Our People, Our Future, Our Cessnock






Cessnock

URBAN GROWTH MANAGEMENT PLAN

Image: Mount Yengo, located in Yengo National Park, is of great significance to local Aboriginal people.

Acknowledgement of Country

Cessnock City Council acknowledges that within its local government area boundaries are the Traditional Lands of the Wonnarua people, the Awabakal people and the Darkinjung people. We acknowledge these Aboriginal peoples as the traditional custodians of the land on which our offices and operations are located, and pay our respects to Elders past and present. We also acknowledge all other Aboriginal and Torres Strait Islander people who now live within the Cessnock Local Government Area.

WARNING: Aboriginal and Torres Strait Islander people are warned that this document may contain images of people who have died.

Document History

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Background and Purpose

Our Local Government Area (LGA) is approximately 195,000 hectares in area. There are 4,733 hectares of land zoned for residential purposes and the area supports a current population of 59,985, which is mainly concentrated in an urban belt between the two major townships of Cessnock and Kurri Kurri. The remainder of the population resides in villages and outlying rural and environmental areas.

The Department of Planning, Industry and Environment (DPIE) estimate that an additional 9,250 dwellings will be required in the 20 years to 2036; this equates to 460 new dwellings per annum. Based on the Department's projection scenarios, demand for housing in Cessnock is likely to remain between 400-500 dwellings per annum.

Evidence shows us that the approval of dwellings is consistently above 300 per annum based with approximately 418 lots released to the market each year. Since 2016, the number of residential building approvals has increased. This may indicate a new trend or it may be an aberration.

The DPIE Hunter Regional Plan 2036 and the National Housing Supply Council State of Supply Report 2009 recommends that councils maintain a 10-15 years' land supply to accommodate the supply pipeline. This is considered an adequate timeframe to bring new development areas online and it encourages fewer development fronts so that infrastructure can be funded and rolled-out in a more logical and efficient sequence.

Based on the existing and projected demand for 400-500 lots per annum and the existing, zoned, undeveloped residential land, it is estimated that there is between 17-24 years of greenfield land supply currently zoned across the Local Government Area. However, this figure depends on the minimum lot size scenario applied and does not account for infill development, The Vintage and Golden Bear integrated tourism developments, Hydro, the unknown residential potential in the Huntlee B4 Mixed Use zone or higher-density developments (e.g. dual occupancies). With the application of a 600m2 lot size (larger than the minimum in many areas) and, factoring in infill development, dual occupancies and multi–unit developments, it is estimated that we have at least 20 years of land supply available.

The existing and additional supply that is identified across Cessnock is higher than this threshold and there are additional factors that are likely to further increase the local supply.

This UGMP is needed to define this surplus and to articulate caution about rezoning and any additional residential land in the short term to help bring this surplus back to a 15-year supply threshold. However, it also looks forward to that point and provides a plan to investigate additional land supplies to ensure that the housing needs of our growing community are met in the medium to long term.

This quantum of zoned residential land puts Council in an enviable position in terms of our ability to confidently satisfy the future growth needs of our community in the medium term. However, the additional surplus, estimated at (at least) 5-10 years does present problems for Council, developers and service providers. Development is occurring on many fronts across our city and this can cause issues with infrastructure provision, it can also stall the release of this land to a point where it is not ready for housing because of infrastructure shortfalls, and for service providers such as Hunter Water it can mean pressure to roll-out infrastructure ahead of schedule.

This UGMP, recognising that there are different housing markets, adopts three lifestyle categories. It allows each of these categories to be treated separately so that where there is a calculated shortfall of supply (i.e. 15 years' or fewer years' supply) in one category, then the council can consider planning proposals to rezone land in that category. This will be monitored annually and land supply data will be published in an annual monitoring report that will be made available to the public. When the supply threshold reaches 15 years, council will consider planning proposals to rezone the investigation areas nominated in each category. This will occur on a first-in basis and against the UGMP Principles listed in Table 5: Urban Growth Management Planning Principles.

The UGMP also considers the supply of commercial and industrial (or employment lands) across Cessnock. However, there is a substantial supply of land for both commercial and industrial purposes to accommodate future growth. In the case of commercial land supply, there is an adequate supply until at least 2046. Therefore, this UGMP does not consider these further other than to acknowledging that there may be merit in considering proposals for industrial lands along parts of the Hunter Expressway to take advantage of the significant logistic advantage that is provided by the HEX. However, any proposals would need to be consistent with the proposed Hunter Expressway Strategy that is being prepared by the Department of Planning, Industry and Environment.

Planning Context and Strategic Framework

Hunter Regional Plan

The Hunter Regional Plan 2036 (HRP) will guide the NSW Government's land-use planning priorities and decisions over the next 20 years. It provides an overarching framework to guide subsequent and more detailed land-use plans such as Council's Local Strategic Planning Statement.

The HRP identifies two growth corridors within our city. One, the Maitland Growth Corridor is the area around Branxton - Greta at the confluence of the Hunter Expressway and the New England Highway. The second growth corridor is between Bellbird and Maitland, via Weston, Kurri and Heddon Greta.

Greater Newcastle Metropolitan Plan 2036

The Greater Newcastle Metropolitan Plan 2036 (GNMP) sets out strategies and actions that will drive sustainable growth across Cessnock City, Lake Macquarie City, Maitland City, Newcastle City and Port Stephens communities, which together make up Greater Newcastle.

Cessnock is partly within the metro frame category that is expected to provide local housing and job opportunities, and will be designed to maintain the green outlooks, improve access to open space and retain its identity.

Cessnock Local Strategic Planning Statement 2036

The Cessnock Strategic Planning Statement 2036 (LSPS) is the local strategic land-use document that sets out how Council will manage land use across Cessnock. It is informed by the Community Strategic Plan and has a direct relationship with the Local Environmental Plan and the Development Control Plan. It is also a mechanism to implement regional strategic land-use priorities established under the HRP and the GNMP at a local level.

The LSPS identifies Planning Priorities and Principles relating to urban growth. The Cessnock Urban Growth Management Plan 2036 (the UGMP) is an "immediate action" of the LSPS, and, is a supplementary strategy to help inform the logical sequencing of urban growth for the LGA.

