NSW Government response

Consultation on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' Draft National Urban Policy

July 2024

Acknowledgement of Country

The NSW Government acknowledges that it stands on Aboriginal land. We acknowledge the Traditional Custodians of the land, and we show our respect for Elders past, present and emerging through thoughtful and collaborative approaches to our work, seeking to demonstrate our ongoing commitment to providing places in which Aboriginal people are included socially, culturally and economically.

Submitted by the NSW Government.

Consultation on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' Draft National Urban Policy

Acknowledgements

The NSW Government acknowledges the contribution of the Department of Climate Change, Department of Communities and Justice, the Department of Creative Industries, Tourism, Hospitality and Sport, the Department of Customer Service, the Department of Education, the Department of Environment, Energy and Water, the Department of Planning, Housing and Infrastructure, the Department of Primary Industries and Regional Development, the NSW Ministry of Health and Transport for NSW and The Cabinet Office in preparing this submission.

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Consultation on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' Draft National Urban Policy | 2

OFFICIAL

Contents

Consultation on the Department of Infrastructure, Transport, Regional Development, Communications and the Arts' Draft National Urban Policy | 3

OFFICIAL

Introduction

The Australian Government's draft National Urban Strategy Policy (the Policy) reflects a comprehensive program of national policy research, whole-of-government consultation, and engagement with a broad range of stakeholders. Consultation with state, territory and local governments was undertaken through the Planning Ministers' Meeting forum, the Heads of Planning Group and an interjurisdictional working group.

It is also noted that the Australian Government has consulted with local government, including direct consultation with the Australian Local Government Association and the Council of Capital City Lord Mayors.

The NSW Government supports the development of the Policy. This submission calls out a range of key observations on the Policy as a whole, while also providing detailed commentary on the goals, objectives and principles. Throughout the submission, relevant NSW plans, strategies and policy reforms have been highlighted.

This submission has been prepared with input from across the NSW Government, including:

- NSW Department of Climate Change, Energy, Environment and Water
- NSW Department of Communities and Justice
- NSW Department of Creative Industries, Tourism, Hospitality and Sport
- NSW Department of Customer Service
- NSW Department of Education
- NSW Department of Planning, Housing and Industry
- Transport for NSW
- NSW Ministry of Health
- The Cabinet Office

NSW Planning

The NSW Department of Planning, Housing and Infrastructure (DPHI) is at the centre of the state's planning system. DPHI supports the NSW Government to make and implement important decisions about NSW land and how it is used. DPHI develops policies and strategic plans; assesses the state's most significant projects; rezones land for more housing, jobs and recreation; coordinates with other government agencies; and partners with councils, stakeholders and the community. DPHI also helps design and create thriving communities,

towns and cities for the people of NSW, working to ensure jobs, infrastructure and housing are delivered sustainably and with environmental protection at the forefront of planning.

DPHI's area of focus is planning that supports economic activity and enables the development and delivery of housing and infrastructure to:

- create the conditions for greater housing density around transport hubs, and a diverse mix of housing supply in places people want to live;

- deliver social and affordable housing reforms;

- make strong, fair and quick planning assessments driving balanced outcomes;

- optimise the planning system to enable the delivery of infrastructure, open spaces and housing to shape better places to live, work and play; and

- prioritising the delivery of green spaces and infrastructure, alongside our commitments to deliver new housing supply.

DPHI influences housing outcomes by prioritising planning and land uses for key locations, assessing and supporting planning applications, regulating market activity through policy changes and development, investing in infrastructure programs and offering guidance and support to stakeholders.

Key feedback

A clear purpose and vision

A strong vision is needed across all States and Territories to better coordinate urban policy across Australia, to better integrate and guide future decision-making, investment and policy. This vision should seek to respond to, and proactively prepare for, the challenges that face our cities. Such an approach was endorsed by National Cabinet in April 2023, where it was agreed that better planning for stronger growth is a national priority.

To ensure this is reflected in the Policy, it is recommended that a clear, upfront purpose statement be included. The purpose should clarify how the Commonwealth expects the Policy to be used and applied across government tiers.

A vision statement that clearly encompasses the need for collaboration between all levels of government is also would be helpful.

