

## 8.4 Impacts of State Significant Development Report

REPORT BY THE MANAGER ECONOMIC DEVELOPMENT  
TO 13 DECEMBER 2023 ORDINARY MEETING  
GOV400103, LAN900072

### RECOMMENDATION

#### That Council:

1. **receive the report by the Manager Economic Development on the Impacts of State Significant Development Report;**
  2. **note the report, Impacts of State Significant Development prepared by PWC; and**
  3. **publish the report, Impacts of State Significant Development on Council website.**
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### Executive summary

Mid-Western Regional Council (MWRC) engaged PwC to assess the impacts of additional population on services, infrastructure and housing as a result of State Significant Development (SSD) projects within and immediately surrounding the Mid-Western LGA (MWR LGA).

The report provides a point-in-time analysis based on the best data available to assess the cumulative impacts of additional population on services, infrastructure and housing as a result of major projects within and immediately surrounding the MWR LGA.

A series of issues were identified and potential recommendations have been developed to mitigate the impacts for each service sector. The actions and recommendations also identify longer-term opportunities and legacy projects with many focused on utilities infrastructure.

It is recommended that the report be noted and published on the Council website.

### Disclosure of Interest

Nil

### Detailed report

Mid-Western Regional Council received an NSW Government grant to engage PwC to assess the impacts of additional population on services, infrastructure and housing as a result of State Significant Development (SSD) projects within and immediately surrounding the MWR LGA. This project was identified due to the fast paced growth of the Central West Orana Renewable Energy Zone.

The report provides a point-in-time analysis based on the best data available to assess the cumulative impacts of additional population on services, infrastructure and housing as a result of major projects within and immediately surrounding the Mid-Western Region, Local Government Area.

The analysis has three primary objectives:

- a) Growth impacts: estimate the likely number of workers expected across both the construction and operational phases of planned major projects in the region and determine the subsequent temporary and permanent increase to population within the Mid-Western Region, Local Government Area.
- b) Service / Infrastructure Impacts: determine the impact of this additional population on housing, infrastructure, and services, including water, sewage, waste, healthcare, schooling, childcare, and emergency services.
- c) Mitigating Strategies: outline strategies and potential investments required to mitigate the identified short-term impacts on housing, infrastructure and services as well as identify a series of longer-term economic development opportunities or legacy projects.

### **Growth Impacts**

At the time this report was written 25 SSD projects as well as EnergyCo's transmission lines were identified for development in and around the Mid-Western Region.

It is projected that a peak workforce of up to 7,010 workers will be utilised in 2026. Accounting for workers who may bring spouses and families, the total additional population may peak at 9,906 additional persons in 2026. This equates to a 40% increase in population in three years.

It is assumed that approximately 5,000 of the additional population will be housed in temporary worker accommodation (TWA). The remainder needs to be housed within the region, which translates to approximately 1,515 additional dwellings required in the region in 2026. By comparison, MWRC has processed 1630 housing approvals in past 10 years (163 a year). The rental market is currently tight with 74 properties vacant across the LGA as of October 2023, noting this has since reduced to 57 in November 2023.

### **Service / Infrastructure Impacts**

The expected exponential growth will impact current service levels and infrastructure in the Mid-Western Region, Local Government Area.

Water needs from TWAs and additional residential housing may demand, on average, up to an additional 708 ML per year in 2026. TWAs may generate, on average, up to 456 ML of wastewater per year in 2026 (assuming approximately 5,000 people are housed in TWAs). Council does not have the operational capacity to service this demand.

Up to 7,428 additional tonnes of waste is forecast to be produced in the peak construction year (2026) from additional residential housing and temporary worker accommodation.

Increased demand on local road networks could increase average road maintenance costs by approximately 55%, rising to \$13,270 per km from \$8,539 per km. The majority of this additional traffic demand would be generated by non-rate paying persons, creating a funding gap for maintenance.

Up to an additional 5,085 emergency department presentations could be expected in 2026, a 35% increase and would necessitate a doubling of the current emergency department capacity at Mudgee Hospital if this activity were to be met within the region.

Up to an additional 25 classrooms may be required across primary and secondary schools at the peak construction period in 2026 due to workers who may bring families and children.

### **Mitigating Strategies & Recommendations**

44 mitigating strategies were identified in the report in categories of housing, water management, sewerage, waste, childcare, schools, hospitals, primary care, ambulance, police and local roads. The mitigating strategies were developed through mapping gaps by service area and operational capability and confirming the response required to maintain current service provisions. Key

stakeholders and the levers available also were identified to understand factors impacting the ability to meet increased demands on services and infrastructure.

These recommendations are intended to inform ongoing collaborative planning with relevant government and non-government stakeholders to align growth planning for services and infrastructure and manage the impacts on the Mid-Western community throughout the delivery of these State Significant Developments. Some recommendations will be delivered by council whilst others will require leadership by other agencies. In some incidents Council may not action recommendations due to which may have impacts on the pace of development of the Renewable Energy Zone.

Staff will utilise the report and findings to continue to inform government of ongoing pressures in the region from the Central West Orana Renewable Energy Zone. It is recommended that the report be noted and published on the Council website.

## Community Plan implications

<b>Theme</b>	<b>Good Government</b>
Goal	Strong civic leadership
Strategy	Provide strong representation for the community at Regional, State and Federal levels

## Strategic implications

### Council Strategies

Mid-Western Regional Economic Development Strategy – 2023 update  
Local Environment Plan  
Mudgee and Gulgong Urban Release Strategy  
On Site Sewerage Management Plan  
Roads Asset Management Plan  
Sewer Asset Management Plan  
Sewer Development Servicing Plan  
Water Supply Systems Asset Management Plan

### Council Policies

Affordable Housing Policy  
Drinking Water Policy

### Legislation

Not Applicable

## Financial implications

Nil

## Associated Risks

This report aims to delineate the effects of State Significant Developments on the Mid-Western Region and its community. Neglecting the recognised impacts and failing to implement strategies to alleviate them poses a potential threat to the community's social, environmental, and economic well-being.

MICHELE MINI  
MANAGER ECONOMIC DEVELOPMENT

ALINA AZAR  
DIRECTOR DEVELOPMENT

28 November 2023

*Attachments:* 1. Managing Impacts of State Significant Development Report. (separately attached)

APPROVED FOR SUBMISSION:

BRAD CAM  
GENERAL MANAGER