

Item 3.

Policy - Public Exhibition - Energy and Waste Amendment 2018 - Sydney Development Control Plan 2012 and Green Square Town Centre Development Control Plan 2012

File No: X004692.002

Summary

The City's planning framework plays a critical role in shaping the economic, cultural, social and environmental success of the City. It ensures we have the quantity and quality of space needed for the City to be productive, liveable and sustainable. The planning framework ensures that land uses take best advantage of transport, services and infrastructure.

Sydney Development Control Plan 2012 (Sydney DCP 2012) came into operation on 14 December 2012, together with Sydney Local Environmental Plan 2012 (Sydney LEP 2012). These planning controls are the product of a comprehensive program of review and consolidation of the City's previous controls and development policies.

Green Square Town Centre Development Control Plan 2012 (Green Square Town Centre DCP 2012) came into operation on 24 April 2012, and complements the provisions of Sydney Local Environmental Plan (Green Square Town Centre) 2013. These planning controls provide detailed provisions for development in the Green Square town centre, and recognise the town centre as the major centre for the surrounding neighbourhoods.

Since 2012, the City's focus for its strategic planning work has shifted from the consolidation of the controls to delivering the long term vision described in Sustainable Sydney 2030. The focus has also been on responding to the challenges of evolving economic, demographic and environmental opportunities and the NSW Government's plans and policies. For example, the NSW Climate Change Policy Framework sets the NSW target of net zero emissions by 2050. The Draft Greater Sydney Region Plan and revised Draft Eastern City District Plan have enabling strategies and actions to support the State target.

A component of this work is the ongoing monitoring and review of the controls to deliver their intended planning outcomes and improve their operation and clarity.

This report seeks Council's approval for public exhibition of proposed energy and waste amendments to Sydney DCP 2012 and Green Square Town Centre DCP 2012, shown at Attachment A to this report. The proposed amendments include:

- (a) introducing a requirement for Base Building National Australian Built Environment Rating Scheme (NABERS) Energy Commitment Agreements for new commercial office buildings, and major commercial office refurbishments, over 1,000 square metres to Sydney DCP 2012 and Green Square Town Centre DCP 2012;
- (b) updating introductory text to Section 3.6 Ecologically Sustainable Development of Sydney DCP 2012; and

- (c) updating provisions in Sydney DCP 2012 that relate to storage and management of waste to align with the proposed Guidelines for Waste Management in New Developments, which replaces the Policy for Waste Minimisation in New Developments 2005.

The proposed amendments are also a direct response to the following actions listed in the City's Environmental Action 2016 - 2021 Strategy and Action Plan and the City of Sydney Operational Plan 2017/2018. Both documents aim to deliver the long term vision of Sustainable Sydney 2030 through:

- Action 6.10 Investigate the inclusion of DCP provisions that introduce NABERS Energy Commitment Agreements for new commercial office buildings and major commercial office refurbishments over 500 sqm or 1000 sqm; and
- Objective 2.2.1 Incorporate minimum waste requirements for waste storage capacity for new developments in DCP.

This report recommends Council endorse the proposed amendment to Sydney DCP 2012 and Green Square Town Centre DCP 2012, and the proposed Guidelines for Waste Management in New Developments, which are to form part of the Sydney DCP 2012, for public exhibition. If endorsed for exhibition, they will be placed on public exhibition for comment for a minimum of 28 days.

Recommendation

It is resolved that:

- (A) Council endorse the proposed amendments to Sydney Development Control Plan 2012 and Green Square Town Centre Development Control Plan 2012, as shown at Attachment A to the subject report, for public exhibition for at least 28 days;
- (B) Council note the amendment will be reported back to Council following public exhibition;
- (C) authority be delegated to the Chief Executive Officer to make any changes prior to the public exhibition of the amendment that are required to correct minor errors or as a result of consideration by Council;
- (D) Council endorse the proposed Guidelines for Waste Management in New Developments, shown at Attachment C to the subject report, for public exhibition for at least 28 days; and
- (E) Council note the proposed Guidelines for Waste Management in New Developments will be reported back to Council following public exhibition.

