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Department of Infrastructure, Transport, Regional Development,
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<https://edm.infrastructure.gov.au/survey.php?sid=33361&name=draft-national-urban-policy>

Penrith City Council submission in response to the Draft National Urban Policy for Australia

Thank you for the opportunity to provide a formal submission in response to the Draft National Urban Policy for Australia.

Our submission was endorsed by Council at its Ordinary Meeting on 24 June 2024 and is attached for your consideration.

If you have any questions about this matter, please contact me at carlie.ryan@penrith.city or on (02) 4732 8345.

Yours sincerely

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Head of City Strategy

Attachment: Penrith City Council – Submission in relation to A National Urban Policy for Australia Consultation Draft

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Submission

A National Urban Policy for Australia

Consultation Draft

Prepared June 2024

Introduction

Penrith City Council welcomes the opportunity to provide a submission in response to the draft National Urban Policy. We acknowledge the development of a Draft National Urban Policy for Australia as it represents a significant step forward in the strategic planning and development of urban areas across the nation. Penrith City Council, as a key stakeholder, in shaping and planning for the rapid urban growth and transformation for our LGA, has a vested interest in ensuring that the policy aligns with the needs and aspirations of our community.

Given that Penrith and the broader Western Sydney region are facing the challenge of delivering much needed infrastructure to keep pace with current and expected growth, the submission emphasises the need for the commitment of genuine collaboration across all three levels of government. The submission outlines the important economic driver that is the Western Sydney region and the need for supportive governance and infrastructure to ensure it cannot be left behind.

Council is generally supportive of the goals, objectives and principles outlined in the Draft National Urban Policy. The community aspirations and priorities identified in the Penrith's Community Strategic Plan 2036+ (CSP) aligns closely with the five main goals outlined in the National Urban Policy for Australia as liveability, equitable, productivity, sustainability and resilience.

Many of the proposed actions and principles mirrors Council's own strategies and plans in relation to ensuring urban development increases our resilience, liveability and productivity. The submission outlines that more detail will be required to ensure that there is adequate funding to support these initiatives in conjunction with appropriate measures, funding mechanisms to deliver the objectives. In addition, the submission raises the need for a consistent framework of goals linked with performance indicators, actions and targets reflecting urban diversity and local priorities in collaboration with all levels of government and their communities.

The submission acknowledges the Australian Government’s ongoing engagement with the state and territories government and offers Council’s assistance with the development and implementation of this policy moving forward, especially given we are part of the fastest growing region in the country.

The submission emphasises the need for the commitment of genuine collaboration across all three levels of government to be fully incorporated and implemented to ensure cohesive approach to place-based planning, funding and sequencing of infrastructure delivery, housing and jobs to support our growing communities in urban areas.

In particular, Council recommends that the Draft National Urban Policy provides clarity on consistent and sustained leadership and governance model for the development and implementation of the National Urban Policy framework in a coordinated manner.

Council recommends the Draft National Urban Policy provides clarity on how key challenges and possible actions underpinning six objectives and principles in the Draft National Urban Policy will be implemented, monitored and supported by detailed actions, performance indicators and multi-sector responsibilities, in a reasonable timeframe.

The following specific comments are provided for consideration on the six objectives and principles to support the achievement of five goals of the Draft National Urban Policy as outlined below:

Australian Government Goals

Penrith City Council supports the five goals set out in the Draft National Urban Policy for our urban places to be liveable, equitable, productive, sustainable and resilient.

The stated goals in the policy closely aligns with the community aspirations and priorities identified in Council’s Community Strategic Plan 2036+ (CSP). In undertaking our Community Strategic Plan 2036+ (CSP), our community expressed to Council that some of its top priorities were:

- We protect and enhance ecologically sustainable environment,
- We are welcoming, healthy, happy and connected city,
- We plan and shape our growing city,
- We manage and improve our built environment and
- We have open and collaborative leadership.