The UGMP Planning Principles complement the LSPS Planning Priorities and principles. Both the UGMP planning principles and the LSPS Planning Priorities will be considered when deciding how, when and where development will occur to meet the needs of our growing community.

The UGMP outlines how Council will implement its planning functions to grow urban areas and will directly influence amendments to the following local planning documents:

- Cessnock Local Environmental Plan 2011 (the LEP);
- Cessnock Development Control Plan 2010 (the DCP); and
- City-Wide Infrastructure Contributions Plan (the CWCP).

Cessnock Housing Strategy

Council's Housing Strategy articulates Council's role in supporting the delivery of housing to meet the needs of our diverse community. Land supply for housing is a key responsibility of Council. However, new greenfield development primarily delivers land for detached dwellings which does not reflect the diversity of the housing needs of our community. Once the land is zoned for residential purposes Council has very limited control of what type of housing is built. Infill housing, which is new housing within an existing urban area, tends to be more diverse. Secondary dwellings, dual occupancies and medium density development tend to be more common in established areas than new greenfield areas.

The GNMP 2036 requires all Lower Hunter councils to contribute to the 60% infill target to provide new dwellings within existing urban areas. If realised, many of the projected 400-500 dwellings needed to accommodate the growth of our community will be provided in areas other than greenfield areas and not only as detached dwellings but as a range of diverse housing typologies.

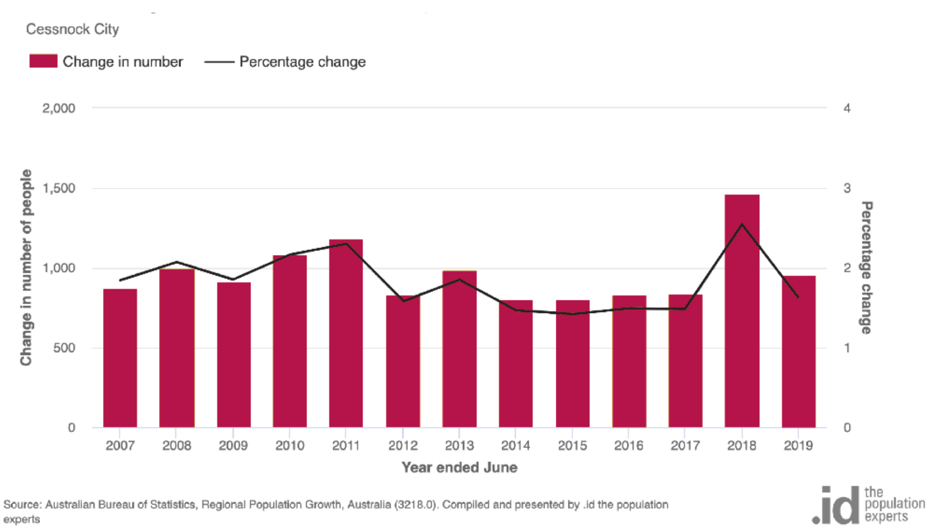
So, ensuring that there is an appropriate balance between greenfield opportunities and encouraging infill development is important. An oversupply of greenfield land is likely to preference the delivery of detached dwellings over other housing types.

Urban Growth

The current estimated residential population of Cessnock is 59,985 people. The average annual growth rate between 2008 and 2018 was 1.9%. However, this spiked in 2108 to 2.7%. A 20-year average to 2036 is projected at 1.4% (Department of Planning, Infrastructure and Environment, 2020).

Demand for housing in Cessnock in the medium term is predicted to be around 400 to 500 dwellings per year.

Figure 1: Annual change in growth rate between 2008 and 2018 (ERP)



Source: profile.id.com.au/cessnock

The Department of Planning, Industry and Environment (DPIE) has recently updated its predicated growth and implied dwelling projections for Cessnock. These revised projections estimate that an additional 9,250 dwellings will be required to house a population of 77,291 in the 20 years to 2036. **This equates to 460 new dwellings per annum**. These figures are substantially higher than the previous projections by the Department and SGS Economics and Planning who predicted that growth would remain at 300-400 dwellings per annum. These were based on previously trends in the preceding decades. The use of projections based on past trends is a valid tool to predict future demand but, like all models they are fallible. The recent increase in demand may indicate a new trend or it may be an aberration.

Figure 2: Residential Building Approvals 2001 – 2020

Source: id.com.au/cessnock.

In summary, the revised projections support that council should plan for between 400-500 new dwellings each year and that housing and development industries are consistently delivering housing to meet this demand.

Land Supply

Land supply is a key responsibility of Council. Through its land-use strategies, such as the Cessnock Local Strategic Planning Statement (LSPS), Council sets the policy framework to guide future development of our area. This includes where to accommodate future growth which is accomplished by increasing densities in existing urban areas or by rezoning greenfield land from one zone to another; for example, from rural to residential or rural to industrial.

The State Government encourages councils to maintain around 10-15 years of zoned land (Department of Planning and Environment, 2018, p. 45) because that is adequate time for future reserves to be investigated and brought forward (Australian Government, 2009, p. 51) and there is an adequate buffer if growth suddenly increases. It is also considered optimal because it generally means that development is occurring on fewer development fronts and therefore infrastructure can be funded and rolled-out logically and sequentially.

Residential land supply

Cessnock currently has around 20 years of greenfield land available for residential development[1]. However, this figure is based on a number of assumptions. When tested under different scenarios there is *at least* 20 years' supply. For example, this figure is based on a single dwelling on a single lot when we know that a moderate proportion of new dwellings are dual occupancies (9%), secondary dwelling (6%) and apartment (0.5%) typologies. We also know that a goal of the Greater Newcastle Metropolitan Plan 2036 is for councils to contribute towards the 60% infill target for the sub-region and that infill development is already contributing to the delivery of new housing in our area.

The SGS Housing Preferences Study (SGS Economics and Planning, 2017) has also revealed that a greater demand for dual occupancies and medium-density housing in our community. Therefore, some of the 400-500 new dwellings needed each year to house our growing community will be provided within our existing urban footprint or in medium-density developments, meaning fewer greenfield lots will be required and further increasing our existing land supply.

Table 1: Number of years' supply of zoned residential land.