Attachments

- Attachment A.** Proposed Sydney Development Control Plan 2012 and Green Square Development Control Plan 2012 - Energy and Waste Amendment 2018
- Attachment B.** Summary Table of Amendments
- Attachment C.** Proposed Guidelines for Waste Management in New Developments

Background

1. The City's planning framework plays a critical role in shaping the economic, cultural, social and environmental success of the City. It ensures we have the quantity and quality of space needed for the City to be productive, liveable and sustainable. The planning framework ensures that land uses take best advantage of transport, services and infrastructure.
2. The Sydney Development Control Plan 2012 (Sydney DCP 2012) came into operation on 14 December 2012, together with Sydney Local Environmental Plan 2012 (Sydney LEP 2012). These planning controls are the product of a comprehensive program of review and rationalisation of the City's previous controls and development policies.
3. Green Square Town Centre Development Control Plan 2012 (Green Square Town Centre DCP 2012) came into operation on 24 April 2012, and complements the provisions of Sydney Local Environmental Plan (Green Square Town Centre) 2013. These planning controls provide detailed provisions for development in the Green Square town centre, and recognise the town centre as the major centre for the surrounding neighbourhoods.
4. Since 2012, the City's focus for its strategic planning work has shifted from the consolidation of the controls to delivering the long term vision described in Sustainable Sydney 2030. The focus has also been on responding to the challenges and opportunities of evolving economic, demographic and environmental trends and NSW Government plans and policies.
5. A component of this work is the ongoing monitoring and review of the controls to deliver their intended planning outcomes and improve their operation and clarity. The proposed amendments to Sydney DCP 2012 and Green Square Town Centre DCP 2012 are the result of this regular monitoring and review.
6. The proposed amendments to Sydney DCP 2012 and Green Square Town Centre DCP 2012 will make the application of provisions simpler and clearer, and provide the community and proponents with more robust development controls for energy and waste.
7. The proposed amendments will ensure the City's planning framework continues to deliver the strategic directions under Sustainable Sydney 2030 and address the actions found within the City's Environmental Action 2016 - 2021 Strategy and Action Plan and the City of Sydney Operational Plan 2017/2018. The amendments will help deliver desirable environmental, social and economic outcomes from development.
8. The proposed amendments to the Sydney DCP 2012 and the Green Square Town Centre DCP 2012 aim to:
 - (a) strengthen the application of ecologically sustainable development principles in new developments and major refurbishments;
 - (b) improve the clarity of existing ecologically sustainable development provisions; and
 - (c) align waste provisions to the proposed Guidelines for Waste Management in New Developments.

9. The proposed amendments are shown at Attachment A, Sydney Development Control Plan 2012 and Green Square Town Centre DCP 2012 - Energy and Waste Amendment 2018 (the DCP amendment). It proposes amendments to text.
10. This report recommends that Council endorse the DCP amendment and Guidelines for Waste Management in New Developments for public exhibition.
11. The key purpose of the DCP amendment is to:
 - (a) Amendment 1 - introduce a requirement for Base Building National Australian Built Environment Rating Scheme (NABERS) Energy Commitment Agreements for new commercial office buildings, and major commercial office refurbishments, of 1,000 square metres or more;
 - (b) Amendment 2 - update introductory text to Section 3.6 Ecologically Sustainable Development of Sydney DCP 2012; and
 - (c) Amendment 3 - update waste provisions to align with the Guidelines for Waste Management in New Developments, replacing the Policy for Waste Minimisation in New Developments 2005.
12. The DCP amendment proposes amendments to text, as shown at Attachment A.
13. The proposed amendments and the key implications are discussed below. A table detailing the rationale for each amendment is included at Attachment B to this report.

Key Implications

Amendment 1 - NABERS Energy Commitment Agreements

14. The key energy amendment to the Sydney DCP 2012 and the Green Square Town Centre DCP 2012 introduces a new clause to foster efficient and sustainable use of energy and resources, and minimise new and significantly refurbished office buildings' consumption of energy. The proposed provisions establish standards for new, and major refurbishments of, commercial office buildings with a net lettable floor area over 1,000 square metres to commit to achieving a 5.5 star NABERS Energy rating for base building. A base building rating covers the performance of the building's central services and common areas, which can be influenced by building design and the building services.
15. The commercial office sector was responsible for 45 per cent of City emissions in 2015/16. Through the adoption of high efficiency and renewable energy technologies in the design and operation of buildings, rates of energy consumption can be reduced, resulting in reduced greenhouse gas emissions and lower operating costs for building owners and occupants. Introducing Base Building NABERS Energy Commitment Agreements to DCP controls will encourage such technologies.
16. The changes proposed support Sustainable Sydney 2030, related documents and Council resolutions, as well as NSW State Government plans and policies.
17. In 2008, Sustainable Sydney 2030 set a target to reduce greenhouse gas emissions by 70 per cent below 2006 levels.

