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**PLAN 03**

**NSW Government Employment Zones Reform**

<b>Strategic Direction</b>	Strengthening and Protecting our Environment Exercise planning controls to create high-quality, inclusive urban environments
<b>File Ref</b>	071977.2022
<b>Report By</b>	Riz Afzal - Senior Strategic Planner
<b>Approved By</b>	David Smith - Director Planning & Compliance

**EXECUTIVE SUMMARY**

The NSW Government is reviewing and rationalising the business and industrial zones under the Standard Instrument Principal Local Environmental Plan (SI Principal LEP). The stated purpose of employment zones reform is to support a productive economy by enabling business and jobs in the locations where they are needed and delivering on the vision outlined in local and state strategic plans.

The primary change proposed by the Government is the consolidation of existing business and industrial zones into new employment zones as illustrated in the table below.

<b>Existing Zone</b>	<b>Proposed Zone</b>
B1 Neighbourhood Centre	E1 Local Centre
B2 Local Centre	
B3 Commercial Core	E2 Commercial Centre
B5 Business Development	E3 Productivity Support
B6 Enterprise Corridor	
IN1 General Industrial	E4 General Industrial
IN2 Light Industrial	
IN3 Heavy Industrial	E5 Heavy Industrial
B4 Mixed Use	MU1 Mixed Use

The employment zones reform will result in the following amendments to the Liverpool Local Environmental Plan 2008 (LLEP):

- Replacing the existing Business (B) and Industrial (IN) zones with new consolidated employment zones (E);
- Introduction of new land uses;

- Amendments to the objectives of various zones;
- Amendments to Land Use Tables (LUTs) of various zones;
- Amendments to Part 7 – Additional local provisions;
- Amendments to Schedule 1 – Additional permitted uses; and
- Changes to the Land Zoning Map.

These changes are reflected in the Translation Document prepared by the Department of Planning and Environment (DPE) in consultation with Council (**Attachment 2**). Additionally, a Technical Analysis Document has been prepared to provide commentary and enable comparisons between existing zones and the new employment zones (**Attachment 3**).

A key change is the rezoning of the Chipping Norton industrial precinct from the existing IN3 Heavy Industrial zoning to the new E4 General Industrial zone. This is supported by Council's Industrial and Employment Lands Strategy. The proposed change will help this industrial precinct to continue to operate effectively into the future in a more efficient and less impactful manner.

This report has been prepared to inform Council about the proposed amendments to the LEP resulting from the NSW Government's employment zones reform. This report also seeks Council's support for the public exhibition of these proposed amendments that will be facilitated by DPE.

A future report will be prepared to inform Council about the outcome of the public exhibition and final form of amendments to be introduced in LEP as determined by DPE.

## **RECOMMENDATION**

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That Council:

1. Notes the amendments to the Liverpool Local Environmental Plan 2008 under the NSW Government's Employment Zones reform;
2. Supports the public exhibition of the proposed amendments to the land use tables, additional local provisions, additional permitted uses and Land Zoning Map in the Liverpool Local Environmental Plan 2008 by the Department of Planning and Environment; and
3. Receives a further report on the outcomes of public exhibition and community consultation once provided to Council by the Department of Planning and Environment.

## **REPORT**

### **Background**

In July 2020, the NSW Government announced the NSW Planning Reform Action Plan to deliver long term structural reform of the planning system and unlock the productivity of NSW.

This action plan intends to respond to and recover from the COVID-19 pandemic with particular focus on initiatives that accelerate the delivery of projects that create jobs and keep the economy moving. This action plan includes a suite of planning reforms led by the Department of Planning and Environment (DPE) including, but not limited to, complying development reforms, building business back better initiatives, and employment zones reforms.

The employment zones reform package was publicly exhibited from 20 May 2021 until 30 June 2021. Council made a submission raising several concerns with the reforms as they were proposed at the time (**Attachment 1**).

### **Proposed changes**

Employment zones reform will result in the following amendments to the Liverpool Local Environmental Plan 2008 (LLEP):

#### 1. Replacing the existing zones with new zones

Employment zone reforms involve replacing the existing Business zones (B) and Industrial zones (IN) with Employment zones (E) under Section 2.1 Land Use Zones within the Standard Instrument (Local Environmental Plans) Order 2006 (Standard Instrument) as shown in Table 1 below.

