



IRF22/1880

Gateway determination report – PP 2022-1580

Insert a new local clause to allow temporary worker accommodation in certain zones – Narromine Shire Council

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Acknowledgment of Country

The Department of Planning and Environment acknowledges the Traditional Owners and Custodians of the land on which we live and work and pays respect to Elders past, present and future.

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Table 1 Reports and plans supporting the proposal

Relevant reports and plans
Planning proposal – Temporary Worker Accommodation dated April 2022
Copy of Ordinary Council Meeting Minutes dated 13 April 2022
Narromine Shire Council Resolution

1 Planning proposal

1.1 Overview

Table 2 Planning proposal details

LGA	Narromine Shire Council
PPA	Narromine Shire Council
NAME	Insert a new local clause to allow temporary worker accommodation in certain zones – Narromine Shire Council
NUMBER	PP-2022-1580
LEP TO BE AMENDED	Narromine Local Environmental Plan 2011
ADDRESS	Narromine Shire Local Government Area
DESCRIPTION	Various – refer to Section 2 of this report
RECEIVED	3/05/2022
FILE NO.	IRF22/1880
POLITICAL DONATIONS	There are no known donations or gifts to disclose and a political donation disclosure is not required
LOBBYIST CODE OF CONDUCT	There have been no known meetings or communications with registered lobbyists with respect to this proposal
DWELLINGS/JOBS	0/0

1.2 Objectives of planning proposal

The planning proposal (on page 4) contains objectives and intended outcomes that adequately explain the intent of the proposal. The proposal seeks to introduce new planning provisions that can:

- facilitate the delivery of temporary accommodation in Narromine Shire LGA for workers contracted on large scale employment projects; and
- provide certainty of development standards for investors of large scale employment projects in the region.

The objectives of this planning proposal are clear and adequate.

1.3 Explanation of provisions

The planning proposal (page 5) contains an explanation of provisions that adequately explains how the objectives of the proposal will be achieved. The proposal recommends a new clause under Part 6 Additional Local Provisions of the Narromine LEP 2011. The new clause sets out the

definition for temporary worker accommodation. It also outlines the intent and following requirements that are to be addressed by any future development applications for the use:

- The proposal for temporary worker accommodation is to be directly linked and critical to the running of a new large scale project in the LGA; and
- Essential services and utilities infrastructure (water, sewer and power) is provided for the new worker accommodation.

The planning proposal proposes to define temporary worker accommodation, subject to Parliamentary Counsel drafting, as follows:

Any habitable buildings and associated amenities erected for the purpose of providing a place of temporary or short-term accommodation for persons employed or contracted for employment associated with a large-scale project and the term of that project.

The proposal requests that temporary worker accommodation is added to the land use table and the use is listed as 'permitted with consent' under the RU1 Primary Production zone, RU5 Village zone and R5 Large Lot Residential.

The Department does not support this approach. Land use terms that do not form a part of the Standard Instrument cannot be added into the land use table in the Narromine LEP 2011. Alternatively, the Department recommends that the new clause identify which land use zones (RU1, RU5 and R5 zones) in which it may be applied.

Table 3 Current and proposed controls

Control	Current	Proposed
Zone	Only certain residential accommodation and tourist and visitor accommodation is permissible with consent under the RU1 Primary Production zone, RU5 Village zone and R5 Large Lot Residential	Insert a new Part 6 Additional Local Provisions clause to make temporary worker accommodation permissible with development consent in RU1, RU5 and R5 zones.

The mechanism to achieve the outcome will be determined through final drafting by Parliamentary Counsel. An alternate mechanism may be the use of Schedule 1 – Additional Permitted Use. However, the intent of the proposal is clear in that temporary worker accommodation is to be made permissible in zones RU1, RU5 and R5. The planning proposal is to be amended to clearly state the intent and remove the mechanism and definition which will be subject to Parliamentary Counsel drafting.

1.4 Site description and surrounding area

The planning proposal applies to various land zoned RU1 Primary Production zone, RU5 Village zone and R5 Large Lot Residential in the Narromine Shire LGA.