Council supports the alignment between the broader intent of National Urban Policy and UN Sustainable Development Goals to measure and monitor progress of goals and objectives underpinned by six principles outlined in the policy. Penrith’s CSP includes reference to the United Nations Sustainable Development Goals (SDGs) among other considerations in how well we are progressing towards a better and more sustainable future for all our communities and how Council’s five outcomes can be measured. Council’s strategies draws from the indicators used for to monitor progress towards the SDGs in an Australian context.

However, there is a nationwide gap on national guidance and implementation of SDGs and National Urban Goals at local strategic planning level. Council emphasises that it is critical that the five goals and six objectives outlined in the Draft National Urban Policy are delivered in

conjunction with a consistent framework of goals linked with performance indicators, tangible actions and targets for all six objectives underpinned by principles reflecting urban diversity and local priorities of urban areas in collaboration with state and territories government, local governments and communities.

Australian Government Objectives

- **Objective 1: No-one and no place left behind**

Penrith City Council welcomes the attention in the Draft National Urban Policy on housing availability, housing supply and diversity, housing affordability and homelessness and overcrowding. Council's Local Housing Strategy is consistent with the stated intention (page 21) "to create equitable urban areas where everyone feels safe and secure, access to housing, infrastructure, education and jobs is essential."

Council supports in principle the proposed action (page 23) to collaborate with all levels of government to "update land use planning systems to accommodate a greater mix of housing and higher-density housing in well-located areas, close to transport connections, amenities, services, and education and employment opportunities". Council's own strategies support increased density in close proximity to high amenity areas with good access to public transport, with the intent to boost housing supply, diversity and affordability. However, there is a need to understand in full what is considered 'higher density housing types'. There should be a greater emphasis put on identifying relationships between housing and health and wellbeing. Higher and medium density housing needs to be balanced with sufficient communal green space, landscaping and tree canopy to provide cool zones and active play areas. Equally important is good urban design and local infrastructure to support walking and cycling.

Council also recommends that a more integrated and systematic approach to collaboration must be established at all levels of government and local councils should be involved in the setting of targets to consider different characteristics and functions of places at the local level. There is a need to provide support to local councils to deliver housing in line with the housing targets in a place-based manner that is supported by the necessary infrastructure. A one-size fits all approach does not necessarily allow for a diversity of other land uses near strategic centres and transport interchanges including specific locations for employment, education, retail and commercial development.

A central pillar of Council's strategic framework is providing jobs closer to home and services for our growing community. A key objective of Council's Local Housing Strategy is to focus new housing in transit-oriented neighbourhoods within walkable catchments of existing and planned rail stations in order to maximise access to jobs and services. We want to ensure that as much as possible, housing and jobs are inextricably linked in our strategic planning.

Council supports in principle the potential action (page 23) stated in the draft policy for the 'development of a nationally consistent framework for national growth areas that establishes standards for infrastructure and services' and emphasises that the provision of infrastructure and services that is enabled through Federal and State Government funding means that community benefits can be achieved earlier. Council recommends that the Draft National Urban Policy include an action to establish a national funding model for infrastructure provision to ensure infrastructure is delivered alongside housing in a timely manner.

Affordability is a critical barrier to obtaining housing in the Penrith LGA. Council has demonstrated commitment and leadership on this issue, recently adopting an Affordable Housing Strategy, being the first Council in Western Sydney to establish an Affordable Rental Housing Contribution Scheme, and the first Greater Sydney Council to apply this to urban release areas/greenfield sites.

Council recommends that the Draft National Urban Policy includes measurable actions, interventions and a funding mechanism to achieve affordable and social housing targets. Despite range of initiative and support to deliver social and affordable housing, progress in this area has been slow and limited, it has been difficult to achieve affordable housing under current State and Federal Government financial arrangements. It is unlikely that new targets for affordable and social housing will be achieved without significant State and Federal Government intervention.

- **Objective 2: All people belong and are welcome**

Penrith City Council supports the direction (page 25) for “supporting community participation and creative talent through cultural organisations that sustain the arts, entertainment and culture in Australia’s cities, particularly in partnership with First Nations and multicultural communities”.