Defined roles and responsibilities

Tiers of Government

The Policy suggests an increased role for the Commonwealth over strategic planning and planning systems. While greater coordination with the Commonwealth is welcome, and the Commonwealth has a key role to play in contributing to the delivery of urban infrastructure, the NSW Government underscores the importance of states and territories retaining flexibility and autonomy over their planning systems.

It is strongly recommended that the Policy clearly outline the different roles, responsibilities of Commonwealth, State and Local governments in terms of referencing, responding to, and implementing the Policy.

The Policy should also recognise available policy mechanisms that can be levered to achieve the proposed goals, objectives and actions. Inherent to this should be an awareness of both levers available within the remit of each government tier, and across a variety of government agencies. Notably, many of the objectives and actions included in the Policy either lack associated planning levers to achieve intended outcomes or are the responsibility of state agencies outside of DPHI (e.g. skills shortages, delivery of homelessness services).

It is not clear how the proposed goals, objectives and possible actions add value beyond the planning work the NSW Government is responsible for. It would be useful for the Policy to acknowledge existing urban planning policies, strategies and actions being implemented by all tiers of government that aligns with the Policy's goals and objectives and are of importance to the Commonwealth.

Governance and Implementation

The Policy suggests an increased role for the Commonwealth over strategic planning and planning systems. However, further clarity is required on the proposed governance and implementation of the Policy.

Clarification is required around the expected role of States, Territories and local governments in adopting and applying the Policy to existing and future frameworks, and how collaboration and multi-level governance is envisaged beyond existing structures and arrangements.

Clearly identifying next steps, responsibility and funding for 'possible actions' and clarification of how the Commonwealth will support the State and Territory led-planning is encouraged. This should be embedded in the Policy by and detailing a proposed co-ordination and/or governance structure.

Ongoing engagement

The NSW Government supports Commonwealth collaboration with State and Territory governments in relation to national level policies that will consider and respond to urban issues in a common framework focused on cities. However, additional opportunities to engage with, and provide feedback on, the Policy will assist to:

- establish a clear purpose and vision;

- confirm the roles and responsibilities of each tier of government will play in adopting and implementing the Policy;

- better understand areas concern and identify target areas for Commonwealth initiatives and support;

- clearly define best-practice urban governance and methods for information sharing;

- develop an agreed approach to monitoring and reporting; and

- identify a realistic timeframe for development, adoption and implementation.

Key observations

Broad perspectives

To ensure the Policy is representative of industry, community and stakeholder needs, it is important that a broad range of perspectives are reflected in a manner that encourages best practice in urban design, planning for climate resilience, response and recovery to ensure equality of outcomes.

First Nations engagement

The NSW Government is committed to supporting First Nations engagement and involvement in urban planning. The NSW Aboriginal Land Planning Framework – a set of planning measures to better enable Aboriginal land councils across NSW achieve their aspirations for their land and strengthen self-determination – is one example of this. These measures better align the NSW planning system with the *Aboriginal Land Rights Act 1983* (NSW) to improve governance, strategic planning and use of land.

The ongoing consultation of First Nations in the development and implementation of the Policy is supported. However, the concept of ongoing caring for, and partnering with, Country should be embedded and embraced holistically throughout the Policy. In particular, the Policy would

benefit from increased recognition of the importance of Aboriginal outcomes and empowering First Nations communities.

It is noted that Murawin, a First Nations consultancy, undertook engagement with First Nations stakeholders to inform the development of the draft Policy in late 2023. As a result of this consultation, Murawin identified topics of importance for First Nations people in the context of what makes a good and liveable city. 31 key topics that emerged from this consultation included culture, housing and climate change. In Murawin's Final Report, these 31 topics are grouped into three focus areas: aspirations, challenges and equity, productivity and resilience and the report includes 15 recommendations. The draft Policy should provide clarity on how the identified focus areas and recommendations are embedded in the Policy.

