

Western Sydney Health Alliance

For healthy communities in the Western Parkland City
An initiative of the Western Sydney City Deal

Mr Peter Aichtersraat AM
NSW Productivity Commissioner

E: ProductivityFeedback@treasury.nsw.gov.au

17 September 2020

Western Sydney Health Alliance Submission

Re: Continuing the Productivity Conversation Green paper

Dear Mr Aichtersraat,

I write on behalf of the Western Sydney Health Alliance (WSHA) in response to the NSW Productivity Commission's *"Continuing the Productivity Conversation"* Green paper.

The Western Sydney City Deal is a partnership between the Australian Government, NSW Government, and local governments of the Blue Mountains, Camden, Campbelltown, Fairfield, Hawkesbury, Liverpool, Penrith and Wollondilly.

Under the Western Sydney City Deal, the Councils have joined with the Local Health Districts, Primary Health Networks and non-government sector to form the WSHA. The WSHA has been established to improve coordination and effectiveness of health services in the region, and support healthier neighbourhoods.

One of the key objectives of the WSHA is to improve the health and well-being of the existing and future communities across the Western Parkland City.

We support the recommendations made in the Green paper which relate to improving the health and wellbeing of the existing and future communities of the Western Parkland City, with particular emphasis on the following recommendations:

Smarter infrastructure will support jobs and communities

- Recommendation 6.1 - Better integrating land use and infrastructure - Plan for greater housing and business activity in areas where there is spare infrastructure capacity.

Plan for the housing we want and the jobs we need

- Recommendation 7.7 - Develop a consistent approach to measuring benefits to community welfare from the provision of open and green space to help inform government business cases involving development. Develop better options for taking into account green infrastructure and public space in strategic land use planning.

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- Recommendation 7.8 - Progress reforms to the infrastructure contributions system after the Productivity Commissioner's current review, to deliver a principles-based, transparent and certain system.

A better mix of state and local taxes can encourage growth

- Recommendation 8.1 - Use the Review of Infrastructure Contributions to pursue reforms to deliver a more sustainable way to fund the infrastructure we need

With respect to Recommendations 7.8 and 8.1, the WSHA requests that the Commission also considers the submission made by the WSHA in response to the Commission's review of the infrastructure contributions system dated 11 June 2020. A copy of this submission is included as an **attachment** to this correspondence.

The submission outlines the challenges presented by the current infrastructure contributions framework in delivering open spaces, leisure and recreational facilities to support the existing and future communities of the Western Parkland City, noting the rapid rates of existing and forecast population growth.

Changes to the contributions planning framework to enable this infrastructure to be funded and delivered commensurate with population growth will have positive direct and indirect impacts on people's physical and mental health, by facilitating and promoting healthier and more active lifestyle choices. The benefits may include reduced depression, reduced risk of obesity, heart disease and stroke, and improved general physical and mental health – all of which have positive impacts upon the productivity, health and wellbeing of our community.

The Western Sydney Health Alliance thank you for your consideration, and look forward to the outcomes of the Commission's work.

For further information on the Western Sydney Health Alliance or this submission, please contact [REDACTED]
[REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]
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Sincerely,

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Planning Policy
Department of Planning, Industry and Environment

11 June 2020

Western Sydney Health Alliance Submission

Improving the review of local infrastructure contributions plans

I write on behalf of the Western Sydney Health Alliance (WHSA) in response to the NSW Productivity Commissioner's review of infrastructure contributions and the discussion papers published on the Department of Planning, Industry and Environment (DPIE) website.

The Western Sydney City Deal is a partnership between the Australian Government, NSW Government, and local governments of the Blue Mountains, Camden, Campbelltown, Fairfield, Hawkesbury, Liverpool, Penrith and Wollondilly.

Under the Western Sydney City Deal, the Councils have joined with the Local Health Districts, Primary Health Networks and non-government sector to form the Western Sydney Health Alliance (WSHA). The WSHA was established to improve coordination and effectiveness of health services in the region, and support healthier neighbourhoods.

One of the key objectives of the WHSA is to improve the health and well-being of the existing and future communities across the Western Parkland City.