1.5 Mapping

The planning proposal does not propose any map amendments. The change is proposed by means of inserting a new additional local provisions clause under Part 6 of the Narromine LEP 2011 only.

2 Need for the planning proposal

Justification for the proposed amendment has been provided in Section A, page 6 of the planning proposal.

The planning proposal submits that the amendments sought by the planning proposal are not supported by a particular strategic study. Rather, they respond to a growing need for worker accommodation in Narromine and the lack of appropriate short term rental housing in the area. The planning proposal delivers purpose-built housing for seasonal workers in the area in light of all new large scale employment generating projects and investments in the region including development of the 400ha Narromine Materials Distribution Centre, the Narromine to Narrabri Section of Inland Rail Project (anticipated to attract 2000 workers) and the Central West and Orana Renewal Energy Zones project (anticipated to attract 450 workers), among others.

The proposed amendment also seeks to provide more certainty and confidence for investors that Narromine can have the infrastructure and housing supply required to support these large-scale projects.

The Department finds that the proposal is also generally consistent with the Narromine LSPS 2020 which identifies a need for a range of housing options in the Shire (Planning Priority 4). Council's action plan identified the need to monitor rental demand, take up of residential uses and identify shortfalls in housing in the short to medium term. The Department acknowledges that in this instance, the proposal responds to the temporary housing shortage and the need for a housing solution for temporary workers.

The Department also notes that the LSPS identifies the need to grow Narromine's local economy by attracting investment and growing the resource mining and agribusinesses sector in the area. These large scale employment generating projects require support infrastructure such as housing for their future workers. Leaving this matter unresolved could deter local investment and growth and would be inconsistent with the Narromine LSPS priorities.

3 Strategic assessment

3.1 Regional Plan

The planning proposal has undertaken an assessment against the Central West and Orana Regional Plan 2036 (the 2036 plan) on page 7. The draft Central West and Orana Regional Plan 2041 (draft 2041 plan) was on exhibition from 22 November 2021 and 18 February 2022. Submissions received during exhibition are currently being considered.

Table 4 Regional Plan assessment

Central West and Orana Regional Plan 2036 Objectives	Justification

<p>Direction 2: Grow the agribusiness sector and supply chains</p>	<p>The Agribusiness sector is highly dependent on availability of seasonal workers. Council's planning proposal submits that the success, growth and new investments in the sector is contingent on the availability of a workforce and infrastructure to support the workforce including proper housing. The lack of temporary accommodation for seasonal agribusiness workers in Narromine may limit and curb growth of this sector.</p> <p>The Department acknowledges that appropriate infrastructure including housing for temporary workers is critical to the growth and establishment of the agribusiness sector in Narromine and thereby supports the proposal. The proposal is consistent with this direction.</p>
<p>Direction 27: Deliver a range of accommodation options for seasonal, itinerant and mining workforces</p>	<p>The Regional Plan identifies the need for special temporary accommodation for workers in the Central West NSW, given construction of large-scale infrastructure projects, mining and seasonal agricultural employment increase transient populations in the region and in turn place pressure on housing and supply of tourist and visitor accommodation in the area. The Department finds that the proposal is directly in keeping with this direction and will deliver accommodation for temporary workers alleviating any supply pressures on housing and other short term accommodation options in the area.</p>

The planning proposal is also directly in keeping with Objective 10 - Provide accommodation options for temporary workers of the draft Central West and Orana Plan 2041. High demand for worker accommodation can increase pressure on an already stressed housing market, leading to higher rents, housing affordability issues, low availability of housing for tourists and visitors and overall poor outcomes for rural centres.

The plan recommends councils with large seasonal workforce monitor demand (Action 6) and consider adopting a local clause (Strategy 10.1) that would permit temporary worker accommodation and support a variety of housing (medium density housing and other smaller affordable dwellings). The Department notes that this proposal is also consistent with the draft Central West and Orana Regional Plan 2041.