Council recognises that arts and culture activities help promote community engagement, social cohesion and wellbeing. In efforts to build capacity and deliver on our communities priorities and aspirations, Council recently adopted Cultural Strategy and Action Plan 2024-28. The emerging trends and gaps identified in the community consultation were growing interest in learning about the First Nations culture, people seeking immersive experiences rather than consumption, art and culture reflecting diversity and inclusivity, creative economy is labour intensive rather than capital intensive and offers multiple jobs which is particularly beneficial to local economies and art and entertainment sector still recovering from COVID-19 restrictions.

A funding program aimed at both infrastructure and creative industries will demonstrate how arts, culture and creative activities interact with each other to increase creativity and innovation across the economy. Many substantial arts and cultural facilities are owned or operated by local government. As such, increased funding would allow councils to deliver more in the arts sector, noting the vital role a thriving arts and cultural sector plays in social cohesion, innovation, economic growth and urban renewal.

Council recommends that the Draft National Urban Policy includes action on establishing ‘equitable access’ to art and cultural funding program aimed at both infrastructure and creative industries. The early start and maintenance of stimulus packages can boost confidence, counteract the contractionary pressures in the economy through direct and spillover effects, and create much needed jobs. This is particularly seen with investments in national tourism, particularly where they have reached local communities.

- **Objective 3: Our urban areas are safe**

Council welcomes the emphasis in the Draft National Urban Policy on creating urban spaces that are “safe and inviting for all, and promotes inclusivity, particularly for marginalised communities and incorporating First Nations communities valuable knowledge into resilience approaches” (page 28).

Council welcomes the attention in the Draft National Urban Policy on implementing measures (page 30) to ‘mitigate the impacts of rising sea levels, coastal erosion, flooding, bushfire and heat hazards in our planning and infrastructure frameworks and managing future climate risks for the built environment by identifying high risk locations and revising policy, regulations’.

In 2021 and 2022 our region experienced extreme flood events which forced thousands of residents of the Hawkesbury–Nepean Valley to evacuate their homes. The flood risk to the Hawkesbury–Nepean Valley is serious and ongoing. This impacts our communities as freight routes can be disturbed thereby impacting the delivery of essential items such as food and fuel. The delivery of flood evacuation route infrastructure, such as Castlereagh Connection, remains a key advocacy priority for Council and requires continued investment by both the Australian and NSW Government.

Due to geography, geomorphology, and urban development, Western Sydney is more severely impacted by hazards such as heat, flood and bushfire. As such the application of climate adapted building standards for residential and commercial developments, resilience criteria built into the design and construction of community and public infrastructure, as well as planning solutions for retrofitting existing development, to mitigate and adapt to climate impacts, is crucial for Western Sydney. It is therefore essential for the planning system, planning reforms, and mitigation/adaptation measures to be informed by region specific data (i.e. Western Sydney based data for development planned in the Western Sydney region).

Council supports the proposal (page 30) for the Draft National Urban Policy to include actions to ‘consider disaster and climate risk in land use planning’. Council suggest that the policy could have a broader remit in addition to climate resilient urban design planning and building. The Draft National Urban Policy must consider the need for establishing climate resilient infrastructure funds that will be needed to support communities in a range extreme weather scenarios and disaster responses. This may include factoring the cost of resilient utilities and upgrading existing networks and planning for road upgrades for evacuations.

It is essential that mobility is looked at in terms of resilience and responding to severe weather events. In this regard there needs to be consideration of evacuation routes across all transport modes. In particular, Penrith City Council has identified the delivery of the Castlereagh Connection as a critical link in the road network to ensure a safe and efficient route for flood evacuation.