Demand		Scenario 1*	Scenario 2#
400 dwellings p/a	Low	24 years	21 years
450 dwellings p/a	Medium	22 years	19 years
500 dwellings p/a	High	20 years	17 years

*Scenario 1 is based on known or expected lots and applying the minimum lot size (i.e. 450m2) to the remaining area.
#Scenario 2 is based on known or expected lots and applying market lot sizes (i.e. 600m2) to the remaining area.

There are further considerations as well. For example, there are other land reserves already in the pipeline. The redevelopment of the Hydro site is expected to deliver 1435 residential lots which would equate to another 4 years of supply. The Vintage and Golden Bear sites have not been counted in these figures because they are primarily integrated tourism developments; however, they will contribute to the future housing stock. Finally, the Anvil Creek Urban Release Area[2] has a significantly greater capacity than the 1364 residential lots identified in the planning agreement if components of that development do not proceed.

This over-supply of land is common for many regional councils. Often in these conditions, development is occurring on many fronts and it is difficult to fund the necessary infrastructure. Councils either rely on state government agencies (such as Transport for NSW) or utility providers (such as Hunter Water) to sequence development or seek government funding or divert local funds to overcome infrastructure blockages.

There is at least 20 years' supply of existing zoned land for residential purposes.

This UGMP provides for different lifestyle opportunities across the region and it allows Council to consider planning

[1] See Appendix A.
[2] The Anvil Creek Urban Release Area includes a number of land-uses including tourism accommodation, recreation facilities, commercial and residential uses. This is regulated by a planning agreement over the site. If the non-residential components of the proposal do not proceed and the proponent is able to renegotiate the planning proposal/planning agreement, there is a large area that could increase the residential yield.

proposals for new residential lands within each of these categories when the supply for that category reaches 15-years. As at the beginning of 2021 and using a medium demand scenario of 450 dwellings per annum and the *market* lot size scenario there is 11 years' supply for those areas nominated in the village lifestyle category, 20 years in the established urban category and 22.5 years in the commuter urban category.

Table 2: Village lifestyle.

Demand	MLS Scenario 2#
450 dwellings p/a	11 years

Table 3: Established Urban.

Demand	MLS Scenario 2#
450 dwellings p/a	20 years

Table 4: Commuter Urban.

Demand	MLS Scenario 2#
450 dwellings p/a	22.5 years

#Scenario 2 is based on known or expected lots and applying a market lot sizes (i.e. 600m2) to the remaining area.

There is an excess of land available (above the 15 year supply pipeline) for greenfield development in both the established urban and commuter urban categories. However, there is less than the 15 years' supply in the village lifestyle categories. Applying the UGMP methodology, Council can now consider planning proposals for those investigation areas in the village lifestyle category nominated in UGMP. Planning proposals will be received on a first in basis and against the UGMP principles listed in Table 5.

The proposed yield will be immediately added to the supply for that category. Once that yield exceeds the 15-year supply threshold, no additional planning proposals will be considered for that category.

For the remaining two categories, Council's role will be to monitor growth, new housing and the take up of residential land and when land supply reaches the 15-year supply threshold, Council will consider investigation of new areas for urban development so that the pipeline remains active and responsive.

Because of past decisions to release additional land ahead of need and other factors, infrastructure, costs and sequencing have become a problem in several areas. In these areas, Council may have a further role to help overcome these infrastructure blockages through advocacy, as intermediaries between developers and government departments or funding.

Commercial land supply

Commercial land is land that is zoned B1, B2, B3, B4 and B7[3] and includes our city and town centres. Council prepared an Employment Lands Study in 2017 that reviewed commercial land and industrial land across our area (Cessnock Employment Lands Study, SGS 2017). The key findings from that study are summarised below.

Cessnock's centres are mostly expected to accommodate incremental floorspace increases in line with population growth and there is sufficient zoned capacity to accommodate the projected increase of demand to 2046.

The exception is Huntlee, where a significant residential development is anticipated. There, a new neighbourhood centre will be established to serve the needs of the future population. This report concludes that the new centre in Huntlee is unlikely to have significant impacts on the established centres in Cessnock LGA, provided it is not allowed to grow beyond what is required to serve the needs of the surrounding local population.

Developing local amenities and liveability as an economic driver relates to the housing component of the Study, but it also strongly relates to the quality of urban and commercial centres. Higher order retail expenditure 'leaks' to other centres, such as Charlestown, Kotara, Green Hills and perhaps even Tuggerah on the Central Coast, though Cessnock retains good second tier depth including the major supermarkets.

Prospects for deepening and diversifying the retail offer depend on capturing wider regional and visitor expenditure and this depends on the approach of businesses, assisted where possible by coordinated economic development initiatives – rather than changes to planning controls per se. It is acknowledged that without a shift in sentiment from customers in the core catchment of centres retail innovation can be difficult. Kurri Kurri is principally a local centre with a relatively conservative customer base. Over the medium to long term it may deepen and diversify on the basis of changes within its catchment and given the proximity of the Expressway and proposed developments at Heddon Greta and Hydro, which can generate new custom and expenditure patterns.

The amenity of Cessnock City Centre has improved because the new Expressway has significantly reduced heavy vehicles passing through the Centre. The improved amenity should be capitalised upon by continuing to implement the public domain improvement program initiated by Council 2011.

[3] There are additional Bx zones in the Standard Instrument LEP that are currently not used in the Cessnock Local Environmental Plan

and by providing merchandising support and advice to local retailers as a way to improve the attractiveness of their offering.

Because there is not likely to be significant increases in floorspace demand, the aim should be to otherwise consolidate retail and business development in or near existing centres, and promote public and other transport links between them, in particular in the corridor through Kurri Kurri, Weston, Cessnock and Heddon Greta (and perhaps beyond to Gillieston Heights in the Maitland LGA).

Since that report was published, the COVID-19 pandemic has had a significant impact on retail across the country and there has been a marked increase in tenancy vacancies observed in our centres. For this reason, it is reasonable to project that there is now, an even a greater supply of commercial land available within our existing urban centres. Council should resist any planning proposals that seek to rezone additional commercial land in the medium term until tenancy vacancy rates significantly reduce. Any new development should be accommodated within in our existing urban centres to reinforce their primacy and offer.

