



GOAL 1 – Sustainably manage growth opportunities arising from the ACT

As a capital city, Canberra is the driver of growth for the surrounding local government areas within the region. As the only metropolitan city nearby, it provides access to specialist employment opportunities and higher-order services, including tertiary health and education. The Greater Capital and beyond provides a number of economic, housing and leisure opportunities for residents and workers based in the ACT.

The current estimated population of the ACT, combined with the Greater Capital is 456,450. The population is projected to increase to 601,000 by 2033, which is comparable to the current population of the Gold Coast.

More than 20 per cent of workers in the South East and Tablelands access job opportunities in the ACT, with more than one-third (36 per cent) employed in public administration. NSW residents also access health and education services in the ACT, accounting for seven per cent of all school enrolments⁵ and 20 per cent of all public hospital admissions.⁶

Of the 214,000 jobs in the ACT, 10 per cent were filled by workers living in NSW. The direct impact of the ACT is strongest in bordering local government areas, excluding Tumut, although the ACT services a much larger area and extends as far as the coast.⁷

The Greater Capital has the most significant relationship with the ACT:

- more than half (56 per cent) of its workforce travelled to the ACT for work in 2011;

- almost 40 per cent of residents in the Greater Capital use the ACT's public hospitals;⁸ and
- 90 per cent of the NSW students attending schools in the ACT were from the Greater Capital.

Areas within commuting distance to the ACT provide a wide range of housing opportunities and easy access to jobs, education, services and recreation in Canberra. Over half (53 per cent) of projected demand for new housing in the region is expected to occur in the Greater Capital. This equates to 14,750 new dwellings.

To manage this growth sustainably, efficient transport connections need to be available to link homes to jobs and services.

The NSW Government is committed to taking a region-wide approach to economic investment, infrastructure delivery, skills development, servicing provision and housing development. This will facilitate sustainable growth and optimise the region's economic prospects.

Collaboration between the ACT and NSW Governments is underpinned by the *ACT and NSW Memorandum of Understanding for Regional Collaboration*, signed in December 2011. The memorandum seeks to strengthen collaboration between the two jurisdictions to improve outcomes and service delivery to the region.

Top:
Courtesy of Canberra
Airport

Centre:
North Googong
housing release

Bottom:
Queanbeyan District
Hospital, courtesy of
NSW Health



Above:
Googong Reservoir, Queanbeyan, courtesy of CSIRO

ACT Planning Strategy

The *ACT Planning Strategy* (2012) aims to help Canberra achieve its economic, social and environmental aspirations. The strategy focuses on:

- intensifying urban development around Canberra's existing centres and corridors. It includes a target to achieve 50 per cent of new housing delivered through urban intensification;
- expanding greenfield sites around Gungahlin and Molonglo Valley; and
- improving transport connections to enhance the movement of the 20,000 people travelling into Canberra from NSW each day.

The strategy acknowledges that the success of Canberra as a city is dependent on its relationship to surrounding NSW areas. It acknowledges that regional collaboration is important on issues such as biodiversity, transport and economic development.

DIRECTION 1.1 Provide well-located and serviced land for housing in the Greater Capital to meet demand

The draft Plan aims to create sufficient housing supply in the Greater Capital to meet market demand. The timely delivery of infrastructure and investment is pivotal to achieving this objective.

Queanbeyan is a major regional centre and forms part of the larger Canberra-Queanbeyan metropolitan area. The rural character of the Yass Valley and Palerang contrasts with the largely suburban character of Queanbeyan.

The population of the Greater Capital is expected to grow to 108,500 by 2036, which will require an additional 14,750 new dwellings. Councils have indicated that existing release areas have capacity for almost 18,000 new dwellings in places such as Googong, South Jerrabomberra, Yass, Murrumbateman and the cross-border development at Parkwood.

Additional pressure for housing in NSW is being driven by ACT policies for more compact settlement and housing affordability. This is leading to development proposals that are inconsistent with current planning strategies in areas close to the NSW and ACT border – mostly within Yass Valley Local Government Area. These proposals have the potential to undermine sustainable urban outcomes from identified new urban areas and place undue pressure on infrastructure capacity.

Housing affordability is a significant issue around the ACT and NSW border, with 50 per cent of households on moderate, low and very low incomes experiencing housing stress.⁹ The popularity of housing in the Greater Capital is influencing median house values. For example, median housing prices in Murrumbateman (Yass Valley) have increased by 90 per cent from 2004 to 2014 to \$650,000 compared to Canberra, which rose by 50 per cent over the same period to \$537,500.¹⁰

Growth places pressure on infrastructure and services including roads, utilities, education, health, emergency services and cemeteries and crematoria. This is particularly the case when new development is close to the ACT and NSW border, for example, South Jerrabomberra and Parkwood.