It is also recommended that the goals and objectives of the Policy clearly demonstrate how positive outcomes for Aboriginal peoples, communities and entities in NSW will be delivered. Additional items for consideration in the Policy include:

- Incorporating Aboriginal Outcomes in Urban Planning
  - Emphasising the need to integrate First Nations perspectives in urban planning to promote cultural inclusion and empower First Nations communities.
  - Recognising the inherent connection First Nations people have with the land and its management, leveraging traditional knowledge for sustainable urban development.
- Promoting Aboriginal Land Activation Pathways
  - Supporting pathways for activating Aboriginal land within urban environments, ensuring these areas reflect the cultural significance and traditional practices of First Nations people.
  - Encouraging partnerships with Aboriginal communities to identify and develop land for cultural, residential, and economic purposes.
- Supporting Indigenous Cultural Intellectual Property (ICIP) Rights
  - Committing to the protection and promotion of ICIP rights in urban renewal projects to safeguard First Nations' cultural heritage.
  - Implementing policies that ensure First Nations' cultural knowledge and traditions are respected and preserved in urban development initiatives.
- Empowering First Nations Communities through Capability Building
  - Focusing on capacity building within First Nations communities to enhance their involvement and leadership in urban planning and development.
  - Providing resources for First Nations people to actively participate in the creation of culturally rich and inclusive urban environments.

Women

The vision of the <u>NSW Women's Strategy 2023-2026</u> is that women and girls in NSW live and work in a safe and fair society where they are treated with respect and dignity, and have equitable access to services, resources, opportunities and protections that enable them to thrive.

Drawing on the vision of the NSW Women's Strategy, it is important that the Policy encourages and advocates for women's participation, safety and well-being. Such values should be fundamental to the five goals for our urban places: liveable, equitable, productive, sustainable and resilient.

It is acknowledged the Policy addresses some aspects of women's needs, including:

- increasing homelessness faced by older women and Domestic and Family Violence victim-survivors,

- safety in public places,

- workforce shortages; and

- provision of targeted service.

However, there is scope to better recognise gender considerations throughout the Policy. Doing so will maximise the Policy's responsiveness to women's specific needs and experiences within urban design and planning across jurisdictions.

Specific improvements that the Policy would benefit from include:

- a stronger women's safety lens to bolster its goals of making urban places 'Liveable' and 'Equitable';

- clear opportunities to collaborate and engage with people with lived experience, to bolster references throughout the policy to co-design; and

- acknowledging that disasters impact women and men differently. For example, women may face greater care responsibilities and face increased risk of sexual and domestic violence following an emergency. All policies with a bearing on disaster resilience, response and recovery should therefore reflect differential gendered needs, risks and vulnerabilities.

National data collection

The Policy identifies that the Commonwealth has a role to play in improving information and data sharing about Australian cities, in collaboration with all levels of government. It is noted that this role is being fulfilled by publishing a regular State of the Cities report to provide an accurate and up-to-date picture of life in our Australian cities.

The NSW Government considers data-driven planning as a high priority. There is a need to develop a national planning database, available to all State and Territory governments, to support community, industry and government in meeting their obligations under respective planning legislation, such as the *Environmental Planning and Assessment Act 1979* (NSW). To achieve this, Commonwealth support and initiatives to enable both improved data capture processes and integration of data into projections and planning processes is strongly supported.

Previous data collection has been inconsistent, resulting in an inability to observe trends and undertake comparative analysis of urban areas or regions within urban areas. A long-term data collection commitment should be additional to census data. Long-term planning data should also be collected more frequently than five-year intervals to enable timely analysis, provide accurate insights and inform effective decision making.

To support both data collection and data-driven planning, the NSW Government recommends the Policy include a commitment to long-term and frequent collection of consistent and time series data to enable analysis and to observe trends over time. For example, a nationally coordinated data strategy that enables multi-use data sets and the capacity to inform reporting (such as the State of the Cities Report).

Establishing the governance of place data enables evidence-based decision making and creates a model where useable data can be contributed by multiple providers, at many different scales.

Environment

Healthy urban environments

It is widely acknowledged that good design is fundamental to health, and that both liveable communities and sustainable development depend on it. Enhancing health outcomes and lowering health risks are two benefits of a well-designed built environment.

Well-designed surroundings can significantly boost chances for physical exercise and promote lifelong health and wellbeing by encouraging individuals to walk, cycle, engage in physical activity, use public transport, and engage with the community.

In contrast, poorly planned constructed environments may have negative impacts on a community's social, psychological, and physical health.