18. The City's Energy Efficiency Master Plan (2015) recognises the NABERS program as making a substantial contribution to reducing energy consumption and emissions at the time of publication and in the future. The Energy Efficiency Master Plan identified updating the City's planning controls to require NABERS Energy Commitment Agreements for new commercial office buildings and major commercial office refurbishments as an enabling action. The Energy Efficiency Master Plan is a supporting document to the Environmental Action 2016 – 2021 Strategy and Action Plan (the Environmental Action Plan).
19. The Environmental Action Plan was endorsed in March 2017. The Environmental Action Plan renewed the City's Sustainable Sydney 2030 environmental targets in line with the Paris Agreement. The Paris Agreement is a United Nations program that aims to strengthen the global response to the threat of climate change. The Environmental Action Plan repeats the call to investigate the introduction of NABERS Energy Commitment Agreements for new commercial office buildings and major commercial office refurbishments. Introducing such a requirement will enable the City's planning and regulatory controls to promote energy efficiency and support the achievement of the environmental targets set in Sustainable Sydney 2030 and Environmental Action 2016 – 2021 Strategy and Action Plan.
20. The NSW Climate Change Policy Framework sets the NSW target of net zero emissions by 2050. The Draft Greater Sydney Region Plan and revised Draft Eastern City District Plan have enabling strategies and actions to support the State target. NABERS Energy Commitment Agreements will contribute to reducing emissions, and therefore the proposed amendment directly aligns with and contributes to this State target.

National Australian Built Environment Rating System (NABERS)

21. The National Australian Built Environment Rating Scheme (NABERS) is a rating tool that is well established in the Australian market, with two thirds of offices in NSW with a NABERS rating. The NABERS scheme compares the actual operational performance of existing buildings and tenancies, relative to similar buildings. NABERS measures the energy efficiency, water usage, waste management and indoor environment quality. NABERS ratings are based on the previous 12 months of measured performance information. They use parameters such as hours-of-use and the area of the building, and are scaled 0 star (very poor performance) to 6 star (market leading performance), including half star increments.
22. An energy rating is the most popular type of NABERS ratings. For new Premium and Grade A buildings, a 5 star NABERS Energy rating or higher is required, and 4 star or higher for Grade B buildings using Property of Council of Australia's Guide to Office Building Quality (2012) matrix. The average NABERS Energy rating for commercial office buildings in the City of Sydney in 2016 was 4.53 star (without GreenPower). Only 16% of office buildings were rated less than 3 star NABERS Energy. GreenPower is a Federal program that enables households and businesses to displace their traditional (coal/gas sourced) electricity usage with certified renewable energy.
23. Several Federal, State and industry programs and policies reference or require NABERS Energy ratings. These include:
 - (a) Commercial Building Disclosure Program (Federal);
 - (b) National Green Leasing Policy (Federal);
 - (c) NSW Government Resource Efficiency Policy (State); and

- (d) Property Council of Australia's A Guide to Office Building Quality (industry).
24. The Commercial Building Disclosure Program (2010), administered by the Australian Government, mandates the disclosure of the NABERS Energy rating for commercial office space of 1,000 square metres or more. Prior to 1 July 2017, the mandatory disclosure threshold on commercial office space was 2,000 square metres. The Commercial Building Disclosure Program was established under the Building Energy Efficiency Disclosure Act 2010. Disclosure of the NABERS Energy rating before sale or lease assists prospective buyers and tenants to make informed decisions regarding energy efficiency and greenhouse gas emissions data.
 25. The DCP amendment aligns with the Commercial Building Disclosure Program's mandatory disclosure threshold of 1,000 square metres.
 26. The National Green Leasing Policy (2012) establishes a framework for minimum green lease standards in government office accommodation. This Commonwealth policy facilitates environmentally beneficial practices and outcomes associated with the leasing of buildings, through the use of a Green Lease Schedule. The policy requires a minimum 4.5 star NABERS Energy rating for both government tenancies and government buildings over 2,000 square metres.
 27. The NSW Government Resource Efficiency Policy (2014) sets a minimum 4.5 star NABERS Energy rating for State owned and leased office buildings. The NSW Government is currently reviewing this policy, including considering whether to strengthen NABERS ratings and other minimum standards.
 28. The Property Council of Australia's A Guide to Office Building Quality (2012) provides a design specification for new office buildings and a matrix for existing buildings for classifying office building quality. The Guide provides various tools for assessing office building quality in new and existing buildings.
 29. The Guide references NABERS Energy ratings, and links NABERS Energy ratings with grades of buildings. For new Premium and Grade A buildings a 5 star NABERS Energy rating or higher is required, and 4 star or higher for Grade B buildings.
 30. The current edition of the Guide was released in 2012 and an update is currently taking place, with the 3rd edition available in Q3 2018. It is expected all referencing to NABERS criteria will be updated.