*Table 1 - Existing business and industrial zones, and proposed new zones*

<b>Existing Zones</b>	<b>Proposed Zones</b>
B1 Neighbourhood Centre	E1 Local Centre
B2 Local Centre	
B3 Commercial Core	E2 Commercial Centre
B5 Business Development	E3 Productivity Support
B6 Enterprise Corridor	
IN1 General Industrial	E4 General Industrial
IN2 Light Industrial	
IN3 Heavy Industrial	E5 Heavy Industrial
B4 Mixed Use	MU1 Mixed Use

It is noted that this has required the commensurate renaming of Environmental zones, as indicated in Table 2.

*Table 2 - Existing environmental zones and proposed new zones*

Previous Zone	New Zone
Zone E1 – National Parks and Nature Reserves	Zone C1 – National Parks and Nature Reserves
Zone E2 – Environmental Conservation	Zone C2 – Environmental Conservation
Zone E3 – Environmental Management	Zone C3 – Environmental Management
Zone E4 – Environmental Living	Zone C4 – Environmental Living

The replacement of zones is in accordance with Table 1 in all instances except for the Chipping Norton industrial precinct. This land is in proximity to the Georges River, low density residential land and open space. This change is supported by Council’s Industrial and Employment Lands Strategy. The proposed change will help this industrial precinct to continue to operate effectively into the future in a more efficient and less impactful manner. Through early consultation, DPE have supported this change as part of the broader reforms proposed.

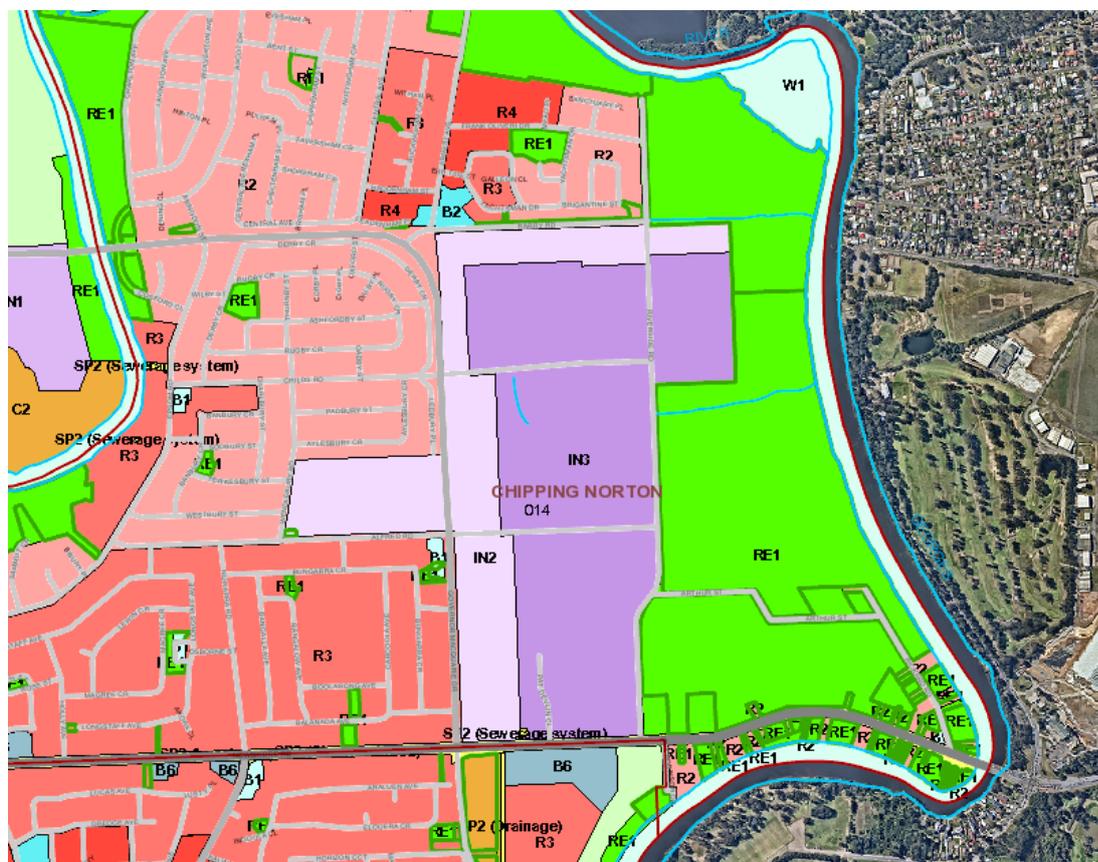


Figure 1 – Existing Zoning Extract of Chipping Norton (Source: LCC Geocortex)

2. Introduction of new land uses

Some new land uses are introduced in the standard instrument including 'Goods repair and reuse premises' and 'Data centres'. This is to ensure land use definitions within the LEP are updated to include emerging industries.

