Report: Morisset and South West Growth Area Resilience and Growth Study

Prepared by the Institute for Regional Futures, University of Newcastle

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Document preparation

This report was prepared on Awabakal and Worimi Land by the Institute of Regional Futures, University of Newcastle for Lake Macquarie City Council (Council).

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The Institute would like to thank all the internal and external stakeholders and community members who participated in interviews and community forums to share their experiences and insights for the study.

Many thanks also to Council staff who provided support and information for the delivery of the project.

The University of Newcastle acknowledges the traditional custodians of the lands within our footprint areas: Awabakal, Darkinjung, Biripai, Worimi, Wonnarua, and Eora Nations.

We also pay respect to the wisdom of our Elders past, present and emerging.

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EXECUTIVE SUMMARY

BACKGROUND

The South West Growth Area in the City of Lake Macquarie has been recognised by Lake Macquarie City Council and the NSW State Government as a location of strategic significance for major growth that will deliver widespread benefits for the local government area and the broader Hunter region.

Lake Macquarie City Council's *Local Strategic Planning Statement 2020* outlines a series of initiatives to proactively support the area's urban, population and employment growth and development. The *Hunter Regional Plan 2041* identifies the Growth Area as the site for greatest potential growth in population and jobs in the Hunter and Central Coast regions in the coming decades.

The Growth Area is located close to the M1 Pacific Motorway and Northern Rail Line, and it includes the growing urban centres of Morisset, Cooranbong and Wyee. With a current population of around 24,000 residents and 10,000 dwellings, the Growth Area is considered to have the potential to support a significant increase in population over the next 20 years.

Ideally positioned as a major point of connection between Greater Newcastle and the Central Coast and with ready access to key transport infrastructure, the *Hunter Regional Plan 2041* anticipates the South West Growth Area will play a key role in the economic diversification of the region.

The potential for the Growth Area is also being recognised beyond government with significant interest from the private sector for residential and commercial development.

Lake Macquarie City Council first embarked on a development pathway in the South West Growth Area through its 2008 Structure Plan for Morisset. Since then, several major factors have come into play that influence the course of the economic landscape for the area including the impact of COVID 19, and the forthcoming closures of Eraring Power Station in 2025 and Vales Point Power Stations in 2029.

Reflecting these shifts and the increasing strategic significance of this area, Council has prioritised updating the Structure Plan for Morisset and determining the optimal way forward to ensure the potential for the wider Growth Area is realised. This work will feed into the development of the Morisset Place Strategy, which is a requirement of the *Hunter Regional Plan 2041*.

ABOUT THIS STUDY

Lake Macquarie City Council commissioned the University of Newcastle's Institute for Regional Futures to conduct a Resilience and Growth study as a foundational study to inform future planning for the Morisset and the South West Growth Area. The study methodology involved a mixture of stakeholder analysis, quantitative data collection, and the examination of a range of feasible future growth models. From these inputs, a range of strategic actions have been identified for application through the more detailed place-based planning and plan making that will underpin new or updated development pathways.

The evidence base underpinning the study is summarised below.

Desktop review	A review of key reports, policies and plans to understand: ▪ the state and local policy context for the Growth Area ▪ the State Government's strategic planning context, including the role of Morisset in the *Hunter Regional Plan 2041* ▪ the local government strategic planning context including key land-use plans, and economic strategies and policies ▪ implications for development in the Growth Area.
Engagement and consultation	Consultation with key stakeholders to understand their views about future development in the Growth Area. This included: ▪ interviews with 23 representatives from 16 external stakeholder groups such as key businesses, government agencies, community groups, not for profit/industry representative stakeholders ▪ interviews with Lake Macquarie City Council staff ▪ engagement with elected local government members ▪ a community forum attended by 20 community members.
Growth modelling	20-year projections for six different growth outcomes were modelled to understand the capacity for growth of the population, dwellings and jobs (commercial and industrial). Conducted in collaboration with Council, the modelling was based on a pipeline of projects that were at different stages of planning (from conceptual to being approved) in order to make assumptions about the potential yield that each development could achieve.
Scenario planning	The above areas of study were applied through a scenario planning exercise. This led to the development of four distinct future scenarios that all align differently to the draft vision, and plausible growth outcomes envisaged. The purpose of this exercise was to examine and compare each scenario to distil key implications for future planning.

A VISION FOR MORISSET AND THE SOUTH WEST GROWTH AREA

A vision was developed with key stakeholders and the (then) NSW Department of Planning, Industry and Environment to articulate the aspiration for Morisset and the South West Growth Area. It builds on Council's Local Strategic Planning Statement and feedback recorded through its community engagement mechanisms.

Morisset is situated on Awabakal land. It is a vibrant strategic centre supporting the Hunter region's economic transition. It is a thriving regional hub that caters to a diverse population from young families to retirees. It is a place where people want to live, with a robust local economy that has successfully navigated a transition to non-carbon intensive energy.

It is a vital gateway between the Hunter and Greater Sydney on the Central Coast-Lake Macquarie planning corridor, with direct links to the M1 Motorway and Main Northern Rail Line. The area takes full advantage of its significant opportunities for growth in residential, commercial, recreation, tourism and industrial land-use. Morisset and its supporting local centres, Cooranbong and Wyee, represent and are recognised as the largest growth area in the Hunter and as underpinning the economic transition of the region.

Morisset continues to grow given its available land, transport connections, and proximity to other parts of the Hunter, Central Coast and Sydney. Growth supports diverse businesses, creative enterprises, government and community services; and provides opportunities for more intensive multi-storey commercial, mixed-use and residential development.

Improvements to rail passenger services and Morisset's position on the M1 Motorway provide local employment and cater to the lifestyle preferences of the emerging hybrid-remote working models.

Morisset is also the gateway to important natural areas including the Watagans National Park and Lake Macquarie which play an important role in tourism and active recreation industries. Growth is attentive to local European and Aboriginal heritage and connects people with the lake and the Lake Macquarie State Conservation Area adjoining the Morisset hospital site.

With several mines and two major power stations, including the 930-hectare site of Australia's largest coal-fired power station, the local economy is diversified to cater to the demand for renewable energy and circular economy developments, a growing lifestyle and tourism market, health services, goods distribution and urban food production. Supporting these activities is accessibility to tertiary education institutions including Avondale University and the University of Newcastle.

The vision is designed to provide Council with a framing for further refining and testing. It has been shared with a number of key stakeholders and has in-principle support.

GROWTH MODELLING

Growth modelling was conducted to inform the potential growth scenarios across population and jobs for the Growth Area, detailed in the following section.

The Growth Area currently comprises 24,000 residents, approximately 10,000 dwellings and 6,000 local jobs, with a split of around 2/3 commercial jobs and 1/3 industrial jobs.

The growth modelling demonstrated that population over the 20-year horizon could plausibly increase by between approximately 12,000 to 33,000 people. By 2041, the modelling indicated that the total population in the Growth Area could reach between 36,000 and 56,000 people. This is an average annual population growth rate of between 2.6% p.a. to 7.0% p.a., which is remarkably high when benchmarked to other high-growth areas in NSW. This pace of growth warrants a deliberate planning effort to manage change effectively.

To reflect dwelling and employment growth, the research team worked with Council to understand what the market is indicating for the Growth Area based on projects in the pipeline. These were at different stages of planning ranging from preliminary enquiries / concepts through to projects that had been approved / were under construction.

The modelling makes high-level assumptions about what types of yield each development would achieve based on project lead estimates and industry benchmarking. It is worth noting that the level of detail that could be reasonably assigned to jobs was limited, so broad categories (industrial and commercial) rather than individual sectors (e.g., manufacturing or retail) have been used.

There are wide variations in growth between the projections and within individual precincts across the Growth Area depending on the likelihood and ease that projects will be delivered. These variations have been captured and informed the development of four possible future development scenarios for the Growth Area.

SCENARIO PLANNING

The scenario planning approach underpinning this study relies on refining the emerging vision for the Growth Area within the context of regional and national socio-economic driving forces, megatrends, and uncertainties.

The purpose of scenario planning is not to provide options to choose between, but to highlight issues and considerations to guide decision-making. Scenario planning undertaken for this study was designed to clarify what might happen, not what should happen in the Growth Area.

Four scenarios have been developed for consideration for the Growth Area which draw out possible outcomes for business and employment, land-use planning, housing supply and demand, social infrastructure, connectivity, infrastructure needs and community services.