Industrial land supply

Industrial land or employment land refers to land zoned IN1, IN2 and IN3. Council prepared an Employment Lands Study in 2017 that reviewed commercial land and industrial land across our area (Cessnock Employment Lands Study, SGS 2017). The key findings from that study are summarised below.

Cessnock LGA possesses a sufficient allocation of existing zoned employment land supply to meet projected demand under a business as usual scenario.

In particular, the Kurri Kurri industrial precinct offers strong access to the Hunter Expressway for businesses with regional links and could be considered the most successful industrial precinct in the LGA, though significant further development may be constrained by flooding. Other scattered precincts around Cessnock and Branxton play local roles in serving the population.

Moving forward, and to provide alternative, high quality industrial area, it is logical for Council to provide in principle support for employment lands in proximity to the Hunter Expressway and near the major interchange at Main Road, which links to the population axis defined by the Kurri Kurri to Cessnock corridor, as a means of attracting new investment, provided these meet other merit tests in terms of traffic impacts, environmental impacts, noise separation, visual impacts and buffers etc.

This location suggests that a general and heavy industry future can be supported for the Hydro precinct, with links to the Kurri Industrial Area. A business park adjacent to the Kurri Kurri TAFE, perhaps also linked to the Hydro site, and leveraging off the assets of the TAFE site (conference centre, café, accommodation, training) would provide the best prospect of attracting the office and service activities which locate in business park premises. TAFE may be interested in leasing/selling part of its site to commence this development. Council should consult with TAFE as part of the Hydro Planning Proposal.

The price and ability to accommodate large floorplate industrial buildings is likely to be a competitive advantage, with a major regional competitor for industrial development being the Thornton-Beresfield area on the M1 (bordering the Cessnock, Maitland and Newcastle LGAs). The higher land values in the Beresfield/Thornton areas may favour large floorplate uses locating in the Cessnock area, including in the proposed Hydro and Black Hill precincts. Twenty-four-hour access, implying good separation from residential areas, is likely to be critical.

Managing Growth

Population growth is an important part of the continued economic and social success of our community. Growth sustains the development and housing industries, supports local businesses and helps our town centres to thrive.

Urban growth occurs in two main ways. The most common in our region is the consumption and repurposing of greenfield land (typically rural) for urban purposes. The second main way is the intensification of use within existing urban areas through higher density developments. Both of these mechanisms will continue to play an important role in providing for the growth of our community.

Development of greenfield land for new residential housing estates will accommodate most of our growth for the foreseeable future as there is already at least a 20-year supply of zoned residential land available. However, Council will continue to support initiatives to intensify residential development in and around appropriate areas of our villages, towns and cities and to encourage a greater housing diversity to meet the needs and aspirations of our community.

Council acknowledges the demand for development within our villages and for large lot lifestyle properties. Both of these development types require careful consideration to ensure that the unique qualities of our villages remain intact and that large lot residential development is provided in a limited capacity in areas that does not compromise rural land uses and protects the integrity of our villages, our community and the landscape.

Greenfield development

Because greenfield development typically consumes undeveloped land there are a range of issues that must be considered.

The first of these relates to constraints. Most of our local government area is affected by one or more constraints. There are very few areas outside the existing urban areas that are not identified with some bushfire risk but often times this can be managed with appropriate mitigation. Similarly, mine subsidence affects many parts of our region; as does flooding and contamination. These constraints must be taken into consideration when deciding where to provide for future growth and minimise risk to our community.

Our region is rich with environmental assets including the Watagan and Werataka national parks, Bow Wow Creek Gorge, State Forests, conservation areas and the Yengo National Park, part of the UNESCO listed Greater Blue Mountains World Heritage Area. We also have important riparian areas including the head waters of Wallis Creek, Sandy and Quorrobolong Creeks that feed Congewai Lagoon and eventually join Wollombi Brook and Black Creek that traverses the Vineyard's District to the Hunter River.

Our region is home to nine threatened ecological communities; two of which only occur here: Kurri Kurri Sand Swamp Woodland and Quorrobolong Scribbly Gum Woodland. Our region has ten threatened plant species, one of which is endemic to Cessnock, (*Persoonia pauciflora)*, and 46 threatened animal species.

Council's preliminary Biodiversity Strategy (2013-2017) identifies areas where improvements to existing environmental assets are sought, in particular the improvement of connections between our environmental areas. In the first instance, greenfield development should avoid areas of environmental value and improve any riparian areas and corridors that exist within the site. If this cannot be avoided, then the requirements of the *Biodiversity Conservation Act 2016* will need to be addressed.

The consumption of rural land for urban development obviously removes the ability of that land for production and rural uses. This may be appropriate in some areas where there is no existing or likely future production value; however, this is not the case for much of our rural land. Some argue that the land is only good for grazing a few cattle but that is naïve. Collectively there is a valuable beef production industry made up of small operations that support the abattoir at Kurri, our economy and contribute to local food security. Poultry is also a significant contributor to the local economy and needs little more than a level site. Finally, there is the internationally recognised Hunter Valley wine growing region.

Another significant impact on rural areas from greenfield development is the sterilisation of rural uses because of encroaching urban uses. The protection of continued rural uses is provided by the Right to Farm Policy which protects farmers from complaints about routine rural uses. However, it does not take into account new rural uses. For example, the recommended buffer around a poultry shed is 1000m (Learmonth, Whitehead, & Fletcher, 2007). If a rural property is surrounded by rural land then that shed could be built anywhere on the property. However, if an urban development adjoins the rural land, then the shed needs to be a minimum of 1000m from that boundary, effectively sterilising that part of the property for that particular use.

Our rural land is very important and although markets and production methods have changed significantly over the decades it does not mean that this will always be the case. There is a strong movement toward local food production and food security and the local production and the celebration of food sits well with the vineyard's tourism product. Rural land is also an important part of the landscape that helps characterise the Hunter Valley and Cessnock.

When determining the appropriateness of new greenfield areas for development, the production and landscape value of the land must be determined and consideration must be given to the potential impact on existing and future rural uses.