- **Objective 4: Our urban areas are sustainable**

It is critical to note that the lack of consistent long-term national and state policies and inconsistent metrics and directions and funding makes sustainability and the transition to circular economy at local level challenging. For a paradigm shift, it is imperative for institutions including State and Federal government policies and programs to provide consistent guidance on adaptation and implementation of actions along with infrastructure funding support to reinforce existing practices and unlock low-carbon initiatives and innovations specific to local centres and precincts.

Council emphasises that there needs to be a recognition that a circular economy is more than just waste management and that it is an initiative for sustainability. The circular economy includes the development and manufacture of products that have designed out waste and can

be repurposed, reused and /or recycled through available avenues/markets.

Council suggest that the Draft National Urban Policy consider the inclusion of economic development opportunities that can be realised from the circular economy and identify supporting actions such as including adequate provision of employment land in suitable locations for the purposes of industries, like waste management, recycling and remanufacturing, which support the circular economy.

Penrith and the Western Parkland City are well placed to foster the circular economy with an emerging cluster of waste management and recycling businesses across the city. While some circular economy businesses, particularly for waste management require larger sites in industrial precincts, there is also a need to accommodate small and medium enterprises in locations closer to centres and to accommodate new shared space business models, such as in for makerspace hubs, tool libraries that encourage circular economy activities within the community.

In addition, Council is supportive of opportunities for improving the planning system to protect threatened ecological communities and threatened species habitat. However, there needs to be more consideration for sustainable urban design solutions to be built into the planning system as a priority, to ensure that existing natural habitat, native canopy trees and green infrastructure is retained and integrated into developments to achieve cooling, biodiversity and flood mitigation benefits and positive outcomes for the community.

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

Penrith City Council welcomes the consideration of 'equitable access to recreational areas, and prioritising high-quality housing, active transport and social infrastructure can enhance the health and wellbeing of urban residents'. It is essential that Penrith LGA has critical infrastructure, services and amenities in place to meet current and future community needs. Central to these needs is road transport infrastructure that includes public and active transport infrastructure.

Council welcomes the proposed action to 'delivering safe, accessible active transport infrastructure to encourage walking and cycling, improving health outcomes and reducing emissions' (page 35). Active transport supports healthy living and enables vibrant placemaking opportunities. However, the nature and type of active transport infrastructure required at the local level needs to consider different demographic profiles of local communities. Council recommends that the Draft National Urban Policy ensure local councils are involved in setting of targets for active transport to ensure that local place constraints and differences are equally considered.

Current funding levels from State and Federal government are well below what is needed to achieve this outcome. There is a gap between larger active transport projects, and funding for the myriad of small local links that will help enable communities access their local centres, schools and recreation areas as determined by community needs.

The implementation of cool and shady walking and cycling paths is a key advocacy priority for Council to help address the impacts of the urban heat island effect and higher rates of key health conditions such as obesity and diabetes experienced in Penrith City. Council has identified a range of projects that require substantial funding by both the Australian and NSW Government

to deliver critical projects for our communities such as Green Grid projects funding, pedestrian path paving LGA wide and St Marys North South active transport connection.

- **Objective 6: Our urban areas promote productivity**

One of the most pressing issues plaguing Penrith and Western Sydney is inadequate transport infrastructure. Congested roads and unreliable public transport networks not only inconvenience residents and commuters but they also impede the flow of goods and services, hampering the region's economic productivity. For example, the Western Sydney International Airport is a jobs generator and a productivity gainer, but the success of the Airport is contingent upon infrastructure.

Improvements in public transport timetabling are required to enhance multimodal journeys and better integrate active and public transport infrastructure. Early introduction of public transport infrastructure can influence a user's behaviour patterns in the longer term – leading to reduce car dependency. Government planning and decision making around transport infrastructure must encourage sustainable transport choices – e.g. all major road projects should provide facilities for priority bus connections and active transport.

We need the new Airport and surrounding transport network to be a well-oiled machine, seamless travel between and within the region, not just for the Airport's future efficiency, but for all of us so we can have access to more jobs, spend less time travelling and more time enjoying where we live. Western Sydney cannot be left behind. More needs to be done so we can unlock the economic driver and productivity gains that comes with the Airport.