NABERS Energy Commitment Agreements

31. A NABERS Energy Commitment Agreement is a commitment by a building owner to design, build and commission a building to a selected NABERS star rating. It is a contractual commitment between the NABERS national administrator and a building owner to achieve actual operational performance. The communication amongst the design team and other relevant stakeholders during the design and construction stages, as part of the Commitment Agreement process, enables a focus on the achievement of a rating target.
32. Commitment Agreements are applicable to new commercial office building projects or to upgrades and refurbishments of the base building, tenancy or combined tenancies and base building (known as a whole building rating). Commitment Agreements are also applicable to premises that are newly occupied, renovated or where operational changes are being made. The Commitment Agreement covers the design, construction, commissioning and tenanting phases of the project as well as a 12 month operational period to allow operational data to be collected to prove performance.

33. The benefits of NABERS Energy Commitment Agreements to proponents, building owners and tenants are:
- (a) reduced base building energy costs;
 - (b) costs to design and construct a higher efficiency building can be minimised by including energy targets in the planning and design phase of a development;
 - (c) a building rating system which allows for the achievement of corporate sustainability targets;
 - (d) a building rating system which allows for developers, building owners and tenants to promote and market environmental performance whilst the building is being designed, constructed and leased;
 - (e) NABERS Rating Estimate associated with a NABERS Energy Commitment Agreement can be used to show compliance with energy efficiency Performance Requirements JP1 and JP3 of National Construction Code Volume One Energy Efficiency Provisions 2016; and
 - (f) NABERS Energy modelling associated with a NABERS Energy Commitment Agreement can be used to claim Energy points in Green Star - Design & As Built.

5.5 star NABERS Energy Commitment Agreement

34. The DCP amendment proposes the inclusion of NABERS Energy Commitment Agreements of 5.5 star for new commercial office buildings, and major commercial office refurbishments with 1,000 square metres or more of net lettable floor area. The Commitment Agreement is for the base building. The proposed amendment utilises 1,000 square metres to align with the Commercial Building Disclosure Program.
35. The majority of commercial office projects in the City of Sydney are currently achieving or proposing 5 star NABERS Energy ratings for the base building.
36. The studies listed below indicate a 5.5 star NABERS Energy rating is an appropriate minimum target to require for future developments, with reasons including:
- (a) higher rental rates based on data analysis from the Investment Property Databank;
 - (b) positive net present value and internal rate of return possible; and
 - (c) little or no 'additional' energy savings at the local government area level if below 5.5 star as NABERS Energy ratings in the City of Sydney are increasing over time, on average - requiring less than 5.5 star will achieve a much smaller reduction in energy usage from buildings.
37. Specifically for the City, introducing a requirement to enter into a NABERS Energy Commitment Agreement of 5.5 star means:
- (a) the City's planning controls can further support the Sydney LEP 2012, Part 1, 1.2(2)(c) aim to promote ecologically sustainable development;
 - (b) future planning proposals and development applications seeking to demonstrate design excellence will need to exceed 5.5 star NABERS Energy to qualify for design excellence; and

- (c) the City can progress towards reducing greenhouse gas emissions across the entire City of Sydney.
38. The following were relied upon to determine the proposed 5.5 star NABERS Energy rating:
- (a) draft National Construction Code 2019;
 - (b) peer-reviewed journal article by NSW Office of Environment and Heritage and AECOM, Life cycle cost comparison of a high NABERS performing commercial building (2016);
 - (c) Investment Property Databank Australia Market Results (2014); and
 - (d) preliminary discussions with industry stakeholders.
39. The National Construction Code is a performance based code containing all of the Performance Requirements for the construction of buildings. It provides the minimum necessary requirements for safety, health, amenity and sustainability in the design and construction of new buildings, and new building work in existing buildings, throughout Australia. It is an initiative of the Council of Australian Governments.
40. In NSW, the National Construction Code is referenced and given effect through the Environmental Planning and Assessment Act 1979. The National Construction Code is made up of the Building Code of Australia (BCA), being Volumes One and Two, and the Plumbing Code of Australia, being Volume Three.
41. The National Construction Code is amended every three years and technical proposals to change the National Construction Code are considered during this cycle. The next update of the National Construction Code is scheduled for 2019, with the draft National Construction Code 2019 currently open for public comment until 13 April 2018. One key element of the proposed 2019 amendments includes increased levels of energy efficiency for commercial buildings, located in Section J Energy Efficiency of Volume One. This focus is an outcome of the Council of Australian Governments 2015 National Energy Productivity Plan and subsequent energy productivity targets.
42. Draft National Construction Code 2019 proposes to use the NABERS Energy Commitment Agreements process and modelling of 5.5 star as one of the verification methods to demonstrate compliance with Performance Requirement JP1 for a Class 5 building. Class 5 buildings are office buildings that are used for professional or commercial purposes. There are four verification methods proposed to demonstrate compliance with Performance Requirement JP1:

- (a) NABERS Energy;
 - (b) Green Star;
 - (c) verification using a reference building; and
 - (d) building envelope sealing.
43. The Office of Environment and Heritage, the NABERS national administrator, commissioned AECOM to conduct a life cycle cost analysis based on the capital and operating costs of a building targeting different NABERS Energy star ratings. The study modelled a new build on a brownfield site with a net lettable area of 35,000 square metres located in Sydney. The study was conducted from both a building owner perspective (base building) and a tenant perspective (tenancy). A Base Building NABERS Energy rating covers the energy use by base building services, such as central air conditioning plant, lighting in the common area spaces, lifts and car park facilities.
44. The study indicates there is a strong business case, supported by rigorous modelling, that high NABERS rated buildings are more desirable to construct and operate than average or low performing buildings. Financially, two of the four scenarios in the study (scenario 2 - 5 star Energy and 4.5 star Water; scenario 3 - 5.5 star Energy and 5 star Water) are the most attractive for a building owner/developer, showing a similar, positive 15 year net present value. The modelled 25 year net present value shows scenario 3 with a higher benefit, however, it is at the expense of a greater capital outlay.
45. Investment Property Database Australia Markets Results (2014) show:
- (a) a 10.6 per cent average return on buildings that achieve a 5 star NABERS Energy and higher, compared to 8.5 per cent return for 4 - 4.5 star and 7.6 per cent for 3.5 star or lower; and
 - (b) high performing NABERS Energy buildings have a vacancy rate of 0.4 percentage points lower than the average lower performing buildings, have 17 per cent higher net income (\$/sqm), have a 21 per cent higher capital value (\$/sqm), and a longer weighted average lease expiry by 45 per cent.
46. Preliminary industry stakeholder discussions occurred prior to this Council report. Stakeholders voiced support of including NABERS Energy Commitment Agreements for commercial office buildings into the planning controls. Further stakeholder engagement will take place if Council approves this report for public exhibition.
47. The above studies, industry stakeholder discussions, the benefits of NABERS Energy Commitment Agreements and the industry acceptance of the NABERS program provide a strong argument for the proposed amendment. This DCP amendment proposes the inclusion of Base Building NABERS Energy Commitment Agreements of 5.5 star for new commercial office buildings, and major commercial office refurbishments, with over 1,000 square metres of net lettable floor area in Sydney DCP 2012 and Green Square Town Centre DCP 2012.

Amendment 2 - update Section 3.6 Ecologically Sustainable Development of Sydney DCP 2012

48. The DCP amendment updates and develops the existing introductory text to Section 3.6 Ecologically Sustainable Development of Sydney DCP 2012. The key changes comprise:
 - (a) modification of text to strengthen and clarify the purpose of Section 3.6 Ecologically Sustainable Development;
 - (b) updating references to programs; and
 - (c) deletion of references to expired Master Plans.
49. The existing text lacks an introductory paragraph to identify the purpose of the section, therefore, text has been added which aligns with other sections of Sydney DCP 2012.
50. The existing reference to the Australian Government's Commercial Building Disclosure Program's current mandatory disclosure threshold is out of date. From 1 July 2017, the mandatory disclosure threshold on commercial office space was lowered from 2,000 square metres to 1,000 square metres. The amendment will align Sydney DCP 2012 with the current threshold requirement of the Program.
51. Green Infrastructure plans that are referenced in the introductory text are no longer applicable to the City, therefore, these references are proposed to be removed.
52. The above corrections and updates are marked in red, with new text shown as underlined and deleted text as strikethrough within Attachment A to this report.