The Policy would benefit from increased recognition of, and emphasis on the relationship between health and the built urban environments. This includes considering intergenerational wellbeing, quality of life outcomes, and the knowledge that having enough cool and green

infrastructure can support positive mental health outcomes. The acknowledgement of urban heat challenges and mitigation options throughout the Policy is a positive inclusion.

Of particular importance must be planning and delivering connected and accessible urban green spaces to improve communities and cities. It is noted that investment in initiatives such as walkability within urban centres delivers a range of benefits (congestion relief, health, amenity, travel choice, safety and cooling) and is relatively low risk and low cost.

Consideration should be given to:

- addressing health resilience as a key urban issue;
- including actions to research, explore and deliver resilient urban green spaces; and
- the role of water in sustaining health and wellbeing, noting that water in the urban environmental is capable of reducing urban heat by two or more degrees in heatwave conditions, which is a level capable of reducing mortality in vulnerable communities.

Land-use planning conflicts

Climate change

The Policy must be unequivocal in its consideration of the effect of climate change on urban environments as its impacts present significant and ongoing challenges.

One key consideration that the Policy could address more clearly is the need to secure urban water supplies. In the last drought on the east coast of Australia, both large metropolitan towns and regional cities implemented water restrictions, in some cases planning for a "Day Zero" scenario. Water source diversification and supply augmentation should be included as an action for the goal of sustainable cities, including consideration of the role of purified recycled water for drinking, stormwater harvesting and rainfall independent supplies.

Additionally, housing must be developed in locations that are not vulnerable to natural disasters or where development is based on investment and design that lowers the risk of disaster, taking future climate scenarios into account.

The conflicts between clearing to improve protection for homes and lives, and not clearing to protect vulnerable biodiversity need to be considered as states and territories seek to increase the availability of housing.

Industry, freight and logistics

Ensuring safe, sustainable, and productive integration of industry, freight and logistics is essential for the functioning of urban centres. It is essential that new urban policy takes into consideration the needs of these industries and the complex environment they operate within.

Industry, freight and logistics facilities face growing competition for land at the urban fringe. This is compounded by several factors including population growth and the need for more housing, the increasing development of facilities to meet supply chain growth demand and other businesses displaced within the city looking for new facilities.

It is recommended that the Policy considers:

- providing clear guidance on addressing potential land use conflict through early strategic planning;

- tracking freight-related metrics;

- recognising and promoting the value of well-located industrial land;

- establishing a clear vision for efficient urban freight; and

- ensuring there are clear principles for locating housing within an appropriate buffer distance from, or include appropriate attenuation measures, from major industries to reduce conflict from noise, odour and air pollution.

Detailed Recommendations

Part 3: Australian Government Goals

The Policy has five key goals which represent the interrelated and dynamic system in our cities and suburbs. The six Objectives of the Policy relate to one or more of these goals.

The NSW Government supports the proposed goals and raises the following comments for consideration.

Goal	Comments
Goal 1: Liveable	The factors that determine liveability could be expanded to: - refer to active transport; - address access to nature and biodiversity; and - actively recognise women and gender diverse within planning and governance processes.

Goal	Comments
Goal 2: Equitable	This goal could include consideration of: • the different wellbeing issues and needs of women and men; and • the need to actively recognise gender considerations around access and/or need for social and affordable housing.
Goal 3: Productive	The factors that determine productivity could be expanded to: • note the importance of key infrastructure in productivity, including streets and roads; • acknowledge the contribution that business (including small businesses) have on the urban fabric and economy; and • include connectivity, particularly through a focus on public and active transport.
Goal 4: Sustainable	The factors that determine sustainability could be expanded to: • include urban heat as a consideration; • identify opportunities for 'living infrastructure'; and • consider the importance of climate readiness, energy efficiency and other sustainability initiatives in multi-unit communities.

Goal	Comments
Goal 5: Resilient	The factors that determine resilience could be expanded to: • consider issues around severe geographic disadvantage; • address the aggregation of risk (including climate hazards) that occurs in underserviced and outer-ring communities that face socioeconomic, infrastructure, service, health and demographic challenges; • note that strata defects management, maintenance and repair of common property are critical risks to insurability of strata schemes and this should be supported by a national approach to supporting, educating and enforcing legal obligations; and • include considerations of digital connectivity under Goal 5, noting the role it plays in emergency communications and management, planning for, and adapting to, climate change, protecting our environment, promoting well-being in our communities and achieving net zero emissions.

