major projects; and
- ◆ managing the listing of heritage items; promoting local government and community partnerships for heritage management; and monitoring and assisting heritage conservation.

## RECENT DEVELOPMENTS

The Department of Planning was established on 29 August 2005. The Heritage Office was integrated as a division into the Department on 3 March 2006.

The Department is implementing major planning reforms legislated in 2005 and 2006 to improve major project development assessment and approval processes, simplify local plan-making, improve strategic planning and diversify the planning contributions system.

The Government's Metropolitan Strategy and draft regional strategies for the Lower Hunter, Far North Coast and South Coast have been delivered and will guide future growth and development. The remaining strategies, including the Mid North Coast, Northern Hunter, Central Coast, Illawarra and Sydney-Canberra Corridor strategies, will be delivered by mid 2006.

The Department continues to assess major development and infrastructure projects delivering economic investment and jobs across New South Wales. In 2005-06, the Department has approved 260 major development and infrastructure projects that have a capital investment of approximately \$5 billion.

The Heritage Office continues to implement business improvement initiatives, including: the introduction of a service costing system and improved financial monitoring; streamlining its business processes; and recovering the costs of its statutory work through fees and charges established under the new *Heritage Regulation 2005*.

## STRATEGIC DIRECTIONS

The focus of the new Department of Planning will be:

- ◆ implementing the Metropolitan Strategy and the sub-regional strategies for Sydney;
- ◆ completing and implementing regional strategies for regional New South Wales;
- ◆ implementing the planning reform legislation and regulatory framework;
- ◆ providing a robust strategic framework and upfront certainty for developers and the community by making plans, policies, processes and practice clearer, and reducing red tape and approval time frames; and
- ◆ instituting and implementing operational improvements to ensure the efficient assessment of major development and infrastructure projects.

The Department will achieve its planned results with the following priorities and continuing activities:

- ◆ plan for land release for residential and employment growth;
- ◆ manage rural lands planning issues;
- ◆ monitor local government performance and, if necessary, appoint Panels or Planning Administrators to undertake certain local government functions;
- ◆ plan for urban renewal including proposals for surplus government land;
- ◆ deliver a Heritage Register that reflects the diversity of New South Wales;
- ◆ improve methods for levying infrastructure contributions for regional infrastructure, services, and the environment; and
- ◆ improve pre-lodgement processes for development proposals to identify and resolve key issues early, to make expectations clear upfront, and to reduce costs and time frames.

## 2006-07 BUDGET

### Total Expenses

Total expenses in 2006-07 are estimated at \$94 million. This compares with a 2005-06 Budget estimate of \$89.9 million. The major areas of expenditure are:

- ◆ \$27.4 million for the strategy and policy development program;
- ◆ \$57.3 million for the major development assessment and strategy implementation program, including grants to local government (\$6.9 million), the Redfern-Waterloo Authority (\$7.2 million), the Growth Centres Commission (\$6 million) and the Minister administering the Environmental Planning and Assessment Act (\$8.5 million); and
- ◆ \$9.3 million for the heritage policy and assistance program.

Key initiatives for 2006-07 include:

- ◆ implementation of the Metropolitan Strategy, particularly sub-regional planning;
- ◆ implementation of the *Cities and Centres* strategy;
- ◆ development and implementation of regional strategies;
- ◆ establishment of an Employment Lands Program;
- ◆ assessment of major project proposals under Part 3A of the *Environmental Planning and Assessment Act 1979*, particularly State significant sites;
- ◆ review of the planning policy for *Seniors Living*;
- ◆ working with local government to introduce the Standard Local Environmental Plan across the State;
- ◆ assessment of proposed Local Environmental Plans (LEP) through the LEP Review Panel early in the process; and
- ◆ the establishment of the Building Professionals Board.

## **Total Revenue**

Total revenue in 2006-07 is estimated at \$23.5 million. This includes the planning reform fee and fees for development assessment services.

## **Capital Expenditure**

The capital expenditure program for 2006-07 is estimated at \$4.8 million including \$3 million for coastal land acquisitions under the Coastal Land Protection Scheme.

## **MINISTER ADMINISTERING THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT**

Most of the activities of the agency are managed through separate funds established under the *Environmental Planning and Assessment Act 1979* and other statutes. The Sydney Region Development Fund (the Fund) was established to acquire land for planning purposes within the Sydney region. This includes land suitable for regional open space, public transport corridors, and land for projects such as the Rouse Hill Regional Centre.

## **RECENT DEVELOPMENTS**

Expenditure is mainly incurred for land acquisition, sale of surplus land, administration and borrowing costs. Grants for the ongoing improvement of open space land and new foreshore open space are also provided in partnership with local councils and community organisations.

Under the agency's transport corridors program, land will be purchased for proposed rail links in the North-West and South-West of Sydney.

The Fund's regional open space acquisition program includes the purchase of lands within the Western Sydney Parklands that will be developed for long term recreation and conservation purposes. Other recent open space purchases include land in the Ropes Creek and South Creek corridors of Western Sydney and sites on the Central Coast.