The availability of water will continue to be a key driver and limiting factor on the amount and location of any additional urban development in the Greater Capital.

A suite of related actions is required to coordinate and deliver infrastructure, monitor housing activity and respond to changes to demand through the review of local housing strategies.

Water supply in the Greater Capital

Water is supplied to Queanbeyan by the ACT Government under the terms of the *Queanbeyan Water Agreement 2008*. In the case of Yass Valley and Palerang, water supply is managed by each council under the *Water Management Act 2000* and relevant water sharing plans.

The supply of water and sewer services in the ACT is driven by demand and provided by ICON Water. ICON Water is a Territory-owned corporation that delivers the water supply to the ACT and to Queanbeyan under the *Queanbeyan Water Supply Agreement*.

Yass Valley and Palerang Councils are responsible for water supply as water supply authorities. The Yass Dam is the main storage area for these local government areas. The dam wall has recently been raised to increase capacity and a pipeline from Yass to Murrumbateman is being constructed to provide reticulated water to service the first stages of urban growth at Murrumbateman. Bungendore and Braidwood are the two main centres for Palerang, with demand for urban water in these areas close to council's water entitlement.

ICON Water supports cross-border cooperation in water and sewerage matters. This includes mutual information-sharing (resources, knowledge and capabilities) between ICON and councils, particularly those located closest to the ACT, including Cooma-Monaro, Palerang and Yass Valley.

Any future growth in the region that requires the support of the ACT water and wastewater network would be subject to negotiations to achieve:

- sustainable diversion limits;
- trading of water entitlements;
- a bilateral agreement between jurisdictions requiring Cabinet endorsement; and
- a commercial agreement with ICON that will require consideration of their business model, business cases for development and competing servicing priorities.

ACTION 1.1.1 Coordinate infrastructure delivery to support release areas in the Greater Capital

Infrastructure and services are needed to support and stimulate housing development. The coordination of infrastructure across different jurisdictions is a key issue in the South East and Tablelands. The delivery of electricity, water, roads and schools will require cooperation between utility providers, and local, State and Territory Governments.

Councils, infrastructure agencies and utility providers will continue to identify the strategic infrastructure investments needed to support the delivery of housing in the Greater Capital.

The priority for State agencies and other key stakeholders is to focus on coordinating new infrastructure to achieve development outcomes in the short to medium term.

The NSW Government will:

- coordinate delivery of infrastructure required to support housing delivery in the Greater Capital, including South Jerrabomberra and Parkwood.

ACTION 1.1.2 Develop principles to guide the development of a cross-border infrastructure funding model to support cross-border developments

In the Greater Capital, urban development has implications for infrastructure and services provided by the ACT Government, particularly roads, education, health and emergency services.

Coordinating the funding and delivery of infrastructure in a cross-border setting requires cooperation between jurisdictions and an understanding of their different governance and budgetary structures. Further work is required to create a consistent approach to infrastructure funding and delivery.

The NSW Government will work collaboratively with the ACT Government to:

- develop an agreed set of principles to inform a new cross-border infrastructure funding model.

ACTION 1.1.3 Develop a cross-border land monitoring program

The demand and supply of land and housing in the ACT and the Greater Capital are related, as they both operate within the same housing market. This has implications for infrastructure and service delivery by both jurisdictions.

A cross-border land and housing monitor will enable better tracking and forecasting of housing and employment land release in the



Above:
Federal Highway
upgrade work, near
Queanbeyan

region. This will improve information about supply and demand and provide a better understanding of the infrastructure and service implications arising from growth, particularly in locations close to the ACT.

The NSW Government will:

- work with the ACT Government to develop a cross-border land and housing monitor.

ACTION 1.1.4 Support the development of local housing strategies in the Greater Capital

Council local housing strategies are the first step to identifying housing needs and planning for a range of housing types. They also help identify the infrastructure needed to support local communities. Analysis suggests there is sufficient zoned land to meet demand over the next 20 years. The NSW Government will continue to monitor the take-up of existing land supply and levels of demand, in collaboration with the ACT Government.

Many councils in the region are developing or reviewing their local housing strategies to respond to changing demand. A review of Queanbeyan Council's *Residential and Economic Strategy* and Yass Valley Council's *Towns and Villages Study* (2010) is currently under way.

Pressure for new land release, in areas outside those already identified in an existing strategy, will require careful consideration. This is particularly relevant to the efficient use of infrastructure and services and the development of sustainable communities.