Finally, greenfield development relies on the construction of significant amounts of infrastructure. Roads, reticulated water and sewer infrastructure, stormwater, waste management services, telecommunications all contribute to the cost of new greenfield development. Additional contributions are also levied for community infrastructure and local facilities and state infrastructure. Impediments to releasing available land can include appropriate funding mechanisms not being in place, inadequate and poorly sequenced infrastructure provisions. Ensuring that development is rolled-out in a logical way that takes advantage of existing infrastructure or is in locations where infrastructure can be reasonably extended and funded, greatly improves the responsiveness of new greenfield development. This is a primary consideration when Council is considering the merit of an investigation area.

Infill development

As stated previously, Council will continue to support infill development and compact centres in appropriate areas. However, this is likely to remain a lesser contributor of new housing when compared to greenfield development.

Infrastructure costs are substantially lower for infill development largely because much of it already exists and has surplus capacity to accommodate additional development. Infill development, particularly higher density residential development, also reduces Council's infrastructure maintenance costs because there are more people living in a smaller area, so the costs are shared by more households through contributions and then rates.

The primary issue with infill development is the change of established residential areas from predominately detached dwellings on large lots, to denser residential forms. Some communities may resist or resent the change in their community and therefore it is important that Council, developers and housing providers work with the community to ensure that impacts and expectations are managed appropriately.

Village Lifestyle

Council is committed to provide opportunities for growth in our villages and in a limited capacity, for large lot residential properties. However, both need to be managed effectively to ensure the integrity of our villages is protected and function and value of our rural land is not compromised.

Our villages provide a unique lifestyle opportunity enjoyed by many of our residents. Most of our villages have historic origins, are set in rural and environmental landscapes and have close communities. Development in and around our villages is important as additional residents help support community infrastructure and local businesses such as the iconic village pub or the corner store. However, development needs to be carefully managed to ensure that those qualities that make them special are retained. Careful evaluation against the planning principles in the LSPS relating to villages and rural land will need to be observed to ensure that any additional development protects the integrity of the village, the community and the landscape. Large lot residential development, typically on land between 2000-4000m2 exists in various places across our city. This type of development offers a unique lifestyle option that is attractive to many people. However, the State Government discourages large lot developments as they generally have higher infrastructure requirements such as roads, sewer and water, telecommunications and waste management and there are also concerns about encroachment on rural and environment lands and the likelihood of conflict between these land uses. However, large lot residential development is a lifestyle that is important to many people and part of the reason why people move to our area. Similarly, to the growth of villages, careful evaluation against the planning principles in the LSPS relating to villages, rural and environmental lands will need to be observed to ensure that any additional development protects the integrity of our villages, rural land uses, environmental qualities and the landscape.

Future Supply

Residential land supply

Despite having an excess of zoned land available for development across Cessnock and acknowledging the need to return to a 15-year supply threshold before investigating new areas, Council has been proactive in identifying those areas that are most likely to provide future demand. The plan also provides a process and criteria for developers to advance future investigation areas.

This plan also provides three lifestyle categories that represent different lifestyle opportunities across our area. Within each of these lifestyle categories, investigation areas have been nominated to direct the investigation of new areas when land supply of that category approaches the 15-year threshold.

Lifestyle Categories

1. Commuter Urban

This category is the commuter belt along the HEX and the Maitland Growth Corridor identified in the Hunter Regional Plan. New developments along the HEX *generally* attract young families that use the HEX to access employment in Newcastle, Hunter Valley and Central Coast areas.

2. Established Urban

This category refers to development in around the existing urban areas in the Bellbird to Maitland growth corridor identified in the Hunter Regional Plan. Development along this corridor will cater for variety of people as there is greater diversity of housing and it is close to the major centres of Cessnock and Kurri and the unique villages of Neath, Abermain and Weston.

3. Village Lifestyle

The category includes both development in our villages and the limited extension of those villages in defined locations and in limited locations, large lot residential development.

Future investigation of lifestyle categories 1 – Commuter Urban and 2 – Established Urban will primarily be driven by supply and demand but category 3 - Village Lifestyle will require a more considered approach in accordance with the LSPS principles about protecting rural uses, amenity, conflict and protecting the integrity of the village structure.

As we approach the 15-year supply threshold for categories 1 and 2, those investigation areas that are in the Bellbird to Maitland Corridor and those around Greta - Branxton (the Maitland Growth Corridor) should be prioritised. There is strong strategic merit for those to go first as long as they satisfy the UGMP planning principles listed Table 5: Urban Growth Management Planning Principles.

Commercial land supply

The SGS Employment Lands Study has illustrated that there is sufficient zoned land to accommodate the anticipated growth in commercial land supply until 2046. The COVID-19 pandemic and its impact on our existing centres means that there is likely to be an even greater supply available. No future commercial land supply is required in the long term to accommodate commercial growth. Therefore, council should resist any planning proposal to rezone land for commercial purposes outside existing or planned centres.

Industrial land supply

The SGS Employment Lands Study has demonstrated that there is sufficient existing industrial zoned land to accommodate the anticipated demand for industrial purposes. However, it does recognise that the Hunter Expressway has fundamentally changed the accessibility of land along the Hunter Expressway and this has created substantial logistical advantages to key locations along the HEX that could attract investment. The SGS Study concludes that it is logical for Council to provide in principle support for employment lands in proximity to the Hunter Expressway and near the major interchange at Main Road, which links to the population axis defined by the Kurri Kurri to Cessnock corridor, as a means of attracting new investment, provided these meet other merit tests in terms of traffic impacts, environmental impacts, noise separation, visual impacts and buffers. The Department of Planning, Industry and Environment are preparing a Hunter Expressway Strategy and any further consideration of rezoning for industrial or employment purposes along the HEX must be consistent with the requirements of that strategy.

Urban Growth Management Plan

This Urban Growth Management Plan (UGMP) is a supplementary plan to help inform the logical sequencing of growth across our area. The UGMP contains principles that will be applied by Council when deciding where and when development will occur to meet the needs of our growing community.

This only applies to growth of urban land for residential purposes. Council will not consider proposals for additional commercial or industrial land until it can be demonstrated that supply is not meeting demand. This is with the exception employment lands along the HEX that will need to be assessed in accordance with the Hunter Expressway Strategy prepared by the Department of Planning, Industry and Environment.