Part 4: Australian Government Objectives

The six objectives included in the Policy are understood to support the achievement of the five goals. They identify key challenges and a range of possible actions to deliver on the objective.

The NSW Government supports the objectives, however, suggests that these could be strengthened by being made more evidence-based and measurable over the short, medium and long term.

Objective 1: No one and no place left behind

The NSW Government supports Objective 1, noting that all Australian States and Territories are experiencing significant pressure on housing. Urban housing options are shifting, with 50% of greater Sydney expected to live in strata schemes by 2040, and there remain significant barriers to housing for many people in our community.

The housing crisis has emerged as one of our most pressing challenges in NSW and nation-wide. It has underscored the urgency of addressing housing affordability and availability. Under the National Housing Accord targets set by the Commonwealth

government, NSW has committed to build 377,000 new homes over the next 5 years (from July 2024).

In 2023 and 2024, NSW has been implementing a set of planning, zoning and land use reforms that provide the direction and certainty to drive increased social, affordable and market housing supply, including to support the NSW target of 377,000 new homes by June 2029. This includes:

- A <u>Transport-oriented development (TOD) program</u> to enable more housing delivery close to transport infrastructure. The program will deliver over 47000 new homes around 8 accelerated precincts and 170000 new opens around 37 stations over 15 years;

- <u>Accelerated TOD precincts</u> - the NSW Government is providing $520 million within the Accelerated precincts for community infrastructure and will use the Housing and Productivity Contributions system to ensure some of the value created by government investments will fund future infrastructure.; and

- <u>Low-mid-rise housing reforms</u> looking at a range of opportunities to unlock the supply of low-rise housing like terraces and dual occupancies and mid-rise housing of up to 6-storeys in well-located areas.

These initiatives increase well-located housing in areas close to jobs, services and public Transport, and will be delivered alongside investment into supporting infrastructure.

The NSW Government also recognises that digital inclusion is critical for access to essential online government services as well as economic and social opportunities in an increasingly digital society and supports additional investment in telecommunications infrastructure. The <u>NSW Digital Connectivity Index</u> is a key example of how NSW is actively taking measures to review and improve digital connectivity outcomes across the state.

Utilising advanced digital capacities provides opportunities for data sharing between government and industry. It has wide-ranging application and can enable real time data analytics and visualisation for infrastructure development, housing delivery, and environmental and natural resource management. For example, NSW DCS Spatial Services has collaborated with DPHI to map and track the progression of land and strata subdivision developments through the planning, construction and registration process.

There remains significant opportunities to extent digitisation to support a range of government objectives, including housing supply.

It is recommended that Objective 1 give particular attention to:

- the fundamental relationship between transport and land use to ensure issues around place-based disadvantage are actively addressed;

- the pressure to use industrial land for housing, due to the shortage of other land close to city centres;

- bolstering regulation of the property and strata sectors;

- improving and integrating digital inclusion and connectivity; and

- being aware of barriers to accessing housing, including English proficiency and lack of awareness of housing services.

Objective 2: All people belong and are welcome

The NSW Government supports Objective 2 and recommends the identification of night-time economy management as a key urban challenge.

NSW is currently progressing work to address several of the key challenges identified in Objective 2, including:

- vibrancy reforms to boost NSW's night-time economy;

- delivering the 24-hour Economy Strategy, which will activate spaces and extend the productivity of Sydney's day-time economy into the night. It is noted that NSW is the first state-level jurisdiction to establish a 24-hour economy strategy and to appoint a 24-hour Economy Commissioner);

- recent development of the Creative Communities (2024-2033) arts, culture and creative industries policy; and

- piloting of the international Purple Flag program, which independently accredits night-time precincts based on their safety and accessibility.

Many of the considerations relevant to encouraging a thriving night-time sector apply at the national level. While the night-time economic activity relies on strong arts, culture and hospitality sectors, it expands into other areas including developing appropriate skills through training, boosting employment in healthcare, enhancing security and policing, and ensuring public transport, freight and logistic systems can service demand increases.

Additionally, supporting night workers is a priority area of the NSW Government and reflects broader national work to support the workforce. Better understanding of workforce characteristics and needs through data is critical.