3. Changes to land use objectives

DPE has prepared mandated and non-mandated objectives for each zone to ensure consistency in application of zones across NSW.

Council has discretion to make amendments to non-mandatory objectives only. Council also can add additional local zone objectives to supplement mandatory zone objectives, subject to DPE endorsement.

Land use objectives of each zone are included in the preliminary translation prepared by DPE (**Attachment 2**). Additionally, the Technical Analysis Document provides further commentary on proposed objectives for the new employment zones (**Attachment 3**).

4. Changes to Land Use Table

DPE has identified mandated and non-mandated land uses for each zone to ensure consistency across NSW. Council has discretion in adopting non-mandatory land uses only.

Multiple uses have been added and some have been removed in different zones under these reforms as outlined in **Attachment 2**. Further detailed commentary and comparisons with the existing zones within the LEP is provided at **Attachment 3**.

5. Amendments to Part 7 – Additional local provisions and Schedule 1 – Additional permitted uses

Given the new zones names and amendments to permitted land uses, multiple amendments to Part 7 and Schedule 1 of the LEP are required. These are summarised in **Attachment 2** and addressed in detail in **Appendix 3**. Most of these changes relate to updating zone name references.

6. Changes to Land Zoning Map

All Business (B) and Industrial zones (IN) will be replaced by new employment zones (E) on the Land Zoning Map.

The existing IN3 Heavy Industrial zone in Chipping Norton is proposed to be rezoned to the new E4 General Industrial zone as part of these reforms.

The timeline for implementation of the employment zones reforms by DPE are outlined in Figure 1 below.

### Timeline for the next implementation phase

The following timeline shows how the exhibition phase fits with the overall program.



Figure 1: Timeline for implementation

### Next Steps

It is recommended that Council support the public exhibition of the proposed amendments as outlined in this report and which are reflected in DPE’s translation document. These amendments will be exhibited by DPE through a broader consultation process as detailed in their Communications Strategy (**Attachment 4**).

A further report will be prepared to inform Council of the outcome of the public exhibition and final form of amendments to be introduced into the LEP as determined by DPE.

### FINANCIAL IMPLICATIONS

There are no financial implications relating to this recommendation as DPE will be responsible for public exhibition and associated amendments to the LEP.

### CONSIDERATIONS

<p><b>Economic</b></p>	<p>Further develop a commercial centre that accommodates a variety of employment opportunities.</p> <p>Facilitate economic development.</p>
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**PLANNING & COMPLIANCE REPORT**

<b>Environment</b>	There are no environmental and sustainability considerations.
<b>Social</b>	Provide cultural centres and activities for the enjoyment of the arts.
<b>Civic Leadership</b>	There are no civic leadership and governance considerations.
<b>Legislative</b>	<i>Environmental Planning and Assessment Act 1979</i> Standard Instrument (Local Environmental Plans) Order 2006 Liverpool Local Environmental Plan 2008
<b>Risk</b>	There is no risk associated with this report.

**ATTACHMENTS**

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1. Council submission on Employment Zone Reforms - 30 June 2021 (Under separate cover)
2. DPE Translation Document (Under separate cover)
3. Technical Analysis Document (Under separate cover)
4. DPE Communication Strategy (Under separate cover)

**COUNCIL DECISION**

**Motion:**

**Moved: Cllr Hagarty**

**Seconded: Cllr Macnaught**

That Council:

1. Notes the amendments to the Liverpool Local Environmental Plan 2008 under the NSW Government's Employment Zones reform;
2. Supports the public exhibition of the proposed amendments to the land use tables, additional local provisions, additional permitted uses and Land Zoning Map in the Liverpool Local Environmental Plan 2008 by the Department of Planning and Environment, with a request that 'food and drink premises' remains permissible with development consent in the stand-alone centre at Orange Grove; and
3. Receives a further report on the outcomes of public exhibition and community consultation once provided to Council by the Department of Planning and Environment.
4. Investigate whether local distribution centres in the proposed E1 zone will be allowed under these amendments.

On being put to the meeting the motion was declared **CARRIED**.

The Councillors voted unanimously for this item.