We have acknowledged that, while Council is encouraged to maintain a 15-year supply of land for housing across our local government area, we need to provide for different lifestyle opportunities and choices. To this end we have identified three lifestyle categories:

1. Commuter Urban
2. Established Urban
3. Village Lifestyle

This UGMP identifies investigation areas within each of these catchments to ensure that when land supply reaches 15-years then these areas can commence investigation. This provides a framework to consistently release land in defined investigation areas as nominated on the Urban Growth Management Plan Map, and, to ensure that infrastructure is provided in a logical manner and funded by the developer.

In developing the UGMP, we have considered the Cessnock Local Strategic Planning Statement (the LSPS), the Hunter Regional Plan 2036 (the HRP) and the Greater Newcastle Metropolitan Plan 2036 (the GNMP).

Our conclusions have been informed by demographic factors, housing statistics, supply and demand for housing as well as local land-use opportunities and constraints sourced from an analysis of local "shovel ready" residential zoned land.

Our UGMP includes:

1. **Planning Principles** to assist Council, and, proponents with identifying where their site may fall in the hierarchy of investigation areas. Planning Principles are a set of values that will help guide Council's assessment of future planning proposals, as well as identify where a site may fall within the hierarchy of investigation areas.
2. **Lifestyle Category Investigation Areas** as shown on the **UGMP Map**.

In addition to addressing the above, all planning proposals for new residential development should be subject to a rigorous assessment that is based on the Department of Planning, Industry and Environment's Guide to Preparing Local Environmental Plans and Guide to Preparing Planning Proposals.

Furthermore, it is noted that this strategy is forward-looking and anticipatory, but it relies heavily on statistics and trends to make predictions about the future. The recent events: the prolonged drought, the bushfires and the COVID-19 pandemic will disrupt these trends in ways that we cannot yet anticipate. So, it is recommended that Council revisit this Strategy in the short-term to consider the impact of these events. The 2021 Census will commence this year and the first data is typically released in March with another significant release in the 3rd quarter. This may be an appropriate intermission to re-evaluate the policy framework in this Strategy and to make any adjustments necessary to respond to these unprecedented events.

Council will use the UGMP as a guide to plan for the orderly and efficient release of land to:

- maintain a 15 year supply of zoned land for residential development within each lifestyle category;
- identify development opportunities within "Investigation Areas" as defined on the UGMP Map;
- consider yields in those areas in its commitment to maintaining a 15-year of supply of land for residential development;
- bring back into balance the oversupply of zoned greenfield land that currently exists by allowing for additional low density residential urban release areas only when land supply falls below an appropriate threshold; and
- provide flexibility as to how proponents may demonstrate meeting the UGMP requirements, however acknowledging that the onus will be that party to demonstrate consistency with the LSPS Planning Priorities and the UGMP Planning Principles.

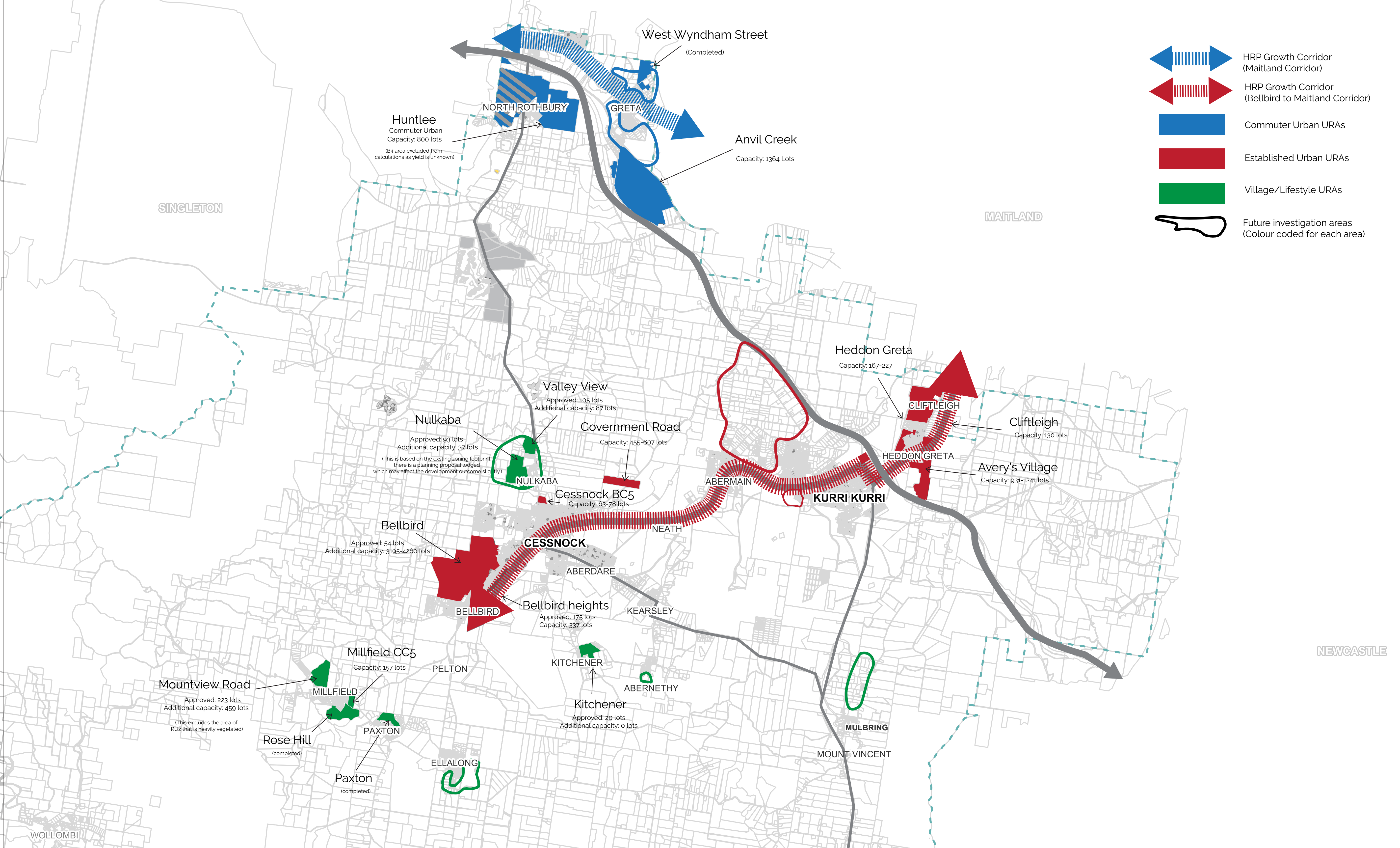
The Urban Growth Management Plan Principles

The UGMP Planning Principles are a set of values that will help guide Council's assessment of future planning proposals, as well as identify where a site may fall within the hierarchy of investigation areas.