3.2 Local

The planning proposal (page 7) demonstrates the proposal's consistency with the Narromine Local Strategic Planning Statement 2020 (LSPS), as stated in the table below:

Table 5 Local strategic planning assessment

Local Strategies	Justification
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Narromine Local Strategic Planning Statement 2020	<p>The LSPS identifies the need for diverse housing options in the LGA. It also outlines the need for Council to continuously monitor rental demand and the supply of housing and residential land in the area. Council's proposal submits that the lack of specific housing for temporary worker places significant pressures on the supply of rental and other short-term accommodation in the area.</p> <p>Council also submits that the proposal is also consistent with the LSPS priority to grow the local economy and agribusiness sector in Narromine, noting that investment opportunities for large scale employment generating projects require certainty for supporting infrastructure, including housing for seasonal workforce.</p> <p>The Department acknowledges that in this instance, the proposal is in keeping with the LSPS as it is a direct outcome of Council monitoring and responding to new housing needs in the LGA. The proposal will supplement and support the inland rail (approximately 2000 new temporary jobs) and Central West Orana Renewable Energy Zones (approximately 450 new temporary jobs) projects flagged for Narromine, ensuring housing is available to these project's temporary workforce.</p>
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3.3 Section 9.1 Ministerial Directions

The planning proposal's consistency with relevant section 9.1 Directions is discussed below.

Table 6 9.1 Ministerial Direction assessment

Directions	Consistent/ Not Applicable	Reasons for Consistency or Inconsistency
1.1 Implementation of regional plans	Consistent	The proposal is consistent with this Direction (see discussion in Section 3.1 of this report).
1.3 Approval and referral requirements	Not Applicable	The proposal is consistent with the Direction as it does not introduce any new referrals or consultation requirements
1.4 Site specific provisions	Consistent	The proposal is consistent with the Direction as it does not introduce any new site specific provisions. It seeks to facilitate specific housing in response to the surplus demand for worker accommodation associated with new large scale employment generating projects in Narromine.
3.2 Heritage conservation	Consistent	There is no change to the heritage provisions or items. The proposal does not relate to a specific site. Notwithstanding, the proposal is generally consistent with this Direction, as clause 5.10 heritage conservation of the Narromine LEP 2011 will apply to any future Development Application for temporary worker accommodation where relevant.
4.1 Flooding	Consistent	The planning proposal does not specifically address flooding, noting that the proposal is not site specific. Notwithstanding, the Department notes that the new clause will apply to all RU1, RU5 and R5 zones some of which may be flood

		<p>affected. The Department considers that it is hazardous to have temporary worker accommodation in flood affected areas. The Department recommends that the new worker accommodation clause include an eligibility criterion precluding flood affected land unless consideration is given to flood impacts both on and off the site and any impacts are managed consistent with the NSW Government's Flood Prone Land Policy and the principles of the Floodplain Development Manual 2005. The final drafting of the clause will be subject to Parliamentary Counsel.</p>
4.3 Planning for bushfire protection	Consistent	<p>The proposal does not specifically address bush fire protection measures noting that the proposal is not site specific. Notwithstanding, the Department notes that the new clause is proposed to apply to all RU1, RU5 and R5 zones, which may include some land that is considered bushfire prone land. The Department recommends that the new worker accommodation clause include an eligibility criterion precluding land identified as bushfire prone land unless bushfire risk may be appropriately managed in keeping with Planning for Bushfire Protection 2019 guidelines. The final drafting of the clause will be subject to Parliamentary Counsel.</p>
4.4 Remediation of contaminated land	Consistent	<p>The proposal does not specifically address contamination of land, noting that the proposal applies to all RU1, RU5 and R5 zones. Notwithstanding, the Department notes that these zones may include RU1 and R5 lots that allow agricultural uses and other activities identified under Table 1 of the Contaminated Land Planning Guidelines, to cause contamination. Further the new clause proposes future residential use of these lands which warrant remediation prior to development.</p> <p>However, the Department considers it premature and unfeasible to carry out contamination assessments for all RU1, RU5 and R5 lots to which this clause would apply. To this end, and in order to be consistent with this Direction, the Department recommends that the new worker accommodation clause include an eligibility criterion that considers contaminated lands unless consent authority is satisfied that the site can be made suitable for the use of residential accommodation. It should also be noted that SEPP (Resilience and Hazards) 2021 requires consideration of contamination at the development</p>