Public open space, recreation areas and community facilities play a key role in physical and mental health and well-being, social interaction, community building and place-making. Whilst already exceeding 1.1 million residents,(ABS ERP 2019) the population of Western Parkland City is forecast to grow by more than 50% by 2036 (DPIE). As the region becomes home to an additional 500,000 residents, it is essential that the rapidly growing community is provided with appropriate infrastructure, facilities and services which is commensurate with this growth.

The ability of local government to levy development contributions to provide this infrastructure is constrained by two aspects of the current contributions planning framework:

- The "essential works" list and
- The "cap" which triggers an IPART review of a contributions plan.

The “essential works” list

The WHSA recommends that DPIE reviews the essential works list to enable local government to collect for both the land and construction of the infrastructure needed to support the physical, mental and social health of the existing, emerging and future communities of the Western Parkland City and the State of NSW more broadly.

The “essential works” list identifies that contributions plans which exceed the cap can levy contributions to acquire land for the following facilities, but cannot levy for the construction of the facilities themselves:

- libraries;
- community centres and halls;
- neighbourhood centres
- youth centres;
- swimming pools;
- leisure centres;
- childcare facilities;
- public art galleries and performing arts centres; and
- open space, sports and recreation facilities which exceed a “base level” of embellishment.

This limitation means that the construction of these facilities must be funded from other sources, placing significant financial responsibilities on local government and affecting the timing of delivery of supporting infrastructure and services for new communities across the entire Western Parkland City. The WHSA raises concern regarding the adverse physical, mental and social health impacts which may result from the inevitable delay or failure to adequately provide such facilities for new communities in this rapidly growing region.

Access to open spaces, leisure and recreational facilities has direct and indirect impacts on people’s physical and mental health, and is associated with the health benefits of people exercising and walking more. This includes reduced depression, reduced risk of obesity, heart disease and stroke, and improved general physical and mental health.

The WSHA believes that continuing to exclude this infrastructure from the essential works list will result in health and liveability outcomes which are inconsistent with the aims and objectives of the NSW Government’s Western City District Plan, the Western Sydney City Deal, and the Local Strategic Planning Statements and Community Strategic Plans of the Councils of the Western Parkland City.

The WSHA would also like to make reference to the consideration of ‘essential infrastructure’ and the disproportionate allocation of funding compared to other resources such as community, health and emergency services facilities within Special Infrastructure Contributions (SIC). For example, the SIC for Wilton Growth Area allocates \$655 million for roads (85% of total allocated funding), while only \$750,000 is allocated for health facilities (land only). Excluding the construction of these types of facilities from the SIC creates a funding gap.

Whilst the investment in roads is essential, and a portion of this funding contributes to pedestrian and cycle infrastructure, other supporting local infrastructure is also necessary to sustain strong, productive communities. Greenfield developments in particular provide an opportunity to plan and deliver 'healthy' communities that enable more active lifestyle choices for residents. A developer contributions framework which aligns local contributions and SICs and can collect for all of the infrastructure necessary to support the health and wellbeing of growing communities is key to the delivery of the Western Parkland City.

The “cap”

Local government must refer any contributions plan to IPART for approval if the plan proposes to levy more than \$20,000 per dwelling for infill development areas, or \$30,000 per dwelling for greenfield urban release areas (the “cap”). Given that the cost of land acquisition and construction has increased significantly since the introduction of the unindexed cap in 2010, most new or amended contribution plans exceed the cap and require IPART approval.

Importantly, IPART is unable to approve contributions plans which exceed the cap and include infrastructure which is not included on the “essential works” list. Whilst the WSHA supports an increase to the cap which triggers an IPART review to \$45,000 as per DPIE’s discussion paper, this is unlikely to change the ability of Councils to levy for infrastructure which is currently deemed “non-essential”. The WSHA therefore considers it necessary that DPIE review the essential works list as discussed above.

A greater upfront investment in health and community infrastructure, as well as infrastructure that makes a positive contribution to the social determinants of health (such as public open space), would ultimately reduce long term health costs arising from chronic disease and mental ill-health.

The Western Sydney Heal Alliance thank you for your consideration, and look forward to the outcomes of this review.

Sincerely,

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