A long term approach is needed to identify future growth options for the region, beyond current expected demand to 2036. The focus will be on community development and settlement expansion, rather than isolated site land release. This will support better cross-border planning and service delivery of water supply, energy infrastructure, roads, public transport, education and health services, and a better approach to biodiversity and rural land uses.

The NSW Government will:

- prepare guidelines for local housing strategies;
- support councils to review local housing strategies;

- prepare Statewide land release criteria to inform settlement planning for new communities; and
- continue to work with the ACT Government and councils to assess the long term growth options for the region and to inform a settlement strategy beyond the expected growth for the next 20 years.

DIRECTION 1.2 Improve cross-border transport connectivity

Existing road infrastructure is a major asset for the region and further investment in the road network will support economic growth. Developing and maintaining the network is fundamental to a number of stakeholders in the region.

Canberra's role as the regional hub generates significant cross-border movement, including a large daily movement of workers and school students between NSW and the ACT. In 2011, 27,800 people indicated that they worked in the ACT but lived elsewhere. Over 23,000 people or 84 per cent of these were residents in the South East and Tablelands region.¹¹

The Greater Capital was the biggest source for commuters to the ACT, accounting for 89 per cent, with Queanbeyan alone representing 57 per cent. About 95 per cent of Queanbeyan commuters travel by car rather than public transport.¹²

Almost 5,000 people travelled from the ACT to NSW for employment. Queanbeyan was the largest area for commuters from the ACT at 81 per cent or 3,815 people, followed by Palerang with 502 people (11 per cent).

There is also a strong cross-border movement of school and vocational students. Of the total NSW students attending schools in the ACT, 38 per cent came from Queanbeyan, followed by Palerang (32 per cent) and Yass Valley (20 per cent).

Increased demand for housing in the Greater Capital adds additional pressure on roads and cross-border connectivity.

The *Southern Regional Transport Plan* is the NSW Government's plan for the provision of transport in the region and it is informed by the

NSW Long Term Transport Master Plan. The *Southern Regional Transport Plan* and this draft Plan aim to improve cross-border connections through better integration of public transport.

ACTION 1.2.1 Work with the ACT Government to make travelling to and from Canberra easier and more convenient

Travel to the ACT is integral to the economic growth and prosperity of the southern region. Some communities in the region access employment, education, health, air travel and higher-order services in Canberra. The main strategic transport routes connecting the two jurisdictions are the Hume, Federal, Monaro, Barton and Kings highways, and Pialligo and Canberra Avenues.

Communities on both sides of the ACT and NSW border have raised the need for better integration of transport services. The NSW Government has appointed a Cross-Border Commissioner to advocate for businesses, organisations and residents in border communities.

Achieving a seamless public transport connection between jurisdictions requires ongoing collaboration between the NSW and ACT Governments.

Transport for NSW and Roads and Maritime Services are progressively preparing network and corridor strategies to cover every State road in NSW to better manage transport infrastructure and maximise benefits for all road users. Network and corridor strategies provide the following benefits for the State road network:

- a plan for network/corridor improvements that consider all modes of transport;
- transparency for the community, councils and other government agencies about planning and investment decisions;
- consistency in planning, management and the operation of roads; and
- the integration of road safety, traffic and asset maintenance projects.

Network and corridor strategies relevant to the region include planning for road upgrades and improvements to the Barton Highway and

Queanbeyan to Batemans Bay corridor. A *Queanbeyan to Batemans Bay Corridor Strategy* was released in September 2009 and a *Draft Barton Highway Improvement Strategy* was released in November 2015.

The NSW Government will:

- prepare an issues and options paper on cross-border public transport that will include mapping of public transport services, demand and measures to overcome legal and contractual barriers;
- finalise and implement the *Draft Barton Highway Improvement Strategy*; and
- implement the *Queanbeyan to Batemans Bay Corridor Strategy*.

ACTION 1.2.2 Improve sharing of transport data between the ACT and NSW, including the development of a cross-border transport model

Particular routes in and out of Canberra are currently under pressure. Development in the region will intensify these pressures and affect transport efficiency for passengers and freight, as well as public safety. More integrated planning for cross-border transport is needed.

The region is part of a freight corridor that connects Sydney, Canberra and Melbourne. Current and consistent information on freight movements is important for planning and to capitalise on the region's freight network. The ACT and NSW Governments will work collaboratively to enhance data-sharing.

The ACT and NSW Governments have begun work to produce a cross-border transport model. Work has already commenced to incorporate Queanbeyan traffic data into the ACT model.

The NSW Government will:

- continue to work collaboratively to develop a cross-border transport model that incorporates Queanbeyan and Yass. Opportunities to further expand the model and incorporate other local government areas will be considered in the future; and
- enhance data-sharing on freight movements between NSW and ACT to build an evidence base to enhance future freight management.