Amendment 3 - Waste

53. The DCP amendment and the proposed Guidelines for Waste Management in New Developments (the proposed Guidelines) aim to ensure all new buildings in the City of Sydney are designed, constructed, operated and demolished with best practice waste management principles.
54. The proposed key changes to Sydney DCP 2012 comprise:
 - (a) replacing references to the Policy for Waste Minimisation in New Developments 2005 with the proposed Guidelines for Waste Management in New Developments;
 - (b) modification of text to strengthen and clarify the purpose and objectives of Section 3.14 Waste of Sydney DCP 2012;
 - (c) expanding waste management references to include recycling to emphasise the role of recycling in the waste management system; and
 - (d) expanding the objectives and provisions of Section 4.2.6 Waste and Recycling Management in Sydney DCP 2012 to emphasise the role of building design to facilitate improved waste separation and resource recovery.
55. Additional proposed minor changes can be found in the summary table at Attachment B.

56. The proposed DCP amendment will enable the efficient storage, separation, collection and handling of waste in developments to maximise resource recovery and meet the City's waste and greenhouse gas reduction targets found in Sustainable Sydney 2030 and Environmental Action 2016-2021 Strategy and Action Plan. The proposed amendments ensure that increased space is provided, especially for larger buildings and non-residential developments, and help ensure the space is more accessible and better able to be used by residents and tenants. This will have positive benefits to the community by reducing illegal dumping and improving public amenity.
57. The proposed Guidelines have been developed to update and to replace the existing Policy for Waste Minimisation in New Developments 2005. Updating the Policy for Waste Minimisation in New Developments 2005 is an action that the City committed to in Leave nothing to waste - Managing resources in the City of Sydney area: Waste strategy and action plan 2017-2030, which was adopted by Council in October 2017.
58. The proposed Guidelines were developed and reviewed in conjunction with MRA Consulting (a waste consultant) by:
 - (a) utilising the Policy for Waste Minimisation in New Developments 2005 as a base document;
 - (b) incorporating recent waste data and research;
 - (c) using the NSW EPA's Draft Better Waste Guidelines for New Developments as a reference document; and
 - (d) consulting with key stakeholders.
59. The proposed Guidelines provide the minimum waste management requirements that need to be incorporated for all new and change-of-use developments requiring consent when completing Waste and Recycling Management Plans for a development application.
60. The proposed Guidelines reflect current waste generation rates, waste consumption patterns, and the need for increased recovery rates to meet City targets and to reduce waste being illegally dumped in public places. They result in the following:
 - (a) Food waste - additional bin storage for the separation of food waste for collection in non-residential developments and single dwellings (equates to less than 20 per cent additional bin space for single dwellings);
 - (b) Bulky waste:
 - (i) additional basement storage space for bulky waste (e.g. mattresses and furniture) in residential developments greater than 20 units; and
 - (ii) minimum space requirements for bulky waste in non-residential developments based on floor space and use; and
 - (c) Other changes:
 - (i) additional on-site storage space for the collection of textile waste in multi-unit residential developments with 50 units or more;

- (ii) dedicated on-site storage space for problem waste (e.g. light bulbs, electronic waste, batteries and chemicals);
- (iii) the option to provide dedicated on-site space for the separate collection of beverage containers suitable for redemption under the container deposit scheme collection in non-residential developments; and
- (iv) more flexibility in how access to waste and recycling areas can be achieved, by removing the requirement to provide chutes and clarifying maximum travel distance requirements.

61. In addition to the waste provisions in Sydney DCP 2012, all new and 'change-of-use' developments requiring consent are to consider the proposed Guidelines in order to provide the minimum requirements for waste and recycling management. The proposed Guidelines provide more specific requirements than Sydney DCP 2012 for the different development types across the City of Sydney. The proposed Guidelines form part of Sydney DCP 2012.

Food waste

62. The proposed amendments to Sydney DCP 2012 will introduce additional requirements to provide space for separate food waste storage in non-residential developments and single dwellings, but not multi-unit residential developments. This is to ensure that these buildings have space to separate food waste for collection, composting or worm farming.
63. The proposed Guidelines include separate generation rates for food waste for non-residential developments and single dwellings, in addition to general waste and recycling rates for all developments, to assist with designing adequate space requirements.
64. In Leave nothing to waste - Managing resources in the City of Sydney area: Waste strategy and action plan 2017-2030, the City has committed to introducing a separate food waste collection to City properties and implementing a trial food waste collection scheme for residents in multi-unit residential developments and single dwellings. A pilot is planned to begin in financial year 2018-19 and, depending on the results of the pilot, a Council-wide, voluntary participation rollout is planned.
65. For non-residential developments, references to organic waste have been updated to food waste. Specifically, the existing Sydney DCP 2012 requirements to provide space for organic waste storage within food preparation areas, on each floor, and in central waste and recycling areas are clarified to refer to food waste. To reinforce this, the proposed Guidelines now require dedicated space for collecting food waste within all kitchens, office tearooms, service and food preparation areas.
66. Recent technology improvements in food waste storage, collection and processing, in combination with the increasing costs of general waste service (due in part to increases in the NSW Waste and Environment Levy), have resulted in many retail and commercial premises already operating separate food waste collection. By clarifying requirements to provide space for food waste separation at the point of generation (i.e. in kitchens and food preparation areas), building tenants can more easily participate in any food waste collection scheme and contribute to its efficiency.