To enhance Objective 2, a range of other considerations and actions should be incorporated into discussion on all people belonging and being welcome. These include:

- ensuring the barriers to accessing active and public transport to reach venues, facilities and other public spaces are recognised and addressed;

- reinforcing opportunities for public spaces to facilitate free, equitable, safe and accessible access to public participation, including spaces for play, leisure and recreation;

- recognising the importance of cross-jurisdictional collaboration and engagement to exchange best practice knowledge, grow capacity, coordinate activity and embed consideration of night-time economic growth and management;

- collecting and sharing relevant data on the night-time economy;

- addressing issues of safety in night-time precinct, for example, expanding programs such as the Purple Flag initiative;

- improving accessibility of tourism through spaces that promote our cultural diversity; and

- being aware of the unique circumstances of international students and how initiatives can be tailored to support this community.

Objective 3: Our urban areas are safe

The NSW Government supports Objective 3 and recognises the importance of ensuring our communities are inclusive and safe for all.

Inclusivity, Safety and Crime Prevention

This objective, in part, relates to the issue of safety in public spaces and explicitly calls out the higher levels of risk for women and gender diverse people.

Evidence shows that women and gender diverse people feel less safe in public spaces, leading to less equitable opportunities. To ensure our urban areas are both safe and equitable, identifying initiatives that support the safety of women and gender diverse people, as well as other marginalised groups, needs to be a continued priority in placemaking and design. To support this, active engagement with these groups throughout planning and design processes is essential.

Other considerations that the NSW Government encourages the Policy to address includes concepts such as universal design and the impacts of new emerging technologies (e.g. e-micro mobility), which introduce new risks in the urban environments (e.g. road trauma and injurious falls from e-scooters).

Ultimately, creating liveable urban areas that are inclusive and safe benefits everyone. Areas of additional focus for this objective should include:

- addressing crime risks for marginalised groups to enable feelings of safety and ownership of public spaces, especially for women, girls and gender diverse people;

- identifying specific actions that improve safety (e.g. updates to building codes or standards for amenities; incorporating universal design principles);
- identifying older adults as a population group that experience higher risks to safety, either from crime, poor design and falls in urban areas. The objective could include text around quality design supporting older adults to continue being independent and mobile in the community, increasing community engagement and helping reduce injury and preventable hospitalisations; and
- identifying options to manage and regulate different forms of e-micro mobility.

Resilience

There are significant challenges facing our urban environments with respect to increasing natural hazards and disasters. Mitigating and managing the impact of disasters and using planning and urban design principles is a key element to building and improving our resilience to such events. NSW is guided by several plans and strategies, including the:

- State Disaster Mitigation Plan (SDMP);
- State Bush Fire Plan; and
- Planning for Bush Fire Protection

A range of work is being progressed to address such challenges in NSW, particularly with regards to flooding and bushfires. This includes:

- collaboration between the NSW Rural Fire Service (RFS) and DPHI to develop a scalable risk assessment process that will inform bush fire considerations in strategic land use planning;
- updates to the NSW RFS document Planning for Bush Fire Protection, which provides requirements and specifications for development on land identified as bush fire prone;
- collation of building impact assessment data from the 2019/20 bush fires to improve planning and construction decisions on or near bush fire prone land; and
- establishment of the NSW Reconstruction Authority, who are:
    - leading the development of Disaster Adaptation Plans (DAPs) to ensure NSW is well-prepared and successfully manages natural hazard risks to reduce the costs and impacts of disasters on communities;
    - preparing a Managed Relocation Policy – a large-scale multi-hazard managed relocation to decide the appropriateness of this response in disaster adaptation planning;
    - partnering with DPHI to develop a library of standard planning controls for all natural hazards for councils to apply and develop a framework for determining tolerable natural hazard risk for different development types and land uses; and

  o partnering with the Australian Building Codes Board to build a library of updated standards to increase resilience to natural hazards.