		application stage. The final drafting of the clause will be subject to Parliamentary Counsel.
5.1 Integrating land use and transport	Inconsistent - justified	<p>It is anticipated that temporary worker accommodation will be built largely in proximity to the project work site in rural fringe areas away from urban centres and existing transport hubs. The proposal will allow future workers convenient access to the work site. The new clause will require worker accommodations to be well serviced by essential infrastructure and utilities (water, sewage, electricity and gas).</p> <p>The Department considers that in in this instance, the inconsistency with this Direction is acceptable noting that the proposal is in keeping with the Central West and Orana Regional Plan 2036 which identifies the benefits of purpose-built housing for workers in proximity to a project site.</p>
6.1 Residential zones	Consistent	<p>The Department finds that the proposal is consistent with this direction. The proposal will increase housing choice by enabling the delivery of purpose-built housing for temporary workers. The proposal would also alleviate pressure on limited rental supply and tourist accommodation in the LGA by delivering separate housing for workers associated with large scale projects.</p> <p>Further, in keeping with the Direction, the new clause is to contain a requirement that development is not permitted until land is adequately serviced (or arrangements satisfactory to the council, or other appropriate authority, have been made to service it).</p>
9.1 Rural Zones	Inconsistent - justified	<p>The proposal is inconsistent with this Direction. Notwithstanding the Director of the Western Region (as a delegate of the Secretary) can be satisfied that the inconsistency is found to be directly in keeping with the Central West and Orana Regional Plan 2036 and the draft Central West and Orana Regional Plan 2041.</p>

3.4 State environmental planning policies (SEPPs)

The planning proposal identifies SEPPs that apply to the proposal and provides an assessment of the proposal's consistency with the SEPP on pages 8-9. The Department considers the following SEPPs relevant to the planning proposal:

- SEPP (Resilience and Hazards) 2021
- SEPP (Transport and Infrastructure) 2021

- SEPP (Biodiversity and Conservation) 2021
- SEPP (Planning Systems) 2021; and
- SEPP (Housing) 2021

The planning proposal is consistent with the objectives of these SEPPs. The specific controls and provisions in each of the SEPPs are not relevant to determining the strategic or site-specific merit of this planning proposal that applies to certain zones rather than sites and may be considered as part of any future development applications for the subject land.

4 Site-specific assessment

4.1 Environmental

The following table provides an assessment of the potential environmental impacts associated with the proposal.

Table 7 Environmental impact assessment

Environmental Impact	Assessment
Contamination	The planning proposal has not specifically addressed contamination. The Department considers that it would be unfeasible to carry out a contamination assessment for all RU5, RU1 and R5 zones to which the new worker accommodation clause would apply. SEPP (Hazards and Resilience) 2021 would continue to apply to any future development application which will ensure that contaminated land is remediated and made suitable for residential purposes. Further, in order to satisfy consistency with 4.4 Remediation of Contaminated Land Direction, the Department recommends that the new clause include an eligibility criterion that considers contaminated land.
Bushfire impact	The proposal has not addressed bushfire impact. The Department recommends that the new clause include an eligibility criterion that precludes bushfire prone land unless the consent authority is satisfied that bushfire risk may be appropriately managed in keeping with Planning for Bushfire Protection 2019 guidelines.
Flooding	The proposal has not addressed flooding. The Department recommends that the new clause include an eligibility criterion that precludes flood prone land unless consideration is given to flood impacts both on and off the site and any impacts are managed consistent with the NSW Government's Flood Prone Land Policy, the principles of the Floodplain Development Manual 2005 and Council local requirements.
Biodiversity impact	The proposal has not addressed biodiversity impacts given that the new clause is proposed to apply to several zones. The Department notes that it would be more appropriate to consider biodiversity impacts at the Development Application stage when the site location is known. Further, due processes are in place under the <i>Biodiversity and Conservation Act 2016</i> which would generally require the preparation of a Biodiversity Development Assessment Report to accompany Development Applications.