There are **eight** planning principles that will need to be satisfied in order for an investigation area to be progressed.

Table 5: Urban Growth Management Planning Principles

Planning Principle	
1	Land supply must be at or below the 15-year supply threshold for that lifestyle category as published in Council's annual monitoring report.
2	The proposal must be within an investigation area identified on Map 1: Urban Growth Management Plan.
3	The proposal must address and be consistent with the LSPS planning priorities and principles.
4	As the 15-year supply threshold is reached in the commuter urban and established urban lifestyle categories, rezoning land for urban purposes will be prioritised along the Maitland Growth Corridor and the Bellbird to Maitland Growth Corridor, in accordance with the growth areas identified in Hunter Regional Plan.
5	Within each investigation area priority will be given to those areas immediately adjoining serviced urban areas and where services can be reasonably extended and funded by the developer.
6	All planning proposals require a structure plan for the entire investigation area. The structure plan must address the criteria listed in clause 6.3(3) of the Cessnock Local Environmental Plan in sufficient detail to: • inform the layout and logical sequencing of the infrastructure within the investigation area, • inform a preliminary contributions framework to fund infrastructure and facilities, and • consult with affected landowners, and • exhibit the structure plan. Where there are multiple landowners in an investigation area, Council will commission an independent consultant to prepare a structure plan for the entire investigation area. Full cost recovery for the preparation and exhibition of structure plan will be achieved in accordance with Council's Fees and Charges and borne by the proponent.
7	All investigation areas require a comprehensive social impact assessment that is undertaken by a qualified Social Impact Assessment professional and prepared in accordance with Council's DCP Chapter 3.8: Social Impact Assessment and Crime Prevention Through Environmental Design Guidelines for a proposed development.
8	For those investigation areas identified in the lifestyle village category, additional analysis and justification will be required to satisfy the LSPS planning principles relating to protecting the village structure and character, rural amenity, environmental lands and biodiversity, hazards, land-use conflict and infrastructure provision.



HRP Growth Corridor (Maitland Corridor)
HRP Growth Corridor (Bellbird to Maitland Corridor)
Commuter Urban URAs
Established Urban URAs
Village/Lifestyle URAs
Future investigation areas (Colour coded for each area)
West Wyndham Street
(Completed)
Huntlee
Commuter Urban
Capacity: 800 lots
(B4 area excluded from calculations as yield is unknown)
NORTH ROTHBURY
GRETA
Anvil Creek
Capacity: 1364 Lots
SINGLETON
MAITLAND
Heddon Greta
Capacity: 167-227
CLIFTLEIGH
Cliftleigh
Capacity: 130 lots
HEDDON GRETA
Avery's Village
Capacity: 931-1241 lots
Valley View
Approved: 105 lots
Additional capacity: 87 lots
Nulkaba
Approved: 93 lots
Additional capacity: 37 lots
(This is based on the exsting zoning footprint. there is a planning proposal lodged which may affect the development outcome slightly)
NULKABA
Government Road
Capacity: 455-607 lots
Cessnock BC5
Capacity: 63-78 lots
ABERMAIN
KURRI KURRI
NEATH
Bellbird
Approved: 54 lots
Additional capacity: 3195-4260 lots
CESSNOCK
ABERDARE
Bellbird heights
Approved: 175 lots
Capacity: 337 lots
BELLBIRD
KEARSLEY
Millfield CC5
Capacity: 157 lots
PELTON
KITCHENER
ABERNETHY
Mountview Road
Approved: 223 lots
Additional capacity: 459 lots
(This excludes the area of RU2 that is heavily vegetated)
MILLFIELD
Kitchener
Approved: 20 lots
Additional capacity: 0 lots
Rose Hill
(completed)
PAXTON
Paxton
(completed)
ELLALONG
MULBRING
MOUNT VINCENT
NEWCASTLE
WOLLOMBI

Appendix A: Land Supply Data

Table 6: Land Supply Data for existing Urban Release Areas

LEP Details			Land Area (Hectares)		Approval Figures			Lot Yield Scenarios		
Urban Release Area	Zone	Minimum Lot Size	Total Land Area	Remaining Developable Land Area*	Approved Lots	Released Lots	Unreleased Lots	Current Lot Size	Market Lot Size R2 – 600 RU5- 750 R5 - 2000	Classification
Anvil Creek****	R2	None	421.75	389.45	0	0	0	1364	1364	Commuter Urban
Avery's Village	R2	450	234.08	69.81	825	227	598	1241	931	Established Urban
Bellbird	R2	450	463.67	239.65	172	118	54	4260	3195	Established Urban
Bellbird Heights	R2	450	37.57	18.97	175	0	175	337	337	Established Urban
Cessnock BC5	R2	450	8.04	5.86	0	0	0	63	78	Established Urban
Cliftleigh*****	R2	450	124.89	31.02	908	778	130	130	414	Established Urban
Government Road	R2	450	46.73	34.16	0	0	0	607	455	Established Urban
Heddon Greta	R2	450	59.57	13.85	88	64	24	221	166	Established Urban
	R5	2000						6	1	Village Lifestyle
Huntlee***	R1	None	659.06	531.94	1543	252	800	800	800	Commuter Urban
	R2	None				4				
	B4	None				214				
Kitchener**	RU5	600	32.28	0	79	62	20	0	0	Village Lifestyle
Millfield - CC5	RU5	750	14.69	14.69	0	0	0	157	157	Village Lifestyle