Noting the importance of this objective, the NSW Government recommends the following updates and actions should be considered:

- include coastal inundation in the list of mentioned hazards impacting urban environments, noting that any marine and coastal actions are to be consistent with existing government programs (including the Marine Estate Management Strategy 2018-28);

- ensure that reference to bush fire protection measures is included throughout the Policy and that the 'possible actions' include an action relating to urban resilience to the impact of bush fires;

- bring awareness of the dangers of development along the urban bush land interface and the and bush fire protection measures needed for landscaping and asset protection zones;

- support continued investment in national systems like the Australian Fire Danger Rating System; and

- ensure appropriate and cost effective (subsidised) bush fire protection measures for new and existing developments to minimise the vulnerability of buildings to ignition and fire spread from flames, radiation and embers.

Objective 4: Our urban areas are sustainable

The NSW Government supports Objective 4.

Cities are in a unique position to address the climate solution by identifying, delivering and promoting best-practice sustainable approaches.

Improving sustainability in urban areas must include a wide range of actions. Such actions include establishing networks of green and blue spaces to support biodiversity and urban cooling, deploying digital technologies to monitor and support traditional sustainability solutions, investing in new infrastructure and advocating for change and improvement.

The NSW Government is exploring a wide range of sustainable initiatives, including the:

- the NSW Decarbonising Infrastructure Delivery Policy; and

- NSW Sustainable Buildings State Environmental Planning Policy.

This objective should give greater consideration to:

- recognition of biodiversity in urban areas, with particular focus on:

  o measures to protect the large number of species (including threatened species) in urban areas;

- - planning for wildlife corridors to allow movement and genetic exchange; and
  - preserving urban forests for both green spaces ensuring canopy links to enable wildlife movement.
- clarifying the intent and outcome of the action to leverage the knowledge and experience of First Nations and multicultural communities, to develop better, more innovative solutions;
- recognising the wide range of national standards for embodied carbon are already embedded within various Australian built environment policies;
- addressing the importance of digital connectivity and smart infrastructure; and
- identify a range of behaviour change, awareness and education actions.

Objective 5: Our urban environments and communities promote health and wellbeing

The NSW Government supports Objective 5.

Health is recognised as a core component of good design and a key feature of liveable communities and sustainable development. Creating built environments that are cool, comfortable and safe encourage people to walk, cycle, take part in physical activity, use public transport and interact with community members, contributing to lifelong health and wellbeing.

Several initiatives are being undertaken by the NSW Government to improve health and wellbeing through positive changes to our environment, including:

- The Healthy Built Environment Checklist; and
- The Government Architect's Better Placed and Greener Places.

This objective could be improved through:

- more detailed text around the value of physical activity resulting from good urban design, mitigation of urban heat challenges and improved connectivity and active transport;
- consideration of the need for community spaces that are accessible and safe for people from a variety of backgrounds;
- an awareness that small increases in physical activity can have big impacts on physical and mental health benefits (and cost savings); and
- recognition that inactive or older adults benefit more from small shifts in activity levels than already fit people who move more.

Objective 6: Urban areas promote productivity

The NSW Government supports Objective 6.

Connectivity

There is growing community expectation of available, reliable and affordable digital connectivity, which is necessary to support full participation in an increasingly digital society. It is important that our digital systems are robust and can support both productivity requirements and public safety communications needs in higher density environments (which can be affected by the natural and built environment). In support of this, the NSW Government is committed to assisting with the rollout of telecommunications infrastructure in greenfield and urban fringe areas, and to improve access to modern telecommunications in new developments.

Connectivity also relates to the capacity to travel through urban areas efficiently and effectively, however, as recognised in the Policy, a key urban challenge is congestion in cities. The recognition of active and public transport as key levers in improving productivity is supported.

Small business

According to the NSW Small Business Commissioner, almost 98 percent of businesses are small businesses – a distinct subset of 'business'. While both are beneficial to the urban fabric and economy, it is estimated that small businesses alone generate $500 billion of economic activity, accounting for one-third of the national GDP. Almost seven out of 10 small businesses are in a greater capital city area and provide jobs for over 5 million people, employing 42 percent of all apprentices and trainees in training.

Small businesses frequently raise concerns in relation to the increasing regulatory burden and lack of consideration of impacts to small business, suggesting that improved productivity and sustainability can be supported by minimising unnecessary barriers. This ultimately will benefit productivity and vitality in urban areas.

The Commission welcomes the inclusion of initiatives to reduce the regulatory burden on small business in the development of new policy initiatives and regulatory proposals, including:

- early and direct consultation processes;
- regulatory small business impact assessments including cost-benefit analysis;
- the involvement of small businesses in the development of options; and
- small business exemptions.