1. Morisset as usual

Morisset As Usual is the baseline scenario where the population is projected to reach 46,770 in 2041. Population growth is attributed to three factors:

i.   The population increases through migration to the area from both urban and rural sources due to persistently low housing costs and enduring lifestyle amenity across the Growth Area.

ii. Additional housing demand is provided through a low number of land consolidations and opportunistic infill in a variety of locations. The total new development is capped by the existing land zoned for residential use (developed and undeveloped) and is generally undertaken within existing planning controls.

iii. Ageing in place initiatives support population retention while expanding health care and social assistance which will continue to drive significant employment.

Limited additional investment would be required for this scenario for current physical and social infrastructure which can be accommodated under Council's approach to asset upgrade and renewal.

The current liveability and amenity values of the area, which is a key attractor for the new residents, are maintained. Significant habitat and biodiversity corridors would also be maintained connecting the shores of Lake Macquarie with the Watagans National Park, enabling employment in conservation and eco-tourism industries.

Developments that are currently under assessment or in the planning phases come to fruition, including 'pipeline projects' in the Gunther Industrial Estate, Mandalong Road South, Mandalong Road North, and an industrial hub on Gimberts Road.

It is anticipated that the entertainment facility, and the residential, industrial, and commercial developments in the vicinity of Mandalong and Gimberts Roads are realised.

2. Inner core

The Inner Core scenario promotes increased density around Morisset Central, through changes to residential planning controls and state and council investment in place-making and public domain. Under this scenario, the Morisset as Usual growth described in Scenario 1 is coupled with a strategic urban renewal program targeting low-density buildings within 15 minutes of the train station.

Place-making investment is combined with council programming to re-create Central Morisset as a vibrant social heart with delightful main streets, active street frontages and a central community hub and civic space.

Planning controls are modified to enable and then to incentivise high-rise mixed-use developments within the inner precinct. The ground plane is activated through the attraction of: boutique retail, fine dining, night-time economy activity, and cultural activity including integrated public art and public events.

The Inner Core accommodates a mix of housing, including accessible, adaptive, and affordable housing, and a diverse offering of business services, retail and dining. Health and social services are also offered to match the expectations and needs of the targeted population growth.

This scenario sees the successful attraction of new residents, investment, business activity and jobs enabled with a greater promotion and recognition of the wider Morisset area as a live/work destination of choice. As with the Morisset as Usual Scenario, the Inner Core is supported by future commercial growth between the M1 Motorway and existing city centre.

Under the Inner Core Scenario, the commercial core and mixed-use land in Morisset Central is increased to a height of up to eight storeys, and the medium density residential land to the east, west and south given a permissible maximum height of up to six storeys.

Streets around the train station, especially Yambo and Dora Streets, would be pedestrian priority spaces through 'streets as shared spaces' actions. Upgrades to increase walkability and accessibility, and a potential bypass would be investigated to reduce through-traffic.

The 'Town Square' proposal is realised, creating a focal point for the public domain, and serving as a catalyst for private investment in Morisset Central. A modernised digital library and community centre is relocated to the square and serves as an anchor tenant.

3. Gateway Morisset

Building on the residential and lifestyle attractors of the Inner Core scenario, Gateway Morisset leverages its geographic advantage as a strategic road and rail transport corridor, driving urban intensification of Morisset Central and commercial, agricultural, and industrial land uses adjacent to the M1 Pacific Motorway.

Council advocacy and promotion amplifies the linkages and provision of services between Central Coast/Greater Newcastle metropolitan area enabling regional-scale growth. Gateway Morisset anticipates the introduction of fast(er) rail through the Sydney-Central Coast-Newcastle Faster Rail improvement investments in fleet and infrastructure upgrades.

The area identifies and actively promotes itself as a dormitory suburb for commuters in Sydney, the Central Coast and Newcastle. This positioning drives increased and diverse residential development, which in turn creates additional demands in retail and commercial offerings. The residential expansion and uplift proposed for the Inner Core scenario is extended, particularly towards the motorway.

In addition to the increased population, industrial and commercial development nearby the M1 Motorway follows the trend of e-commerce penetration and includes transport, freight and logistics industrial uses and outer peri-urban land-uses. Importantly, industrial development takes full advantage of waste management and circular economy opportunities, due to uniquely positioned access to waste markets with declining landfill capacity.

Among the peri-urban land-uses, appropriate areas are reserved to encourage intensive agriculture, including precision farming, hydroponics, and large-scale greenhouses, to provide for ongoing local food security and to leverage strategic connections to wholesale distribution centres. Biodiversity farming initiatives, including carbon farming and biobanking, operate alongside protected cropping and horticulture.

Tourism is actively promoted, combining the amenity, natural environment, heritage, and outdoor lifestyle tourism appeal of the area. With improved and higher speed rail connections to Sydney, the Growth Area becomes a destination of choice for weekend and extended getaways from the metro regions. Council

supports larger and more frequent festivals and events, including regular live music, that attracts more visitors and local residents to cultural and entertainment activities.

Tourism infrastructure, including diverse visitor accommodation, easier transport connections, bookable experiences and packages of events and activities, works in tandem with the commercial recreational, cultural, arts and events facilities and destinations. Where possible, these commercial facilities are integrated with other high values uses, such as the high demand residential alternatives like manufactured home estates and seniors living.

4. Morisset City

The Morisset City scenario represents the fullest realisation of development across the Growth Area in terms of maximising the yield of residential and employment lands. Under this scenario, the current trends in housing costs and liveability pressures experienced in metropolitan areas are combined with digitized, remote workforces and enhanced transport links driving housing demand in regional, high-amenity enclaves.

Through the timely staging and managed release of urban development areas in the Growth Area, with sensitivity to environmental constraints, the population progressively expands into new greenfield sites. Careful Place Strategy planning sees infrastructure investment precede the population, especially in the provision of transport. Active transport links within and across neighbourhoods and mixed-use integration reduces health and environmental costs of incidental transport in compact, mixed-use urban villages.

The increase in population drives diversity in residential market, sustains local businesses (including expansion and change of use in existing shopping centres), and creates a population density threshold consistent with social and cultural diversity, inclusion and cultural development.

The increasing population creates significant additional demand for investment in physical and social infrastructure, but the concentration of population enables economies of scale and reduces costs per capita. Comprehensive ecological assessment will be required in some of the areas that are being considered for urban release.

One key advantage of the increased population in the Morisset City scenario is that it supports Council and other stakeholders' advocacy and demands for state/federal infrastructure, including university campuses and transport upgrades.

As with the Gateway Morisset scenario, demand for local jobs enables further growth of industrial and commercial activity adjoining the M1 Pacific Motorway. Morisset City also leverages the proximity to the M1 Pacific Motorway to support employment in Mandalong Road West, including freight, warehousing and logistics, that complement nearby centres.

TRADE-OFFS BETWEEN SCENARIOS

The four scenarios provide examples of the different types of futures that could align with the draft vision. Each places a different emphasis on different elements such as the development footprint, population growth, business (and sector) development and environmental conservation.

The differences between each scenario highlights different priorities between the viable options for future growth.

	Morisset as Usual	Inner Core	Gateway Morisset	Morisset City
Development drivers	Opportunistic and ad hoc development	Higher residential density in Morisset Central	Purpose-designed transit/transport-oriented development	High intervention urban renewal and growth
Estimated Population 2041	42,060	44,680	45,170	57,545
Estimated dwellings 2041	18,000	19,225	19,420	24,420
New jobs 2041	Industrial: 3,500 Commercial: 200	Industrial: 3, 500 Commercial: 600	Industrial: 4, 300 Commercial: 5,200	Industrial: 4,300 Commercial: 11,500
Business development	Expanding health care and social assistance needs, conservation management	Lifestyle and boutique retail, café and hospitality, night-time economy, and culture	Freight and logistics, circular economy, intensive agriculture, carbon farming	University and education institutions, expanded health facilities
Social infrastructure	Ageing in place, health, and community services	Placemaking, public domain upgrades, civic and community services	Tourism infrastructure, arts, and cultural events, protected peri-urban production lands	Health, education, early childhood, community support, community development, transport, culture, sport and recreation, parks, and emergency services
Council's role	Limited additional investment required for physical and social infrastructure Enhance current liveability, environmental, and amenity values	Place-making and programming for activated public domain and civic space LEP/ DCP amendments in Morisset Central to enable urban renewal Investigate community infrastructure incentives as trade-off for density Promotion of Morisset as live/work destination of choice	Advocacy for regional transport upgrades, including the traffic bypass for Dora Street Business case for additional commuter car parking spaces at Morisset Review public transport (multi-modal) connectivity Destination management and tourism planning to identify synergies across current offerings	Technical investigations for development areas Coordination of servicing of new land Advocacy for investments in education and health facilities Determine demand for new community services / facilities Facilitate negotiations in relation to the former Morisset Hospital site and surrounding RU6 Transition zoned land

EMERGING BUSINESS OPPORTUNITIES FOR THE GROWTH AREA

There are significant business opportunities in the Growth Area due to the area's assets, which include its natural setting, access to education institutions, transport accessibility and inter-regional connectivity, and environmental assets and biodiversity corridors.