67. Requirements in the proposed Guidelines to allocate space for separate food waste collection in non-residential development and single dwellings will support the City in meeting its targets for both reducing waste to landfill and greenhouse gas emissions. These targets are identified in Leave nothing to waste - Managing resources in the City of Sydney area: Waste strategy and action plan 2017-2030 and the Environmental Action 2016-2021 Strategy and Action Plan (the Environmental Action Plan).
68. In the Environmental Action Plan, a target of 70 per cent recovery of residential, commercial and industrial waste is set for June 2021, which aligns with the NSW Waste and Resource Recovery Strategy 2014-21. The Environmental Action Plan also sets a more ambitious target of 90 per cent recovery for June 2030. Reducing barriers to participation and supporting the increased use of separate food waste collection programs will be crucial in meeting these targets.
69. The Environmental Action Plan recognises greenhouse gas emissions from waste breaking down in landfill as an important component of the City's total greenhouse gas emissions. Organic waste, including food waste, makes up a significant contribution to greenhouse gas emissions, because it releases methane as it decomposes under the anaerobic conditions of landfill. According to the most recent research from the Intergovernmental Panel on Climate Change, methane is 34 times more potent than carbon dioxide as a greenhouse gas. For these reasons, diverting food waste from landfill is an effective way to reduce a large proportion of greenhouse gas emissions from waste.

Bulky waste

70. Bulky waste consists of mattresses, furniture, whitegoods, large packaging, fitout waste and other items that are too large to fit in a mobile garbage bin. While the City of Sydney operates free weekly bulky waste collection for all residents, up to 4,000 tonnes of bulky waste is illegally dumped in the City of Sydney each year, representing 35 per cent of the waste managed by the City's cleansing and waste team.
71. To help prevent bulky waste being dumped, the DCP amendment and the proposed Guidelines specify that adequate space be provided for storing bulky waste on-site.
72. A separate room of eight square metres for storing bulky waste within multi-unit residential developments is an existing requirement in Sydney DCP 2012. The DCP amendment allows more flexibility in how this space is provided, including as a screened-off area within a waste and recycling area. The updated space requirements are specified in the proposed Guidelines. They allow a minimum of four square metres for residential buildings with 6-20 units, and additional space for larger buildings on a sliding scale. The intent of this change is for the size of bulky waste storage areas to more accurately reflect the number of residents in the building and for bulky waste storage to be more visible and accessible to residents.
73. For non-residential buildings, a new requirement to provide space for bulky waste storage is introduced in Sydney DCP 2012 and the proposed Guidelines. This specifies minimum space requirements dependent on floor space and type of development. By specifying size requirements for bulky waste storage in line with floor space, this provision will help ensure storage space is sufficient to handle a development's bulky waste generation.

Other changes

74. The proposed Guidelines include other new provisions to facilitate better waste management and source separation. They include providing space for textile recycling/charity collection and storage for problem waste, such as light bulbs, electronic waste, batteries and chemicals, in multi-unit residential developments, and providing space for container deposit scheme (CDS) collection in non-residential developments.
75. Minor changes regarding chutes in residential apartment buildings are proposed in the DCP amendment and are detailed in the proposed Guidelines. The new requirements allow more flexibility in how a building can provide access to waste and recycling areas, and remove the requirement to provide chutes in buildings over three storeys.
76. These provisions will allow new developments to better respond to new opportunities to separate specific waste streams and engage in more effective resource recovery programs. In the case of CDS collection, it can provide a revenue stream for building managers and businesses.