To this end, a national sub-committee comprising small business advocates and stakeholders would be a worthy inclusion to ensure future policies and national initiatives consider the contributions and opportunities of Australian small businesses.

Workforce participation

Another key element of productivity is workforce participation. For many, the ability to work is determined by access to Early Education and Care (EEC) (including preschool, childcare and out-of-school hours care for primary school children). The services provided by EEC play an important role in reducing a parent's long-term likelihood of unemployment and use of income support. Limited, or no access to EEC presents a significant barrier to increasing workforce participation.

Other barriers to workforce participation include a lack of Australian work experience and/or limited English proficiency, unrecognised overseas qualifications and restrictive visa conditions.

The objective should emphasise:

- ongoing engagement and collaborating with leaders in digital connectivity, such as the NSW Telco Authority;

- ensuring adequate investment in productivity and digital connectivity initiatives;

- advocating for planning systems to encourage jobs near housing;

- the importance of attracting and retaining EEC workers in Urban areas, as lack of access of EEC services affects labour mobility;

- ensuring the provision of high quality, inclusive, culturally safe EEC services;

- updated to reference, and include actions for, reducing access barriers to EEC to support families to increase economic and workforce productivity;

- the role of small businesses in delivering urban amenity, liveability and vibrancy to communities; and

- opportunities to support migrants to access jobs, training and digital services.

Principles

The draft principles are a critical element to the delivery and success of the Policy. These should be introduced earlier in the document to improve visibility and aid useability.

Principle	Comment
Principle 1: City planning and governance must be collaborative and adaptive	This principle would benefit from: • further detail on how it will align with, or develop new planning structures and governance to facilitate collaboration; and • enabling opportunities for a diverse range of perspectives (such as First Nations, gender diverse people and migrants) to be facilitated within planning and governance processes using appropriate language and tailored consultation approaches.
Principle 2: Purposeful placemaking increases wellbeing and connection	This principle would benefit from: • amendments to the policy principles to read '*Purposeful placemaking increases [add] health, wellbeing and connection*', and • enhanced considerations around the different wellbeing issues and needs of women and men.
Principle 3: Urban development should actively improve social, environmental and economic outcomes	This principle would benefit from: • Increased prioritisation and awareness of the importance of freight and industrial lands.

Principle	Comment
Principle 6: Fostering innovation and creativity hubs	This principle would benefit from: • a commitment and requirement for the collection of sex- disaggregated data to enable ongoing monitoring and analysis of gendered needs and policy impacts; • reference to opportunities for innovation districts (existing examples in NSW include Westmead, Tech Central, Macquarie Park); • a more fulsome definition of 'education' to incorporate the full spectrum of educational opportunities including schools and universities, vocational training and other tertiary education; • acknowledging the primary role that the Commonwealth Government plays regarding funding for vocational education and higher education, which will either constrain or enable the tertiary education graduate outcomes and diversity to be achieved; and • recognising that embracing innovation is at the forefront of progressive small business, which can be fostered through policy initiatives that support and encourage small business.

Appendix B: National Initiatives

The NSW Government recommends the following inclusions in Appendix B:

- The National Obesity Strategy 2022-2032; and
- The Environmentally Sustainable Procurement Strategy and Reporting Framework,

Additionally:

- Appendix B does not include any national initiatives to address women and gender diverse people's safety in public spaces. It is suggested that this list be reviewed to identify gaps and opportunities to progress women's safety in public spaces.

- References to the Australian Competition and Consumer Commission (ACCC) inquiry should be updated to reflect that they have now made recommendations.

- Reference to the Productivity Commission's report may need to be updated if the Policy is published after 30 June 2024.

Acronyms

Acronym	Definition
ACCC	Australian Competition and Consumer Commission
ACT	Australian Capital Territory
DAP	Disaster Adaptation Plan
DCS	NSW Department of Customer Service
DPHI	NSW Department of Planning, Housing and Infrastructure
EEC	Early Education and Care
ICIP	Indigenous Cultural Intellectual Property
NSW	New South Wales
RFS	NSW Rural Fire Service
SDMP	State Disaster Management Policy