With several mines and two major power stations, the Growth Area's economy is expected to further diversify and cater to demand for renewable energy and circular economy developments, and goods distribution.

The current pipeline projects also reinforce the presence of an appetite for industrial development in Morisset. At the same time, there is a gulf between the considerable opportunities for Morisset and the Growth Area to be an industrial hub in sectors such as freight and logistics or hydrogen, and the projects currently on the horizon for development.

While industrial growth is somewhat inevitable in Morisset and the Growth Area, the degree to which the considerable business opportunities for the area can be realised depends on navigating existing barriers, such as the quality and accessibility of Mandalong Road. It is also important to consider the infrastructure requirements of the sectors identified as business opportunities in this section, and how these can be provided to attract new businesses.

Finally, it will be necessary to integrate regulatory requirements and environmental impact assessments - and how they affect feasibility - into the consideration of business opportunities.

Through the study, three key new business opportunities have emerged.

1. Freight and logistics hub

The study found considerable support for the establishment of a freight and logistics hub in Morisset, which received endorsement from a variety of stakeholders. Support is largely due to the Growth Area's strategic location on the National Highway between Melbourne and Brisbane. A freight hub in this location could also provide strategic road connections to the Liverpool Plains and New England.

Morisset also benefits from access to rail line networks with existing freight capability, which will eventually link to the Inland Rail29. There appears to be land capacity to develop an industrial park noting enabling infrastructure will be needed (subject to further technical investigations) to support businesses that require national distribution.

Future planning and plan-making will need to consider the implications of structural changes within the freight and logistics sectors, including within the Hunter region. This includes transformative proposals for the Port of Newcastle (e.g., containerisation) and the potential for Newcastle Airport to play an increasing role in fast freight distribution nationally and internationally. Monitoring the uptake of lands within the immediate vicinity of both air and sea ports, as well as in strategic locations such as Black Hill or Rutherford, will be important to establishing investment and planning conditions that are attractive to new industries.

2. Circular economy precinct

There is significant support at various levels of government and the private sector for initiatives that embody circular economy principles through, for example, the elimination of waste, reuse and recycling of materials, and the regeneration of nature. These types of initiatives typically rely on a significant movement of resources to/from value-add locations. The same strategic connectivity advantages that make the Growth Area a good candidate for a freight and logistics hub would also provide a strong platform for a circular economy precinct.

A circular economy precinct would be more locally/regionally focused (as distinct from the state/national focus of a freight hub), leveraging its connections to, for example, high-construction areas (e.g., residential development), and areas where power stations and coal mines are in transition.

The Growth Area also benefits from its proximity to the University of Newcastle, with well-established capabilities in circular economy research. For example, in 2021, the University and Council partnered to establish a Circular Economy Living Lab, offering seed funding for new research projects drawing from industry opportunities within the Lake Macquarie local government area.

The Circular Economy Living Lab is currently working with Origin Energy to investigate opportunities for the anaerobic digestion and recycling of fly ash at the Eraring Power Station for use as a product for other industries, including construction.

Multiple other opportunities have been identified for the Eraring Power Station site, which is due to close in 2025, including to support the site's environmental remediation. If realised, the site could be a 'blueprint' for other former power stations, and the Circular Economy Living Lab partnership model could be replicated for other sites or sectors.

3. Hydrogen cluster

The Hunter region is emerging as an important location for hydrogen futures. The region has been producing hydrogen for decades using traditional technologies to produce derivative products for the resources and associated sectors.

The Hunter Hydrogen Roadmap,[1] highlights the relevance of the region as a cluster that can bring together expertise, technologies, resources, capital, and knowledge of businesses to drive supply chain coordination, connection and development in the emerging hydrogen fuel industry.

The Lake Macquarie local government area has been identified as an important part of the hydrogen cluster in the Hunter Hydrogen Roadmap. Stakeholder engagement as part of this study reinforced the potential role for the Growth Area in this regard.

The Growth Area's connectivity is a strategic advantage, for example, by capitalising on its proximity to the national highway, to offer a green hydrogen refuelling station for passenger vehicles.[30] The model for a short-term pilot is already available in the ActewAGL Hydrogen Refuelling Station in the ACT[31]. Another opportunity leveraging the area's transport connections is the establishment of a service centre for electric vehicles (EVs) in Morisset. The Eraring Power Station is a potential location for an EV battery station.

The table on the following page summarises the trade-offs for business opportunities under the four future planning scenarios. These include projects suggested by council and additional opportunities identified through the desktop analysis and engagement activities.

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[1] Hunter Hydrogen Taskforce (2021). *Hunter Hydrogen Roadmap 2021-2024.* University of Newcastle and Committee for the Hunter. Available at https://hunter.org.au/wp-content/uploads/2021/11/20211117-Hunter-Hydrogen-Roadmap.pdf.

Scenario	Business opportunities
1. Morisset as Usual	▪ 'Pipeline projects', including developments in Gunther Industrial Estate, Mandalong Road South, Mandalong Road North and an industrial hub on Gimberts Road ▪ Expanding social and health services provision associated with ageing-in-place infrastructure ▪ Environmental tourism and conservation management
2. Inner Core	All of the above and ▪ Boutique retail, hospitality, night-time economy and associated commercial opportunities associated with a live/work precinct
3. Gateway Morisset	All of the above and ▪ Freight and logistics hub ▪ Circular economy developments ▪ Intensive agriculture and protected cropping ▪ Destination and event tourism
4. Morisset City	All of the above and ▪ Hydrogen and renewable energy infrastructure

Scenario

Business opportunities

1. Morisset as Usual

ADDITIONAL CONSIDERATIONS FOR THE DEVELOPMENT OF THE GROWTH AREA

Council's strategy for the South West Growth Area will need to consider a complex range of influencing factors across job creation, land-use planning, housing, and social and infrastructure planning to ensure the vision can be realised. Those considerations are summarised below:

FACTOR	CONSIDERATIONS
New business and job creation	▪ Variations in economic activity in regional businesses can create difficulty when planning infrastructure to bolster development and long-term growth[2]. ▪ Education levels can influence job opportunities and availability of a skilled work force for new / expanding industries. ▪ Lack of affordable housing, difficulty in maintaining social equity and limited accessibility to services will make it more difficult to retain a local workforce, particularly in lower-income sectors. ▪ Inadequate servicing infrastructure will discourage new businesses and industries to relocate to Morisset, creating a missed opportunity for a local workforce. ▪ Changing population demographics, such as an aging population and loss of young people from the area, which is linked to limited youth employment opportunities.
Land-use planning	▪ Fast-changing land-use and development can place additional pressures on transport networks. Failure to organise land-use and transport development can add to congestion and crowding in some areas, or a lack of suitable services in others.[2] These outcomes would influence the amenity and 'liveability' of Morisset. ▪ Limited supply of land for 'out-of-centre' developments, like larger footprint commercial or light industrial uses in the Growth Area, will lead to competition for space which may sterilise or delay new projects. ▪ Challenge to ensure that biodiversity and cultural considerations are properly addressed, particularly as Council works with Biraban Local Aboriginal Land Council. ▪ Limited understanding of transport development can pose a significant risk for the delivery of projects, particularly industrial parks along Mandalong Road. ▪ Need for improved coordination to oversee services and infrastructure required, such as water and sewage access for new developments (similar issues experienced in the Central Coast). ▪ Limited engagement and support from key stakeholders, such as government agencies and private landowners, over land-use planning. This is a particular risk for the Morisset Hospital and the Eraring Power Station sites.
Housing	▪ Key services and social infrastructure such as schools, health services, and retail and commercial services are required alongside housing development to enhance for the attractiveness of the area, and liveability for new residents. ▪ Mixed housing options are needed to cater for different housing demands with regard to size, density and location of the dwelling.