The Fund plans significant metropolitan open space precincts and contributes to initiatives such as the Greenspace program, Cooks River Foreshore program and the Sydney Harbour Access program to improve liveability in areas of Sydney. The Fund also manages a heritage asset management program, under the *Heritage Act 1977*.

Regional open space is planned in conjunction with Sydney's Metropolitan Strategy. The Fund holds land that is no longer needed for planning purposes as well as fragments that can be aggregated and sold. The proceeds from the sale of such properties are the main source of funding for the Fund's ongoing acquisition program.

The Fund is currently selling surplus sites for major employment lands in Western Sydney. A business park is being developed on land previously owned by the Fund at Eastern Creek. Surplus lands have been identified at Doonside for residential development and Huntingwood West for employment lands. The proceeds from the sale of these sites will assist in funding stage one of the development of the Western Sydney Parklands and regional facilities.

In addition, disposal of land in partnership with Landcom continues at Bonnyrigg, Minto, Willoughby and Menai, and land sales are occurring at Seaforth and South Turramurra.

The Rouse Hill Regional Centre continues to be developed on land purchased by the Fund. This regional centre will include retail, commercial, community, education, recreational, transport and residential uses, developed in partnership with Landcom and the private sector.

## **STRATEGIC DIRECTIONS**

The agency has a range of strategies for the future including:

- ◆ prudent financial management to ensure adequate capital funding and to achieve an optimal return on surplus assets;
- ◆ ongoing review and disposal of surplus land and land to be acquired within the Sydney region with the objective of maintaining the self-funding model of the Fund;
- ◆ a focus on implementing the intended outcomes for open space land strategies and lands purchased for other planning purposes; and
- ◆ the ongoing purchase of corridors for the proposed North-West and South-West rail links.

## **2006-07 BUDGET**

### **Total Expenses**

The agency's total recurrent expenses for 2006-07 are estimated at \$47 million, which includes \$3.6 million for grants to improve open space land, \$5 million for lands transferred to other government bodies and \$17 million for borrowing costs. Expenses involved in managing, selling, acquiring and developing land total \$17 million.

### **Total Revenue**

Total revenue for 2006-07 is estimated at \$35.6 million, including contributions from local councils and the Government of \$11 million, net rental income of \$6.9 million and a grant of \$8.5 million from the Government for acquisition of the proposed South-West rail corridor.

### **Capital Expenditure**

The agency purchases land for planning purposes such as regional open space through its capital program. The capital expenditure program now also includes the purchase of land for the proposed South-West and North-West rail links. Expenses associated with land purchase, such as planning studies for redevelopment, are also capitalised.

In 2006-07, acquisition costs are estimated at \$173 million, which includes \$44 million for the purchase of open space and other land for planning purposes, \$34 million for South-West rail corridor land acquisition, and \$95 million for the North-West rail corridor. Asset disposal is estimated at \$33 million.

## **GROWTH CENTRES COMMISSION**

In December 2004, the New South Wales Government announced its new land release plan for the North-West and South-West sectors of Sydney. Up to 181,000 homes will be built in these sectors over the next 30 years.

The Growth Centres Commission was established under the *Growth Centres (Development Corporations) Act 1974* in July 2005 to manage the land release plan. It will ensure that Sydney's growth occurs in a sustainable way and that new infrastructure is appropriately planned, funded and linked to a properly sequenced program of land release.

The Commission is accountable to the Minister for Planning through its independent Board.

The Commission works in partnership with infrastructure agencies, local government, industry, landowners and the community to implement the plans for the growth centres.

## **RECENT DEVELOPMENTS**

Since July 2005, the Commission has worked closely with the Department of Planning to establish the growth centre plans and consult with the community.

The Department exhibited the draft growth centres plan between June and October 2005. After the community's feedback, the Department exhibited the draft *State Environmental Planning Policy* up to March 2006. The Department is finalising the planning policy, which incorporates final sector plans and more detailed assessments of landforms, habitat and environmental factors, together with the community input received.

After the *State Environmental Planning Policy (Sydney Region Growth Centres) 2006* comes into effect the Commission will begin actively managing the growth centres.

## **STRATEGIC DIRECTIONS**

The Growth Centres Commission will develop and administer a plan for the release of land in the North-West and South-West sectors sufficient for the accommodation of up to 181,000 homes together with appropriate infrastructure and services over the next 30 years. This goal will be achieved by:

- ◆ developing and exhibiting precinct plans for each precinct within the North-West and South-West growth centres;
- ◆ recommending new precincts for staged land release to the Minister for Planning;
- ◆ negotiating with government agencies, landowners and industry to ensure development occurs in a sustainable and timely way;
- ◆ developing infrastructure plans to support the growth centres and co-ordinating government agencies' planning and delivery of infrastructure according to the infrastructure plans; and
- ◆ administering the special infrastructure contribution and co-ordinating government spending to ensure the timely delivery and sequencing of infrastructure to support the land release program.

