

Doubt over NSW planning reforms

Su-Lin Tan

Sydney developer Austino Property Group has spent nearly two years dealing with two separate councils to build 600 apartments in the growing suburb of Epping in Sydney's north. It is still waiting for approval and has now decided to try its luck in New Zealand.

The company has been caught in a tangle of council amalgamation woes and departments passing the buck back and forth, a situation it doesn't believe will be easily resolved with the newly announced NSW planning reforms.

"It's well and good to tweak the legislation but the issue for us is [council] amalgamations have caused significant problems that no one cares about," Austino planning manager Kerry Keogh said.

"It's bureaucracy gone mad."

Developers said the reforms, which would allow the NSW government to step in when a development approval was stalling, or allow developers to manage their own public consultations, were "mere rhetoric" and would not work unless the state department altered its culture of bureaucracy and made "strong and quick" decisions.

"The reforms have nothing to do with apartments [and housing]," billionaire and founder of apartment builder Meriton Harry Triguboff said.

"In theory, they have always known what they had to do but they haven't done a thing. There's nothing new in it."

Urban Taskforce's Chris Johnson said the decision to reform NSW planning rules was a reaction to Prime Minister Malcolm Turnbull's comments last week that "Sydney councils were taking three times as long to approve development applications as their counterparts in Brisbane".

The reforms also did not address the approval bottlenecks caused by conflicts in council amalgamations.

"The problem is the approving bodies are not making decisions quickly and strongly enough ... fundamentally, we still have too many layers of government," he said.

If the reforms do not work, the housing shortage would not be



Austino's Kerry Keogh is tired of red tape. PHOTO: DOMINIC LORRIMER

solved and other developers might follow Austino and move to other countries like New Zealand.

After Hornsby and Parramatta councils merged, Austino's Metro Park Epping project on Epping Road oscillated between the two councils, resulting in a duplication of public consultations.

So disappointed was Mr Keogh, he and his company are now focusing on Auckland where councils were "a joy to work with". Mr Keogh said Austino was not the only one to make that decision.

"There they sit down with you and don't close the door for three months," he said. "Here, our project is now in limbo."

And while the councils decide the fate of its project, Austino is footing a bill of \$1 million a week to hold the land, which is worth about \$80 million.

Without an approval, it would have to sack all its contractors earmarked for the project, now y finishing another project in St Leonards, further south.

Chinese developer Hailiang also

encountered layers of departments for its Campsie project in Sydney's inner southwest. Its multi-storey apartment tower was shunted from council to council and even to the Greater Sydney Commission, buried in a mountain of planning proposals.

"Everyone is standing back and no one wants to commit or to lead ... they are afraid of any degree of backlash," development director Barney Oros said.

"They are all afraid of being perceived as the bad guy."

"But someone has to put it on the line and say it makes sense to develop these housing projects. You can't on the one hand complain about housing affordability and the lack of supply, but on the other hand be so sensitive to backlash that you end up with the status quo."

However, the NSW government is confident the reforms will prevent delays and resolve conflicts between state government agencies, often an area where there are delays in approvals for large integrated developments, a spokesperson for planning minister Rob Stokes said.