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[2] Infrastructure Australia (2022). *Regional Strengths and Infrastructure Gaps – Regional Analysis: New South Wales*. Australian Government. Available at https://www.infrastructureaustralia.gov.au/2022-regional-strengths-and-infrastructure-gaps-NSW

FACTOR	CONSIDERATIONS
	▪ Affordable housing construction and key worker housing is made difficult by prohibitive costs to Council or developers. ▪ Job availability is a key factor to attracting new residents which could undermine demand for affordable housing. ▪ Constraints on densification in Morisset given its geographical features. ▪ Potential community resistance to densification of housing that may alter the traditional character of the town centre.
Social planning	▪ The shifting landscape of health concerns are increasing the cost of health infrastructure and services for both funders and consumers. If this is not addressed, government funding will become untenable, and costs will become too expensive for consumers.[2] ▪ Small service densities can restrict the supply of available, continuous and quality health care in rural communities and remote areas. Without action, healthcare outcomes for populations in these areas will to be adversely affected.[2]

CONCLUSION

The Morisset and South West Growth Area is in a position of strength. It has been prioritised for growth by different levels of government. It is strategically located between Greater Newcastle and the Central Coast, and has access to inter-regional transport networks. The private sector is increasingly looking for opportunities for residential and commercial development. Key stakeholders and the community support the growth of the area, but have called for Council to take an approach that manages change carefully.

There are a number of pathways available to Council to explore. These are captured in the four growth scenarios included in this report. Council has the option to continue with 'business as usual', and the area will likely still deliver growth in population and jobs. Incremental increases in intervention across the scenarios will be contingent on further developments in the policy context, changes to planning controls and Council's projected capacity for investment.

The growth scenarios are not prescriptive. They have been designed to present key issues and considerations to guide decision-making. The next milestone for Council will be to broadly settle on a pathway that captures the vision they intend to pursue for the Growth Area. From this point, Council will be able to proceed with scoping the development of a business case which will be key to informing the next stage of the South West Growth Area strategy.

1. INTRODUCTION

1.1   OVERVIEW

Lake Macquarie City Council (Council) engaged the Institute for Regional Futures (the Institute) at the University of Newcastle in early 2022 to conduct the *Morisset and South West Growth Area Resilience and Growth Study* (the Study). The Study was envisaged as a foundational study to inform future planning for the Morisset and the South West Growth Area. The study methodology involved a mixture of stakeholder analysis, quantitative data collection, and the examination of a range of feasible future growth models.

The intent at the time of commencement was for the Study to inform a review and update of the *Morisset Structure Plan 2008* (the Structure Plan)[3]. However, parallel to this, the NSW Government released the *Hunter Regional Plan 2041* in December 2022 that introduced a new strategic plan-making framework for high-growth areas with each guided by a Place Strategy. The Morisset area, including the supporting local centres of Cooranbong and Wyee, is identified as a Regionally Significant Growth Area in the Regional Plan, for which a Place Strategy must be prepared.

This report has been prepared to provide foundational considerations to guide Council's decision-making on future development pathways, including an evidence base to determine optimal growth patterns; and data to support economic and social development outcomes (i.e., enhanced liveability, sustainability and economic resilience). The report findings have been presented for application through the more detailed place-based planning and plan making that may occur through revisions of the Structure Plan and/or the development of a Place Strategy.

1.2   THE MORISSET AND SOUTH WEST GROWTH AREA

The South West Growth Area is located in the City of Lake Macquarie local government area (LGA) on its boundary with the Central Coast LGA.

For the purposes of this Study, the study area was aligned with two Statistical Areas (Level 2) under the Australian Bureau of Statistics (ABS) geographic classification: Morisset-Cooranbong and Bonnells Bay-Silverwater. The study area boundary is illustrated in Figure 1.

The Growth Area includes the emerging urban centres of Morisset, Cooranbong and Wyee, and significant natural assets comprising waterways and state conservation areas. With a current population of around 24,000 residents and 10,000 dwellings, the Growth Area is considered to have the potential to support a substantial increase in population over the next 20 years.

The Growth Area has ready access to key transport infrastructure, including the M1 Pacific Motorway and Northern Rail Line. It is ideally positioned as a major point of connection between Greater Newcastle and the Central Coast. This unique and strategic location paves the way for the Growth Area to be a leader in the economic diversification of the Hunter region through the expansion of existing industrial and commercial entities, and the creation of new enterprises.

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[3] Fallding, M. and A. Smith (2008). *Morisset Structure Plan 2008*.
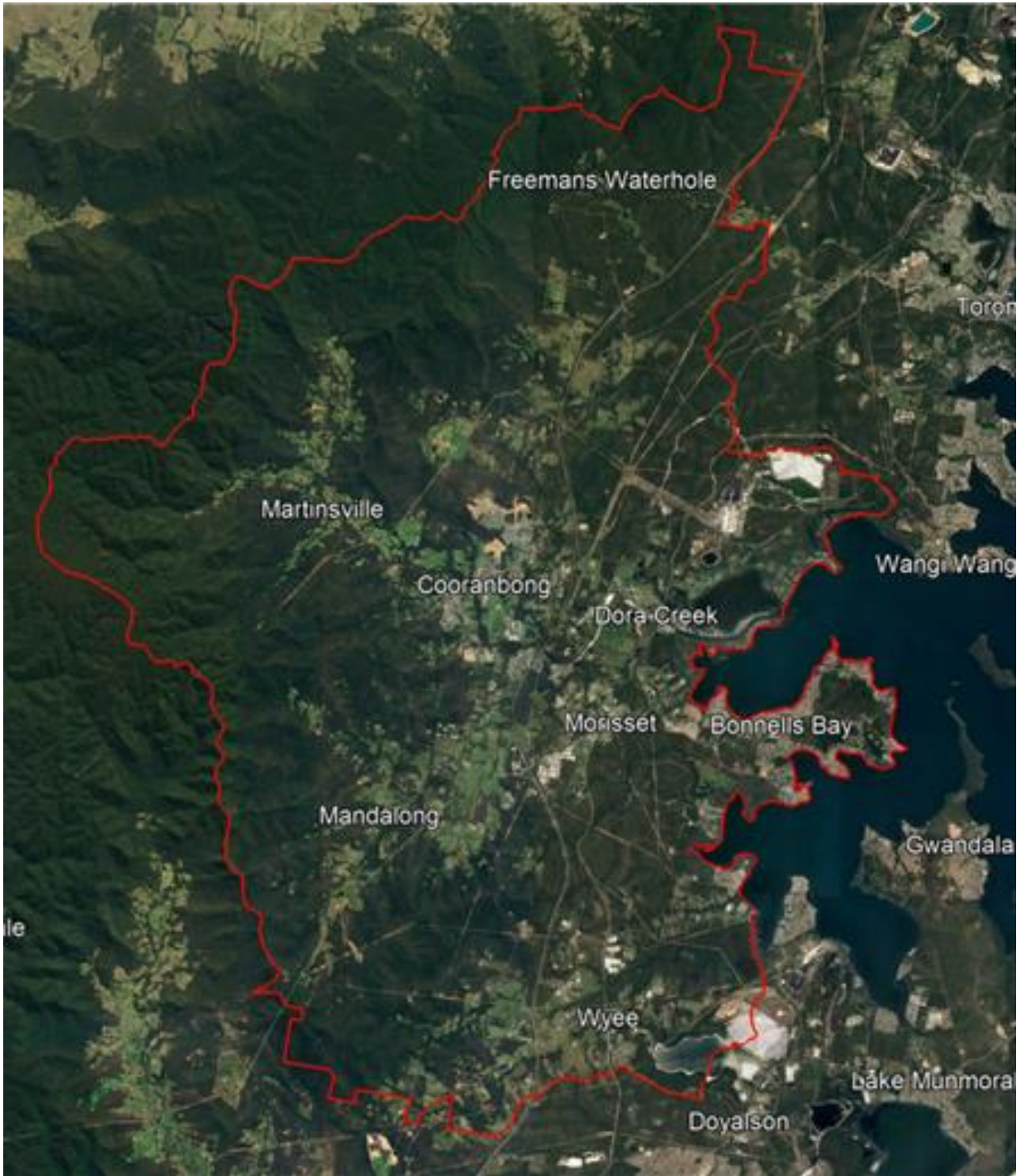
Figure 1: Study area boundary

This potential for future growth and economic diversification has been recognised by local and state governments across key strategic planning documents including:

- the City of Lake Macquarie Council's Local Strategic Planning Statement (2020)
- the Greater Newcastle Metropolitan Plan 2036 (2018)[4]
- the Hunter Regional Plan 2041 (2022)[5].