Specific projects for 2006-07 include the acquisition of land for the South-West rail corridor and the upgrade of sections of Camden Valley Way, Narellan Road, Cowpasture Road and Hoxton Park Road. Other projects in the areas adjacent to the growth centres include the upgrade of Windsor Road and Old Windsor Road.

## **2006-07 BUDGET**

### **Total Expenses**

For 2006-07, the Commission will undertake sector planning to the precinct level. The time taken for development from the time of release of land until its delivery to the market will be streamlined. The Commission's expenses include:

- ◆ \$3 million for staff costs; and
- ◆ \$3 million for precinct planning and other operating expenses.

## **HONEYSUCKLE DEVELOPMENT CORPORATION**

The Corporation is focussed on the revitalisation of inner Newcastle. The relevant area is situated adjacent to the Newcastle Central Business District (CBD) and comprises 50 hectares of former industrial land on the shores of Newcastle Harbour.

### **RECENT DEVELOPMENTS**

Until 1996-97, the Corporation was funded through budget contributions from the Building Better Cities program. Since that time, the Corporation has been funded through land sales and borrowings.

The Corporation has made community contributions of \$88.7 million over the life of the project in the form of grants to other organisations, housing, public domain and open space landscaping.

Some 43 sites have been released to the market with 40 settled, two under conditional contract, and another in negotiation. The total end value of works associated with the sites is estimated to be over \$680 million.

## **STRATEGIC DIRECTIONS**

The Corporation undertakes programs to fulfil its role in assisting the revitalisation of inner Newcastle. The major features of the Corporation's strategic directions are to:

- ◆ develop the city into an effective capital of the Hunter region;
- ◆ develop a mix of affordable and other housing choices;
- ◆ improve the quality of life within the CBD and inner suburbs and to open community access to the harbour foreshore areas and enhance the attractiveness of the city;
- ◆ manage the acquisition and disposal of surplus government land holdings; and
- ◆ facilitate the provision of adequate infrastructure to promote and encourage development and investment in the area.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for the Corporation for 2006-07 are budgeted at \$12.2 million. The primary components are the cost of selling land and property of \$3.7 million and community contributions of \$5 million.

The variation in expenses between the 2005-06 projection and 2006-07 Budget is approximately \$4.5 million. This is due to an increase in the level of contributions to the community (grants and subsidies), which reflects the timing of when certain works are required and an increase in the cost of selling land and property which reflects an increase in commercial sales.

The forecast deficit in 2006-07 is primarily due to community contributions. These are mainly related to works in the Cottage Creek precinct and Hunter Street Park.

### **Capital Expenditure**

In accordance with accounting standards, the Corporation's property development activities are capitalised as inventory not property assets. The Corporation is planning no capital expenditure for 2006-07.

## **REDFERN-WATERLOO AUTHORITY**

The role of the Authority is to encourage and promote the orderly development of the Redfern, Eveleigh, Darlington and Waterloo suburbs. The goal is to transform these suburbs into an active, vibrant and sustainable community displaying greater social cohesion and community safety, and one where the Aboriginal community is supported and respected. Its operational area comprises approximately 350 hectares.

The Authority is a formally constituted statutory authority with a Board reporting directly to the Minister.

### **RECENT DEVELOPMENTS**

The Authority's expenses are expected to increase from around \$15.1 million in 2005-06 to \$16.6 million in 2006-07. Approximately half of the increase relates to the interest cost of Building D in the Australia Technology Park which is scheduled for completion in late 2007.

The Authority undertook a restructure of the operations and staff at the Australian Technology Park during 2005-06. The Park now has an operating surplus of about \$4 million expected in 2005-06. The surplus in 2006-07 is expected to be less than 2005-06 due to the interest cost on Building D.

### **STRATEGIC DIRECTIONS**

The Authority advises and assists the Minister to develop the Redfern-Waterloo Plan which sets the strategic direction of the urban renewal activities to be undertaken by the Authority. The main activities of the Authority are:

- ◆ assisting the Minister create an appropriate planning regime, consistent with the Redfern-Waterloo Plan, for orderly sustainable development within the operational area;
- ◆ undertake the assessment of development proposals;
- ◆ promote and undertake economic development and use of land and property including the provision of infrastructure and the enhancement of public places;
- ◆ promote, arrange and conduct cultural, educational, commercial, recreational, entertainment and transport activities;

- ◆ provide and promote housing choices in the operational area, employment opportunities for local residents, commercial opportunities for local businesses and encourage cultural development; and
- ◆ seek community participation and liaise with government agencies to improve delivery planning of human services.

## **2006-07 BUDGET**

### **Total Expenses**

Total expenses for 2006-07 are estimated at \$16.6 million. The majority of expenditure is for planning, urban renewal, infrastructure expenses, and information technology systems. It also includes place management expenses and costs associated with the running of the conference centre at the Australian Technology Park.

### **Total Capital Expenditure**

The Authority's capital program for 2006-07 is \$34.6 million. Major new infrastructure development includes the preparation of Site B, construction of Building D, and the construction of three roads within the Australian Technology Park.