<table>
<tr><th colspan="3">LEP Details</th><th colspan="2">Land Area (Hectares)</th><th colspan="3">Approval Figures</th><th colspan="3">Lot Yield Scenarios</th></tr>
<tr><th>Urban Release Area</th><th>Zone</th><th>Minimum Lot Size</th><th>Total Land Area</th><th>Remaining Developable Land Area*</th><th>Approved Lots</th><th>Released Lots</th><th>Unreleased Lots</th><th>Current Lot Size</th><th>Market Lot Size
R2 – 600
RU5- 750
R5 - 2000</th><th>Classification</th></tr>
<tr><td>Mount View Road - Millfield</td><td>RU5</td><td>750</td><td>55.13</td><td>43.04</td><td>223</td><td>0</td><td>0</td><td>459</td><td>459</td><td>Village Lifestyle</td></tr>
<tr><td rowspan="3">Nulkaba BC10</td><td>RU5</td><td>750</td><td rowspan="3">79.43</td><td rowspan="3">5.5</td><td rowspan="3">182</td><td rowspan="3">89</td><td rowspan="3">93</td><td>25</td><td>25</td><td rowspan="3">Village Lifestyle</td></tr>
<tr><td rowspan="2">R5</td><td>2000</td><td rowspan="2">12</td><td rowspan="2">12</td></tr>
<tr><td>4000</td></tr>
<tr><td>Paxton**</td><td>RU5</td><td>750</td><td>8.02</td><td>0</td><td>63</td><td>76</td><td>0</td><td>0</td><td>0</td><td>Village Lifestyle</td></tr>
<tr><td>Rose Hill**</td><td>R5</td><td>2000</td><td>47.18</td><td>0</td><td>100</td><td>100</td><td>0</td><td>0</td><td>0</td><td>Village Lifestyle</td></tr>
<tr><td>Valley View Place</td><td>RU5</td><td>750</td><td>25.97</td><td>8.2</td><td>105</td><td>39</td><td>66</td><td>87</td><td>87</td><td>Village Lifestyle</td></tr>
<tr><td rowspan="2">West & Wyndham Street, Greta**</td><td>R2</td><td>600</td><td rowspan="2">31.47</td><td rowspan="2">0</td><td rowspan="2">248</td><td>220</td><td rowspan="2">0</td><td rowspan="2">0</td><td rowspan="2">0</td><td>Commuter Urban</td></tr>
<tr><td>R5</td><td>2000</td><td>34</td><td>Village Lifestyle</td></tr>
</table>

* The "remaining developable land" is purely an estimated measurement of the balance of the residentially zoned land that has not yet had an approval; however, no exclusions have been made based on the affectations mentioned above.

** URAs developed to capacity.

*** URA lot yield is based on a Major Project Approval, lot numbers may be subject to change via modification to existing approval.

**** URA lot yield based on master planning detail provided at the planning proposal stage and detailed in the Anvil Creek Planning Agreement.

***** URA lot yield based on an existing development consent, lot numbers may be subject to change via modification to existing approval.

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Appendix B: Data Methodology Statement

Data Methodology Statement

The following is an explanation of how the data in Table 6: Land Supply Data for existing Urban Release Areas was extracted and collated, and includes key notations for interpreting the data.

Extraction and Collation

Step 1

The data analysis was based on an extract from Council's GIS mapping system of the properties within the existing, mapped Urban Release Areas (URAs) of the Cessnock LEP 2011. This included legal property details, land area, existing zone and minimum lot size.

Step 2

Each property was examined for affectation by the individual constraints of bushfire, flooding, vegetation and subsidence. This has been noted for consideration.

The "remaining developable land" is an estimated measurement of the balance of the residentially zoned land that has not yet had an approval; however, no exclusions have been made based on the affectations mentioned above.

Step 3

Subdivision approvals were extracted from Council's property information system for each of the properties identified at step one. The total number of approved lots and the total number of lots released by subdivision certificate were calculated for each URA.

Step 4

The following equation was used to determine the balance of "unreleased lots" for each URA:

Unreleased lots = Approved Lots – Released Lots

Step 5

The following equations were used to determine the lot yield scenarios of each URA.

Current Lot Size = ((Remaining Developable Land x 10000) x 0.8) / Minimum Lot Size

Market Lot Size = ((Remaining Developable Land x 10000) x 0.8) / Market Lot Size

The market lot size used for each zone is identified in Table 7: Terminology.

Assumptions

The following assumptions have been made based on known site specific constraints and relevant considerations as outlined.

- The URAs known as Rose Hill, Paxton, Kitchener and West & Wyndham Street, Greta are developed to capacity. There is no room for additional subdivision activity within these URAs.
- The Huntlee URA is subject to a Major Project Approval (MP10_0137) and lot numbers may be subject to change by way of a Modification to the Major Project Approval. Council is not the approvals body for this, Major Projects Approvals are determined by the NSW State Government.
- The Anvil Creek URA lot yield is based on master planning details that were provided at the planning proposal stage and incorporated into the Anvil Creek Planning Agreement.
- The Cliftleigh URA is subject to a development consent (8/2007/757) and lot numbers may be subject to change by way of a modification to the development consent.

Terminology

The following is a summary of the terms used in the Table 6: Land Supply Data for existing Urban Release Areas.

Table 7: Terminology

Term	Explanation
Urban Release Area (URA)	Urban Release Areas as mapped by the Cessnock LEP 2011, as at August 2020.
Zone	Land use zones mapped within the URA.
Minimum Lot Size (MLS)	The Minimum Lot Size for subdivision of land within the URA as mapped by the Cessnock LEP 2011, as at August 2020.
Total land area of URA	This is the total area of land within the URA.
Remaining Developable Land Area	This comprises residentially zoned within the URA that is vacant and yet to be subdivided. This area excludes all land that is zoned a non-residential land-use.
Approved Lots	These are lots that have been approved by a planning authority (Council or the NSW State Government) by way of a Development Application of Major Projects Approval, as at August 2020.
Released Lots	Lots were a Subdivision Certificate has been released, as at August 2020.
Unreleased Lots	Balance of approved lots yet to be released, as at August 2020
Current Lot Size	(Figures in orange cells are based on assumptions of likely development based on either affectation of known DA's or Planning Agreements.)
Market Lot Size	Market lot size refers to the size of lots that are consistently delivered in each zone rather than the minimum lot size. R2 – 600 RU5- 750 R5 - 2000
Classification	Identified lifestyle category as nominated by the UGMS.