An assessment of the important role of these plans in the development of the Growth Area is provided at Section 2 and Appendix 1.

1.3   CONTEXT FOR THE STUDY

Changes in the local and state level planning and policy environment in recent years have a strong bearing on the options for future development of the Growth Area. Updates to these settings in the last six months are particularly relevant.

This study was first initiated to inform Council's planning and plan-making for the area over the next 20 years, in response to:

- The timely need to review and update the *Morisset Structure Plan* adopted in 2008, noting growth had largely occurred in parts of Morisset as envisaged.
- Significant interest from the private sector for residential and commercial development, including investment not previously envisaged in the Structure Plan.
- An outstanding need to relocate and upgrade Morisset library and align with a new central public space public space and possible expanded residential and commercial development component.
- The announced closures of Eraring Power Station in 2025 and Vales Point Power Stations in 2029.
- New and / or emerging strategic planning and policy agendas and programs, such as federal and state hydrogen strategies that identify the Hunter as a 'hydrogen hub'.

Since the adoption of the Structure Plan in 2008 and more recently, the NSW Government has released new policy statements that pose implications for planning and plan-making within the Growth Area. This includes sweeping changes to the statutory planning system mechanisms available to implement strategic directions. Among these:

- The NSW Department of Planning and Environment (DPE) the prepared the inaugural *Hunter Regional Plan* (initially released in 2016 and then substantially updated in 2022), supported by the *Greater Newcastle Metropolitan Plan* (released in 2018). Each of these documents have reinforced Morisset as a high-growth area.
- Transport for NSW (TfNSW) has released the *Future Transport 2056 Strategy*[6] and *Greater Newcastle Future Transport Plan*[7] which are aligned to regional and greater metropolitan plans respectively. The *Draft Hunter Regional Transport Plan* was also exhibited for public comment in November 2022, and is being finalised.[8] Additional TfNSW policies have sought to ensure improve space and safety

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[4] NSW Department of Planning, Industry and Environment (2018). *Greater Newcastle Metropolitan Plan 2036*. Available at https://www.planning.nsw.gov.au/plans-for-your-area/greater-newcastle-metropolitan-planning.

[5] NSW Department of Planning, Industry and Environment (2022). *Hunter Regional Plan 2041*. Available at https://www.planning.nsw.gov.au/plans-for-your-area/regional-plans/hunter-regional-plan-2041.

[6] Transport for NSW (2022). *Future Transport Strategy Our vision for transport in NSW*. Available at https://www.future.transport.nsw.gov.au/

[7] Transport for NSW (2018). *Greater Newcastle Future Transport Plan*. Available at https://www.future.transport.nsw.gov.au/sites/default/files/2022-06/greater_newcastle_future_transport_plan.pdf

[8] Transport for NSW (2022). *Draft Hunter Regional Transport Plan 2041: A 20 year vision.* Available at https://www.future.transport.nsw.gov.au/future-transport-plans/draft-hunter-regional-transport-plan

requirements of vulnerable road users (such as pedestrians and cyclists). New design guidance including the *Walking Space Guide* and *Cycleway Design Toolbox* have been developed.

- The Department of Planning and Environment, in association with Hunter Water, led a whole of government policy on water security for the region. The *Lower Hunter Water Security Plan* is a 40-year framework to provide a sustainable and resilient water supply for the Lower Hunter by improving resilience to drought and planning to meet the needs of a growing community[9].

- The Government Architect NSW[10] produced a suite of planning guidance including the *Practitioner's Guide to Movement and Place*, the *Greener Places Framework*, and the *Better Placed* policy. These are intended to shape the future development of places by managing active and integrated transport, ensuring access to green space, and promoting well-designed places. Among these, the *Connecting with Country Draft Framework* and the *Designing with Country* discussion paper present a clear emerging priority for the planning, development and design industries to respond to and better reflect Aboriginal culture in built environment projects into the future.[11]

At the local level, Council has:

- Endorsed the *Local Strategic Planning Statement* (2020) to align growth of Lake Macquarie City with State and regional planning goals.[12]

- Converted the *Lake Macquarie Local Environment Plan* (LEP) to the *Standard Instrument LEP (2014).*[13]

- Endorsed a new *Housing Strategy* (2020) to forecast required demand of different housing types and identify strategies to achieve goals to improve housing choice and affordability.[14]

- Developed a new *Walking, Cycling and Better Streets Strategy 2031* to guide active transport infrastructure provision and road safety improvements.[15]

- Undertaken numerous LEP amendments, including adjusting medium density residential zoned land across the city.

- Incorporated the United Nations Sustainable Development goals into policy via the *Environmental Sustainability Strategy and Action Plan 2020-2027.*[16]

These changes at the local and state level underpin the study's evidence base to inform the revision of Council's Structure Plan (as originally intended) and also the development of a Place Strategy, which is a requirement under the *Hunter Regional Plan 2041*.

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[9] NSW Department of Planning and Environment (2022). *Lower Hunter Water Security Plan.* Available at: https://water.dpie.nsw.gov.au/__data/assets/pdf_file/0010/528976/lower-hunter-water-security-plan.pdf

[10] Government Architect NSW website. https://www.governmentarchitect.nsw.gov.au/

[11] Government Architect NSW (2020). *Designing with Country: a discussion paper.* Available at https://www.governmentarchitect.nsw.gov.au/resources/ga/media/files/ga/discussion-papers/discussion-paper-designing-with-country-2020-06-02.pdf

[12] Lake Macquarie City Council (2019). *Lake Macquarie Local Environment Plan.* Available at https://www.lakemac.com.au/Our-Council/City-strategies-plans-and-reporting/Local-Strategic-Planning-Statement

[13] NSW Legislation. *Principal Local Environmental Plan (2006 EPI 155a).* Available at https://legislation.nsw.gov.au/view/html/inforce/current/epi-2006-155a

[14] Lake Macquarie City Council (2020). *Housing Strategy 2021.* Available at https://shape.lakemac.com.au/housing-strategy

[15] Lake Macquarie City Council (2021). *Walking, Cycling and Better Streets Strategy 2031.* Available at https://shape.lakemac.com.au/walking-cycling

[16] Lake Macquarie City Council (2020). *Together Lake Mac, Our Plan for a Sustainable City, Environmental Sustainability Strategy and Action Plan 2020-2027.* Available at https://shape.lakemac.com.au/ess

1.4   DESIGN OF THE STUDY

Information and evidence for the study was collected through a number of sources and activities, as follows. These are discussed in more detail in Section 2 of this Report.

Desktop review	A review of key reports, policies and plans to understand: ▪ the state and local policy context for the Growth Area ▪ the State Government's strategic planning context, including the role of Morisset in the *Hunter Regional Plan 2041* ▪ the local government strategic planning context including key land-use plans, and economic strategies and policies ▪ implications for development in the Growth Area.
Engagement and consultation	Consultation with key stakeholders to understand their views about future development in the Growth Area. This included: ▪ interviews with 23 representatives from 16 external stakeholder groups such as key businesses, government agencies, community groups, not for profit/industry representative stakeholders ▪ interviews with Lake Macquarie City Council staff ▪ engagement with elected local government members ▪ a community forum attended by 20 community members.
Growth modelling	20-year projections for six different growth outcomes were modelled to understand the capacity for growth of the population, dwellings and jobs (commercial and industrial). Conducted in collaboration with Council, the modelling was based on a pipeline of projects that were at different stages of planning (from conceptual to being approved) in order to make assumptions about the potential yield that each development could achieve.
Scenario planning	The above areas of study were applied through a scenario planning exercise. This led to the development of four distinct future scenarios that all align differently to the draft vision, and plausible growth outcomes envisaged. The purpose of this exercise was to examine and compare each scenario to distil key implications for future planning.

1.4.1 Study limitations

This Report engages with urban, land-use and transport planning in NSW during a time of reform. For example, at the time of writing:

- the implementation framework for the *Hunter Regional Plan 2041* is being established,

- the draft Hunter Regional Transport Plan is being finalised, and

- the lower Hunter and Greater Newcastle city are the subject of strategic planning within the context of a Six Cities Region under the new Greater Cities Commission.