4.2 Social and economic

The proposal will provide the following positive social and economic benefits:

- alleviate housing and tourist and visitor accommodation supply pressures in Narromine LGA by providing separate purpose-built housing for temporary workers in Narromine
- attract investment opportunities for large scale employment generating projects by providing certainty around supply of essential infrastructure and housing for workers
- ensure economic growth of the local resource mining, manufacturing and agribusiness sectors in Narromine is not hampered
- increased job (construction and operational) in the region
- positive flow on economic impacts, including increased demand for local services

4.3 Infrastructure

Page 5 of the planning proposal notes that all future development applications for temporary worker accommodation will need to demonstrate that it will have adequate access to essential infrastructure and utilities including power systems, water reticulation systems and sewerage systems.

The Department supports this and recommends that the new worker accommodation clause include essential infrastructure as a prerequisite for development or supplied as part of the development. The final wording of this would be subject to Parliamentary Counsel.

5 Consultation

5.1 Community

Council proposes a public exhibition period of 28 days.

In keeping with the Local Plan making guidelines, the exhibition period for a standard and complex proposal is between 20 days and 30 days. Accordingly, a 28 day public exhibition period is considered appropriate and forms part of the conditions in the Gateway determination.

5.2 Agencies

The proposal does not specifically raise which agencies will be consulted and consultation with agencies is not considered warranted.

6 Timeframe

Council proposes a 9 month time frame to complete the LEP.

The Department agrees with a time frame of 9 months to ensure it is completed in line with its commitment to reduce processing times.

7 Local plan-making authority

Council has advised that it would like to exercise its functions as a Local Plan-Making authority.

As the planning proposal is of local and low risk nature the Department recommends that Council be authorised to be the local plan-making authority for this proposal.

8 Assessment summary

The planning proposal is supported to proceed with conditions for the following reasons:

- the planning proposal provides positive social and economic outcomes for Narromine. It addresses the current shortage and lack of short-term accommodation supply suitable for temporary or seasonal workers in the area.
- the proposal is consistent with relevant local plans, the regional plan, Ministerial Directions and SEPPs (albeit needing to be addressed at Development Application stage).
- the proposal strategically responds to the need for additional housing in the short to medium term for seasonal workers in light of all new large scale employment generating projects and investments in the region including development of the 400ha Narromine Materials Distribution Centre, the Narromine to Narrabri Section of Inland Rail Project and the Central West and Orana Renewal Energy Zones project, among others.

The proposal should be updated to have regard to the Department's recommendations for the clear intent of the proposed worker accommodation clause that is to include the eligibility criteria, precluding it from applying to certain environmentally sensitive land in order to satisfy consistency with the Ministerial Directions.

9 Recommendation

It is recommended the delegate of the Secretary:

- Agree that the inconsistency with section 9.1 Directions 5.1 Integrating Land Use and Transport and 9.1 Rural Zones are justified and no further work is required.

It is recommended the delegate of the Minister determine that the planning proposal should proceed subject to the following conditions:

1. Prior to community consultation the planning proposal is to be updated to:
 - clearly state the intent of the planning proposal and remove the proposed draft clause and provisions.
 - include eligibility criteria precluding environmentally sensitive and hazardous land such as flood prone land, bushfire prone land, contaminated land and biodiversity significant land.
2. Public exhibition for 28 days
3. No agency consultation
4. No public hearing is required
5. The LEP is to be completed in 9 months
6. Given the nature of the proposal, Council should be authorised to be the local plan-making authority.



(Signature)

21 June 2022 _____ (Date)

Wayne Garnsey

Manager, Western Region

Noted:



_____ (Signature)

21 June 2022 _____ (Date)

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