Penrith City Council supports the emphasis on “improving labour mobility and addressing income inequality are critical for enhancing economic equity and workforce participation. Providing efficient, reliable transport networks and equal access to digital infrastructure can connect people to jobs and services, therefore contributing to work-life balance.” (page 21) Access to public transport in Australia's outer metropolitan growth areas is universally limited resulting in high car usage. Car dependency is further entrenched due to limited local employment opportunities which results in almost half of the working residents in the growth areas (48.3%)¹ travelling outside the area to work. On Census day 2021, over half of the working population (57%)¹ in the growth areas travelled to work in a private car compared with 4.5% on public transport, and even less walked to work (0.9% compared to 2.5% in Australia)¹.

Council recognises that there is a need for place-based planning on how public transport and active transport will support access to local labour markets in the outer metropolitan urban areas. There is a need for new transport connections to deliver faster and more accessible connections for passengers, visitors, and businesses, unlocking further opportunities for the creation of new places and neighbourhoods to live, work and play. Providing a range of transport

1. idProfile. (2024, 06 07). National Growth Area Community Profile. Retrieved from Informed Decisions (Id Profile): <https://profile.id.com.au/ngaa/travel-to-work>

options to and from the region is crucial to ensuring the benefits of the project are maximised.

Council welcomes the proposed action (page 38) to “increase the quality and availability of infrastructure for active transport, such as walking, cycling and e-mobility, and support behavioural shifts to promote increased active travel within communities”. To achieve equitable access to infrastructure for outer metropolitan urban areas, levels of accessibility and service must be benchmarked against inner metropolitan areas to quantify the shortfall and plan to redress it.

The lack of public transport within the outer metropolitan growth areas creates barriers for the communities in accessing jobs, education and services, which is particularly detrimental to socially and economically disadvantaged communities. Investment in public transport infrastructure is a key to improving social equity and addressing other barriers. An interconnected network of public transport to get around the area and to link to major transport hubs is required along with an increased focus on bike paths and walkability (including first and last mile connections with public transport options) to encourage the health and wellbeing of our communities.

Council recommends that the Draft National Urban Policy ensure inclusion of establishing funding and delivery of infrastructure through the lens of ‘equitable access’ to ensure State and Local infrastructure can be delivered effectively to serve the most rapidly growing areas and the most vulnerable people. This approach supports the goal of equity and sustainability set out in the Draft National Urban Policy for Australian cities where residents have equitable access to the infrastructure that supports these outcomes. The Draft National Urban Policy must also consider how to ensure that funding for road maintenance and upgrades is available in a more regular way rather than the variable manner it occurs at present.

Current funding mechanisms, including developer contribution schemes, are insufficient to cover the cost of infrastructure required to support both growth in established and new release areas. The submission raises the need to ensure inclusion of establishing funding and delivery of infrastructure through the lens of ‘equitable access’ to ensure state and local infrastructure can be delivered effectively to serve the most rapidly growing areas and the most vulnerable people.

Council supports the discussion in the draft policy (page 36-37) on skilled workforce, harnessing data and technology and resilient economy however, there is a need for greater focus on empowering local jobs and economies based on the strength of each city. Penrith’s employment lands make a significant contribution to the local and state economy comprising over 79% of zoned employment land in the Western Sydney Aerotropolis and 37% of Greater Sydney’s potential future supply. Council suggests that the policy must set out measures, mechanisms and timeframe for servicing existing and newly rezoned employment lands across the nation to provide greater certainty for investment critical infrastructure delivery support the growth and equal distribution of local jobs closer to home.

Council welcomes the attention in the Draft National Urban Policy on urban freight and the need for better coordination to “improve strategic planning at all levels and consultation between governments and industry to ensure better coordination between freight infrastructure and networks, land use planning and urban development” (page38). Council’s own planning policies and strategies continues to support the preservation of employment land to carry out freight

related activity, while also carefully managing potential encroachment from surrounding land uses that are incompatible with the freight uses.