Stakeholder consultation

77. The proposed Guidelines were reviewed and developed in conjunction with MRA Consulting (a waste consultant) to incorporate recent waste data and research, as well as the NSW EPA's Draft Better Waste Guidelines for New Developments and feedback from key stakeholders.
78. In developing the proposed Guidelines, the City had preliminary consultation with the Better Buildings Partnership, waste consultants, property managers and developers. All parties are generally supportive of the new requirements, and relevant feedback was incorporated.
79. Engagement on the proposed Guidelines extended to Sustainability Victoria who are updating their Guide to Best Practice for Waste Management in Multi-unit Developments. The Victorian guide will apply to all new development across Victoria. Their industry stakeholder engagement sessions have highlighted the importance of providing sufficient space at the building design stage for organics and other emerging waste streams, such as e-waste and textile waste, as retrofitting for additional waste separation needs in the future is difficult and costly.

Strategic Alignment - Sustainable Sydney 2030 Vision

80. Sustainable Sydney 2030 is a vision for the sustainable development of the City to 2030 and beyond. It includes 10 strategic directions to guide the future of the City, as well as 10 targets against which to measure progress. This DCP amendment is aligned with the following strategic directions and objectives:
 - (a) Direction 2 provides a road map for the City to become A Leading Environmental Performer - the amendment assists in meeting the City's targets that include reducing greenhouse gas emissions across the City of Sydney.
 - (i) Amendment 1 - the amendment will directly reduce greenhouse gas emissions through more energy efficient building design in the commercial office sector.
 - (ii) Amendment 3 - the amendment will reduce waste to landfill through improved waste recovery, and reduce greenhouse gas emissions associated with organic waste in landfill.

- (b) Direction 9 - Sustainable Development, Renewal and Design - the proposed amendments facilitate ecologically sustainable development by seeking to manage the effects of development on the environment.
 - (i) Amendment 1 - the amendment will directly reduce greenhouse gas emissions through more energy efficient building design in the commercial office sector.
 - (ii) Amendment 3 - the amendment and proposed Guidelines include new development requirements for buildings to function better and promote sustainability in relation to how tenants and residents manage their waste.
- (c) Direction 10 - Implementation through Effective Governance and Partnerships - the amendment allows for a more user-friendly document for the community, proponents and Council.

Organisational Impact

- 81. One aim of the DCP amendments is to achieve greater clarity and consistency in the application of the provisions. This can improve the process of assessment of development applications.

Social / Cultural / Community

- 82. The proposed amendments will provide the community and proponents with clearer and more robust development controls.

Amendment 3 - Waste

- 83. Proposed amendments will have positive benefits to the community by reducing illegal dumping and improving public amenity. The amendments ensure that enough space is provided, especially for larger buildings and non-residential developments, and help ensure the space is more accessible and better able to be used by residents and tenants.

Relevant Legislation

- 84. The Environmental Planning Assessment Act 1979 and the Environmental Planning and Assessment Regulations 2000 outline the requirements for amending a development control plan.
- 85. Building Energy Efficiency Disclosure Act 2010 (Commonwealth) establishes the Commercial Building Disclosure program, and the Building Energy Efficiency Register.
- 86. The Protection of the Environment Operations Act 1997 gives the Environment Protection Authority (EPA) NSW its regulatory powers, setting out offences relating to environmental damage, including littering, pollution and improper waste management.
- 87. The Waste Avoidance and Resource Recovery Act 2001 requires the EPA to develop waste strategies that include targets for waste reduction, resource recovery and diversion of waste from landfill disposal, and gives the EPA power to request councils to report on their compliance with the current waste strategy. The City of Sydney's waste targets align with the NSW Waste Avoidance and Resource Recovery Strategy 2014-21, and Amendment 3 contains measures to meet these targets.

Critical Dates / Time Frames

88. If Council approves the public exhibition of the DCP amendment and proposed Guidelines, it is anticipated that the public exhibition will occur in the second quarter of 2018. All submissions received will be considered and the DCP amendment and proposed Guidelines will be reported back to Council by the second half of 2018.

Public Consultation

89. The purpose of this report is to seek approval to publicly exhibit and seek community input on the DCP amendment and proposed Guidelines for Waste Management in New Developments. The DCP amendment and proposed Guidelines will be placed on public exhibition for a minimum of 28 days in line with the Environmental Planning and Assessment Act 1979 and the Environmental Planning and Assessment Regulation 2000.
90. The DCP amendment and proposed Guidelines will be advertised in local newspapers and on the City's website and will be made available at neighbourhood centres for inspection.
91. The City will review all submissions to the DCP amendment and the proposed Guidelines and report the outcomes of the public exhibition and any post-exhibition changes back to Council for final approval prior to formal adoption.
92. Council should note that although preliminary industry stakeholder discussions occurred prior to this report, all industry stakeholders will have the opportunity to make submissions.

GRAHAM JAHN, AM

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