It is important to note that this report is provided in a point in time during this period of reform. Implications, while not prohibitive, are detailed below.

Census data

This study was conducted across two Census release periods.

The growth modelling exercise used actual and derived data from the 2016 Census of Population and Housing to establish baseline information on population, dwellings, and jobs. The 2021 Census of Population and Housing has been released since. Where possible for the purposes of this report, differences in data have been noted and the findings from the assessment have been updated to reflect the data from the 2021 Census.

Employment zone reforms

This Study was conducted during the implementation of the NSW state-wide employment zone reforms, which has direct implications for land-use classifications and zonings in the Growth Area. The purpose of these reforms was to establish consistency and clear strategic intent in land-use planning. This was implemented by replacing the existing Business (B) and Industrial (IN) zones identified in statutory planning instruments with five employment zones and three supporting zones, and making adjustments to some land-use term definitions.

The new suite of employment zones was introduced into the *Lake Macquarie Local Environmental Plan (LEP)* in December 2022 and commenced on 26 April 2023. Any future rezonings will need to be consistent with the new suite of zonings. Table 1 outlines the equivalent zones in the *Lake Macquarie Local Environment Plan 2014*. In this report, we have continued to use the existing land-use zone classifications, and to reflect the intention of the original zone classification where relevant to the potential development futures of the Growth Area.

Table 1: Employment zones conversion framework for the Lake Macquarie LEP

Current Business and Industrial Zones	Employment Zones
B1 Neighbourhood Centre B2 Local Centre	E1 Local Centre
B4 Mixed Use – Cardiff Town Centre	E1 Local Centre
B3 Commercial Core	E2 Commercial Centre
B4 Mixed Use	MU1 Mixed Use
B7 Business Park	E3 Productivity Support
IN2 Light Industrial	E4 General Industrial
IN1 General Industrial	E5 Heavy Industrial
IN4 Working Waterfront	W4 Working Waterfront

MORISSET PLACE STRATEGY – AN EMERGING DELIVERY CONTEXT

The *Hunter Regional Plan 2041* released in December 2022 introduces a new strategic plan-making framework for high-growth areas, each of which will be guided by the preparation of a Place Strategy. The Morisset area, including the supporting local centres of Cooranbong and Wyee, is identified as a Regionally Significant Growth Area in the Regional Plan, for which a Place Strategy must be prepared.

The Place Strategy development process is still emerging but will be led by NSW Department of Planning and Environment and involve the formation of a place-delivery group to oversee the place-based coordination of infrastructure and government services. Figure 2 shows the envisaged position of a place strategy for Morisset within the statutory planning framework.
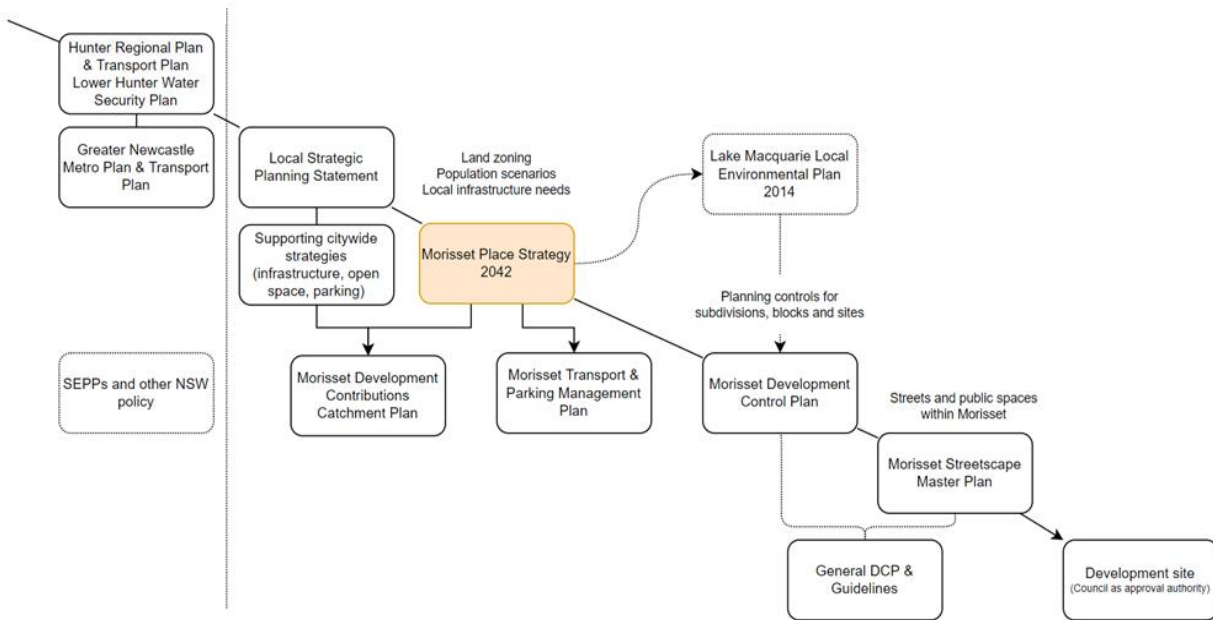
Figure 2: Location of the Morisset Place Strategy within the statutory planning framework

The Regionally Significant Growth Area identified in the *Hunter Regional Plan 2041* is smaller than the Study Area boundary (depicted in Figure 3 for the Growth Area) covered in this report.

The Regional Plan depicts areas envisaged to be activated through land-use or other planning control changes based on best available information at the time the Plan was prepared. Conversely, this study was intended to take a long-term, investigative view of growth options to inform future planning and plan-making.

It is expected that Council will apply the findings of this study to the Place Strategy process, which may inform adjustments to Place Strategy boundaries. Figure 3 shows the extent of the Regionally Significant Growth Area boundary and highlights other areas Council is currently considering as potential extensions or investigation areas, subject to further technical studies and assessments.
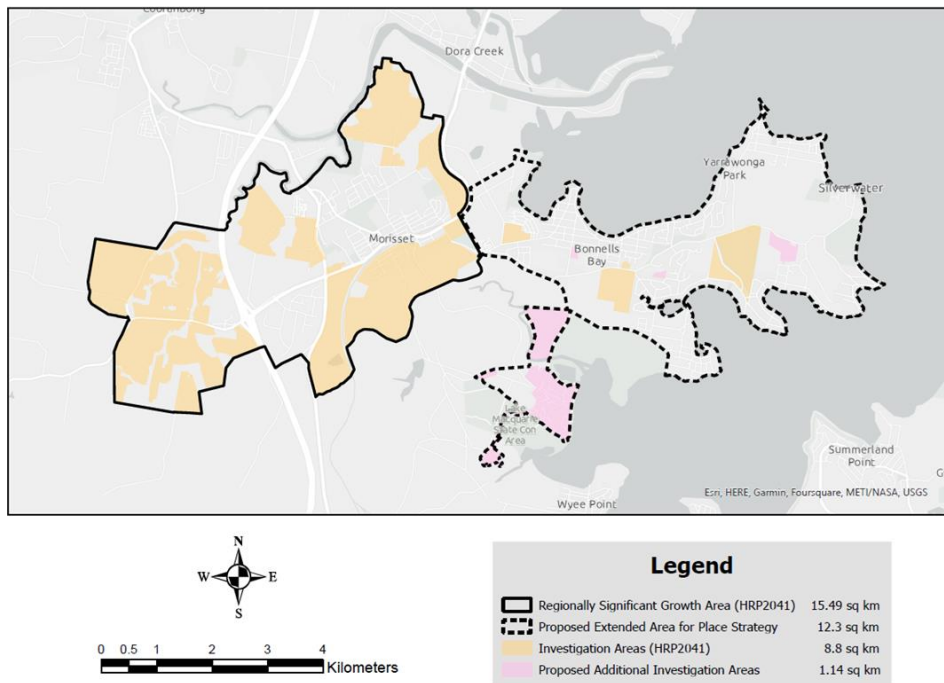
Figure 3: Evolving Place Strategy boundary considerations (not endorsed government policy; provided by Council)

Place strategies will not directly lead to the rezoning of land, but will seek to resolve key planning factors, such as biodiversity values, key transport links and supporting infrastructure (including schools, sewer, water, roads).