Currently, many roads within outer metropolitan growth areas are rural roads. They are not designed for the increased volumes of construction related heavy vehicle movements and increasing freight related heavy vehicle movements. Freight related vehicle movements are estimated to increase by 50% within Western Sydney by 2041. With this, the size and number of trucks will have significant impacts on the local road network in the absence of the ultimate road network solution. The inevitable move towards larger and heavier vehicles, whilst reducing the overall number of trucks on the road, will have an adverse impact on roadway surface quality and user safety of local roads. Councils need financial support to meet the rising costs of road maintenance that were designed as local but turned into freight routes almost overnight. For Example, Mamre Road, which is part of a rapidly growing employment area connecting to the Aerotropolis, currently experiences congestion during peak traffic periods. The average speed of Mamre Road is predicted to decline to about 12 kilometres per hour (from the 80kph limit) in the afternoon peak period by 2036 due to increased traffic. Council is pleased to see this project being awarded funding in the recent Federal Government budget. However, there is a need for a better coordinated approach to infrastructure identification, prioritisation, funding and delivery in line with development staging. Infrastructure needs to be identified before land is rezoned and accompanied by a funding delivery strategy that is embedded in future government budgets.

The delivery of the critical road infrastructure requires continued investment by both the Australian and NSW Government. Council's Advocacy Strategy and Priorities List outline the following key road infrastructure projects that need to be delivered to support the integrated transport network in Penrith City:

- Western Sydney Rapid Bus routes servicing the WSA (immediate priority to support mode shift away from private passenger vehicles and improve traffic congestion)
- Werrington Arterial Stage 2
- Southern Link Road
- Mulgoa Road upgrade
- Upgrade and reclassification of Luddenham Road
- Planning and delivery of Castlereagh Connection.

The Draft National Urban Policy needs to consider long-term view to infrastructure provision across regions undergoing rapid transformation and needs to ensure that funding for road maintenance and upgrades is available in a more regular way rather than the variable manner it occurs at present.

Principles

Penrith City Council welcomes the alignment of six principles to guide decision-making as it relates to investments in, and policies for, urban development and complementing goals and objectives set out in the Draft National Urban Policy.

The stated principles closely aligns with Council's Local Strategic Planning Statement (LSPS)

Planning for a Brighter Future identified four strategic focus areas to achieve the vision for our City of connected, healthy, innovative and balanced.

- City planning and governance must be collaborative and adaptive
- Purposeful place making increases wellbeing and connection
- Urban development should actively improve social, environmental and economic outcomes
- Improving the evidence base will underpin urban innovation
- Fair and inclusive development builds equitable communities
- Fostering innovation and creativity hubs enhance diversity and broadens opportunities

It is critical to ensure that the Draft National Urban Policy provides a clear guideline on how to implement proposed actions guiding the six principles outlined in the policy including holistic consideration on the relationship between the goals, objectives and principles outlined in the policy. (Appendix 1, page 40-43). Council emphasises that the Draft National Urban Policy to provides a consistent framework for adaptation and better integration of urban planning and policy across all levels of government.

In addition, Council recommends that the Draft National Urban Policy provides clarity on consistent and sustained leadership and governance model for the development and implementation of the National Urban Policy framework in a coordinated manner.

Conclusion

Penrith City Council welcomes the opportunity to provide feedback on A National Urban Policy for Australia Consultation Draft. Many possible actions and principles identified in the Draft National Urban Policy are in line with Council's strategic planning priorities. Council recommends that the commitment of genuine collaboration across all three levels of government to be fully incorporated and implemented to ensure cohesive approach to place-based planning, funding and sequencing of infrastructure delivery, housing and jobs to support our growing communities in urban areas.

Council looks forward to continuing to work closely with all levels of government to develop and implement the Draft National Urban Policy to ensure our urban environments are liveable, equitable, productive, sustainable and resilient.