Resolution of these issues is intended to support a smoother assessment pathway for future planning proposals (rezonings), by specifying up front the strategic matters that are normally considered on a proposal-by-proposal basis, such as transport upgrades, enabling utilities infrastructure, biodiversity conservation or offset requirements, flood mitigation works, etc. The process is also intended to enable a more holistic understanding and analysis of issues across the Growth Area.

The desired outcomes of the place strategy identified for the Morisset Regionally Significant Growth Area in the Regional Plan are replicated in Table 8 in Appendix 1 (Policy Context). Place strategies are expected to involve community and stakeholder engagement, including a public exhibition process, with terms set by the steering committee.

1.5   REPORT STRUCTURE

This Report is structured as follows.

Foundational work to inform the study is presented across Sections 1-2. Collectively, these describe the data, assumptions, and methodologies underpinning scenario-based planning exercises. Key sections include:

- Section 1.4, outlining the study approach,

- Section 2.1, summarising the policy and planning environment,

- Section 2.2., summarising the extent of and insights gained from stakeholder and community engagement, and

- Section 2.3, describing the approach and outputs from the study's growth modelling exercise.

Scenario planning is presented across Section 3-4. Informed by the foundational work, scenario planning was used to establish and consider four plausible futures for the Morisset and South West Growth Area. Key report sections include:

- Section 3.1 setting out a draft vision statement for further refinement,

- Section 3.2, providing an understanding of the implications of megatrends on scenario-based planning,

- Section 4, describing the four scenarios used as the basis for establishing future planning considerations.

Key planning considerations are set out in the final sections of the report, providing guidance to Council on next steps to advance the planning and development of Morisset and the Growth Area. These provide considerations for new business opportunities to drive growth (Section 5), along with other implications for Council to consider through future planning initiatives (Section 6). The appendices provide more detailed consideration for key planning domains, including:

- jobs creation (Appendix 4),

- land-use (Appendix 5),

- housing (Appendix 6), and

- social infrastructure (Appendix 7).

2. STUDY AREAS AND ACTIVITIES

This section briefly describes the key study activities undertaken for this study including:

1. Desktop analysis
2. Stakeholder engagement
3. Growth modelling
4. Scenario planning.

Insights gained from each of these activities have informed the study recommendations, presented from Section 3 onwards.

2.1 DESKTOP ANALYSIS

2.1.1 Approach

The study was initially informed by a desktop analysis to collate existing information and frame the project team's investigative work through the subsequent engagement and growth modelling activities. This was designed to ensure the study recommendations ultimately aligned with broader policy agendas, directions for planning, and stakeholder expectations.

The desktop analysis drew from existing documents and databases to develop an understanding of the following as they relate to the Growth Area:

- The state and local policy context, and key regional economic plans, programs, and studies, which collectively make up the strategic planning framework for the site.
- Known community and stakeholder views provided through Council's previous engagement activities.
- Drivers and dependencies that would shape future development scenarios.

Insights emerging from the desktop analysis in relation to the strategic planning framework are briefly summarised below, with insights relevant to pre-existing views and parameters shaping future development discussed in relation to stakeholder engagement and growth modelling activities, respectively.

2.1.2 Outputs from this area of study

The strategic planning policy context applying to the Growth Area is established through the following key documents:

- At the regional level, the *Hunter Regional Plan 2041*[17] and supporting *Regional Transport Plan* (once finalised)[18]
- At the sub-regional level, the *Greater Newcastle Metropolitan Plan*[19] and supporting *Future Transport Plan*[20]

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[17] NSW Department of Planning, Industry and Environment (2022). *Hunter Regional Plan 2041*. Available at https://www.planning.nsw.gov.au/plans-for-your-area/regional-plans/hunter-regional-plan-2041.

[18] Transport for NSW (2022). *Draft Hunter Regional Transport Plan.* Available at https://www.future.transport.nsw.gov.au/future-transport-plans/draft-hunter-regional-transport-plan.

[19] NSW Department of Planning, Industry and Environment (2018). *Greater Newcastle Metropolitan Plan 2036*.

[20] Transport for NSW (2018). *Greater Newcastle Future Transport Plan.* Available online at https://www.future.transport.nsw.gov.au/future-transport-plans/greater-newcastle-future-transport-plan.

- At the local level, the *Lake Macquarie City Local Strategic Planning Statement*[21] (LSPS).

Collectively, these key documents position the Growth Area to undergo significant change and growth over the next 20 years. Each also provides directions about how growth should be managed within the Study Area.

The Regional plan provides an important guide to ensure development in the Growth Area is strategically linked with the Hunter region more broadly and aligned with nine region-wide objectives:

1. Diversify the Hunter's mining, energy, and industrial capacity.

2. Support the right of Aboriginal residents to economic self-determination.

3. Create 15-minute neighbourhoods to support mixed, multi-modal, inclusive, and vibrant communities.

4. An inter-connected and globally focused Hunter without car dependent communities.

5. Plan for 'nimble neighbourhoods', diverse housing, and sequenced development.

6. Conserve heritage, landscapes, environmentally sensitive areas, waterways and drinking water catchments.

7. Reach net zero and increase resilience and sustainable infrastructure.

8. Plan for businesses and services at the heart of healthy, prosperous, and innovative communities.

9. Sustain and balance productive rural landscapes.

The Regional Plan favours compact, medium density, integrated settlements, and focuses urban redevelopment and renewal towards existing centres with established services, infrastructure, and public transport. It recognises the Growth Area as playing a key role in achieving orderly and efficient growth.

In the *Greater Newcastle Metropolitan Plan*, Morisset is designated as part of the 'arc of lifestyle centres'. These centres comprise the cities, towns and villages in Greater Newcastle located to the west of the Pacific Motorway, including Medowie, Cessnock, Branxton, Maitland, and Raymond Terrace. This arc frames the Greater Newcastle region, and the settlements are marked by their strong identity, high amenity, and a sense of place.

The Growth Area is also acknowledged in the *Greater Newcastle Metropolitan Plan* for its greater metropolitan contribution to the commuter rail network, as a health precinct and as an education and innovation clusters via Avondale University at Cooranbong.

Further, the *Greater Newcastle Future Transport Plan* also notes that the Growth Area will see changes in land-use and population and highlights the need to provide a public transport network that accommodates this growth. It notes the importance of ensuring upgraded public and active transport infrastructure and services are in place before people move into new developments. This plan also anticipates changes to transport and traffic patterns due to the expansion of freight and logistics operations, emergence of new industries and businesses, and investment in other major infrastructure.

At a local level, Council's LSPS and related local land-use and economic strategies and plans provide guidance and actions to leverage urban development opportunities in specific areas. For the Growth Area, opportunities include:

- residential development around the railway station

- developing tourism assets at Trinity Point

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[21] Lake Macquarie City Council (2019). *Lake Macquarie City Local Strategic Planning Statement*.

- repurposing existing infrastructure, such as the Eraring Power Station and Wangi Power Station

- enhancing the area's natural and environment assets and protecting rural production areas.

Opportunities are also identified for the Morisset Strategic Economic Centre that focus on supporting a diversity of businesses, residential development, transport, and industrial development.

2.1.3 Key considerations

Collectively, the policy landscape provides a strong indication that there are a range of social and economic opportunities for the Growth Area that would support and strategically link with other local, regional, state and national level plans, programs and initiatives.

These development opportunities would complement Council's existing plans and strategies, and include:

- renewable energy generation, advanced and smart manufacturing, and circular economy initiatives (e.g., Eraring Power Station)

- protecting and promoting important agricultural lands and industries

- protecting and enhancing biodiversity corridors

- creative enterprise and innovation

- development of government, community, health and education services

- supporting sustainable and nature-based cultural tourism and lifestyle

- intensive multi-storey commercial, mixed use and residential development

- weaving nature into high quality, compact and connected neighbourhoods

- building on inter-regional relationships

- opportunities for the night-time economy

- developing a Hydrogen Cluster in Lake Macquarie as part of state and national hydrogen strategies

- establishment of a regional circular economy in the Hunter and Central Coast

- fostering and building an innovation ecosystem in the Hunter

- inter-regional collaboration between Newcastle, Lake Macquarie, and Central Coast to support regional economic development

2.2   STAKEHOLDER ENGAGEMENT

2.2.1 Approach

Engagement and consultation with key stakeholders and the local community was designed to understand views towards change and development in the Growth Area framed by the assumptions for development articulated in local and state level policy and planning.

Stakeholders included representatives from Council, other local councils, NSW government agencies, education institutions, local businesses, local community groups, and regional interest groups. Community members who attended a full-day forum included representatives from local community organisations and groups, such as the Shape Lake Mac engagement hub, and individuals from the community.

2.2.1   Outputs from this area of study

Generally, there was a high level of optimism about opportunities for the Growth Area and broad agreement and support for change and development across stakeholder groups. It was frequently noted across all engagement that a clear vision and forward-thinking planning was needed, as well as a commitment to transparency and inclusivity to build trust and support for change within the community.

OPPORTUNITIES FOR CHANGE AND DEVELOPMENT

Six themes of inquiry guided the stakeholder engagement interviews and workshops:

- desired outcomes for the Growth Area
- future visions for the Growth Area
- opportunities
- enablers of opportunity
- barriers to opportunity
- improving the population and business attractors for Morisset.

Responses to the vision for economic development and land-use in the Growth Area varied from industrial land-use and enterprise opportunities to recreational, social and environmental enhancements to improve urban amenity and liveability.

Respondents identified areas for change and intervention across three scales: micro (local), meso (local government) and macro (regional). Local changes reflected community expectations around recreation, environmental management, and infrastructure. Meso/macro level changes were sought around population and business attraction factors more generally.

Table 2 summarises the priorities for change identified in the community workshops. The priorities identified by interviewees were broadly similar, although the data from the interviews placed greater emphasis on economic outcomes while attendees at the community forum placed greater emphasis on social and environmental outcomes.

Table 2: Change priorities by scale

Scale of Intervention	Identified Priorities for Change
Micro (local)	• Recreation: ▪ improved sports grounds and recreational facilities (e.g., open fields and year-round pool access) ▪ improved exercise facilities and footpaths ▪ more local clubs and pubs • Environmental: ▪ improved environmental and disaster planning ▪ more Council-based green initiatives (community gardens, etc.) ▪ better management of community environments and natural assets • Additional needs include: ▪ improved road and rail infrastructure ▪ more local jobs and better retail outlets ▪ improved access to medical clinics and mental health services ▪ more affordable housing and crisis accommodation.
Meso (LGA)	• improved Lake and waterfront access • infrastructure to support new housing developments in schools, retail and health services • a directory of locally available services • position Morisset as the gateway to the Hunter Valley area • improved employment outcomes for residents by attracting large employers to the area.
Macro (regional)	• high speed rail to Sydney, reliant on Federal/State initiatives • improved water and power connections, reliant on regional-level network providers • affordable housing options • protections for housing developments from natural disasters and industrial developments.

While there were differences in what was valued, there were also strong commonalities among stakeholders and community members about the types of opportunities for the Growth Area. These included:

- Economic development and employment – creating and enabling local employment opportunities by attracting new businesses and industries, facilitating diversification and re-purposing of existing industries, developing infrastructure and land (such as the Eraring Power Station), implementing education and upskilling initiatives, and development of affordable housing.

- Environmental – valuing and managing the natural assets and outdoor potential of the area, such as through bio-certification, improving access and use of the lake, and enabling eco-tourism.

- Recreational – developing and enhancing local facilities (parks and sports fields), streetscapes, local dining and recreational venues (e.g., pubs and clubs), and retail options.

- Social infrastructure – enhancing road and rail infrastructure, improving access to local health and social services and educational facilities (e.g., schools and TAFE), improving water and electricity infrastructure.

BARRIERS AND ENABLERS FOR CHANGE AND DEVELOPMENT

To leverage and realise economic opportunities in the Growth Area, several attributes and key enablers for change were identified by stakeholders and the community. These included:

- proximity to the M1

- the existing network of private roads (currently owned by mining companies such as Origin) that could be used as part of industrial development

- strategic location between Melbourne and Brisbane, and proximity to beaches, Lake Macquarie, and Sydney

- natural beauty and biodiversity

- presence of a train station in the town centre.

Community members indicated that any proposed change and development needed to be underpinned by principles of inclusivity, accessibility, and connectivity. Change should also aim to make a positive difference, create stability, and be focused on the interests of the existing community.

Some potential barriers for change identified by key stakeholders included a perceived lack of guidance and information for developers and the potential for resistance from within the community for change and development. These barriers echo findings from the community forum of a perception of a lack of communication and information from Council about proposed change and development in the Growth Area.

2.2.3 Key considerations

Stakeholders and community members are supportive of development in the Growth Area, and also unanimous that change needed to be carefully managed. Active engagement with the community is needed to build trust and support for change. Stakeholders understood the need to engage and build trust with the community, and there was a strong call from community members for improved and transparent communication by Council.

There was a notable difference in views about allowing development to be developer-driven or strategically planned. A summary of interview excerpts illustrating this divide are provided on the following page.

DIFFERENCES IN GROWTH MANAGEMENT APPROACHES

"The future of Morisset should be developer-led with a great recreation facility – like the lifestyle asset south of Newcastle near Caves Beach, an area for cafes, mixed use development in estate, lagoons."

"Morisset does not need ad hoc development. Instead, it needs to be situated within a longer-term place-based approach which considers the economic demands of the future."

"[There is] a lack of direction around planning in Morisset, and this needs to be remedied by rooting change in within a legislation/statutory framework. This will also ensure that Morisset avoids becoming designed by Development Assessments (DAs) and will instead have an embodied vision."

The first step for managing and implementing change for stakeholders and the community is the development of a clear and coherent vision that provides leadership and guidance for the community and potential investors. Also needed is a forward-thinking and strategic plan that carefully considers the social infrastructure needs of growing population, balances the economic, environmental, and social outcomes, and still allows for flexibility and innovation.

Meaningful, proactive, and transparent communication and engagement by Council around the vision and plans will be critical to building stakeholder confidence and community trust, and the successful development of the Growth Area.

2.3 GROWTH MODELLING

2.3.1 Approach

The study included high-level growth modelling for 20-year population and employment projections aligned with different development outcomes. The purpose of this exercise was to understand the capacity for growth across the domains of population, dwellings, and jobs (commercial and industrial).

The desktop analysis revealed that the level of population and employment growth in Morisset was strongly dependent on the degree to which available land will be developed.

High-level growth modelling was conducted in collaboration with Council as follows:

- A list of pipeline projects that were at different stages of planning (ranging from speculative through to those under construction) was provided by Council to understand the market for the Growth Area.

- Projects were categorised by the degree of ease by which they may be realised as follows:

  – Approved projects were most likely to proceed

  – Simple/faster projects were expected to be less complicated in terms of approval processes or technical constraints

  – More complex/slower projects were expected to experience approval or technical issues leading to delays or inability to proceed.

- Indicative low and high-density yields were developed for each, providing indicative dwellings for residential projects, and indicative gross floor area for industrial/commercial projects.

- The spatial framework within which growth may occur was developed from specific locations where land-use changes or new development projects had either already been investigated (e.g., as evidenced by a development proposal), or earmarked for investigation (e.g., in a previous land-use strategy or through the application of the RU6 Transition zone). This led to the establishment of four broad districts for the purpose of broadly conveying the spatial distribution of modelled projections:

Morisset, Peninsula (including Bonnells Bay), North and Cooranbong, and South West (including Mandalong and Wyee). These districts are illustrated in Figure 4.

Six different growth outcomes were modelled by adjusting assumptions around ease of projects proceeding, density, and location. Population, dwelling, and employment projections were modelled for each growth outcome.

Currently, it is estimated that the Growth Area consists of 24,000 residents, approximately 10,000 dwellings and 6,000 local jobs, with a split of 68% commercial jobs and 32% industrial jobs. As a priority growth area with a pipeline of residential, commercial, and industrial development projects under assessment or proposed, growth across all these domains is anticipated.

The growth modelling demonstrated that population over the 20-year horizon would increase by between approximately 12,000 to 33,000 people. By 2041, the modelling indicated that the total population in the Growth Area would reach between 36,000 and 56,000 people. This is an average annual population growth rate of between 2.6% p.a. to 7.0% p.a.

The projections were combined by area to de-identify individual projects but to allow for understanding of different models of growth allowing a broader discussion about modelling outputs rather than individual project locations or specifications. The high-level nature of the modelling does not allow for small-area planning, nor does it enable a meaningful consideration of projections for specific sectors of residential (e.g., single dwellings or apartments) or employment (e.g., retail or manufacturing) uses.
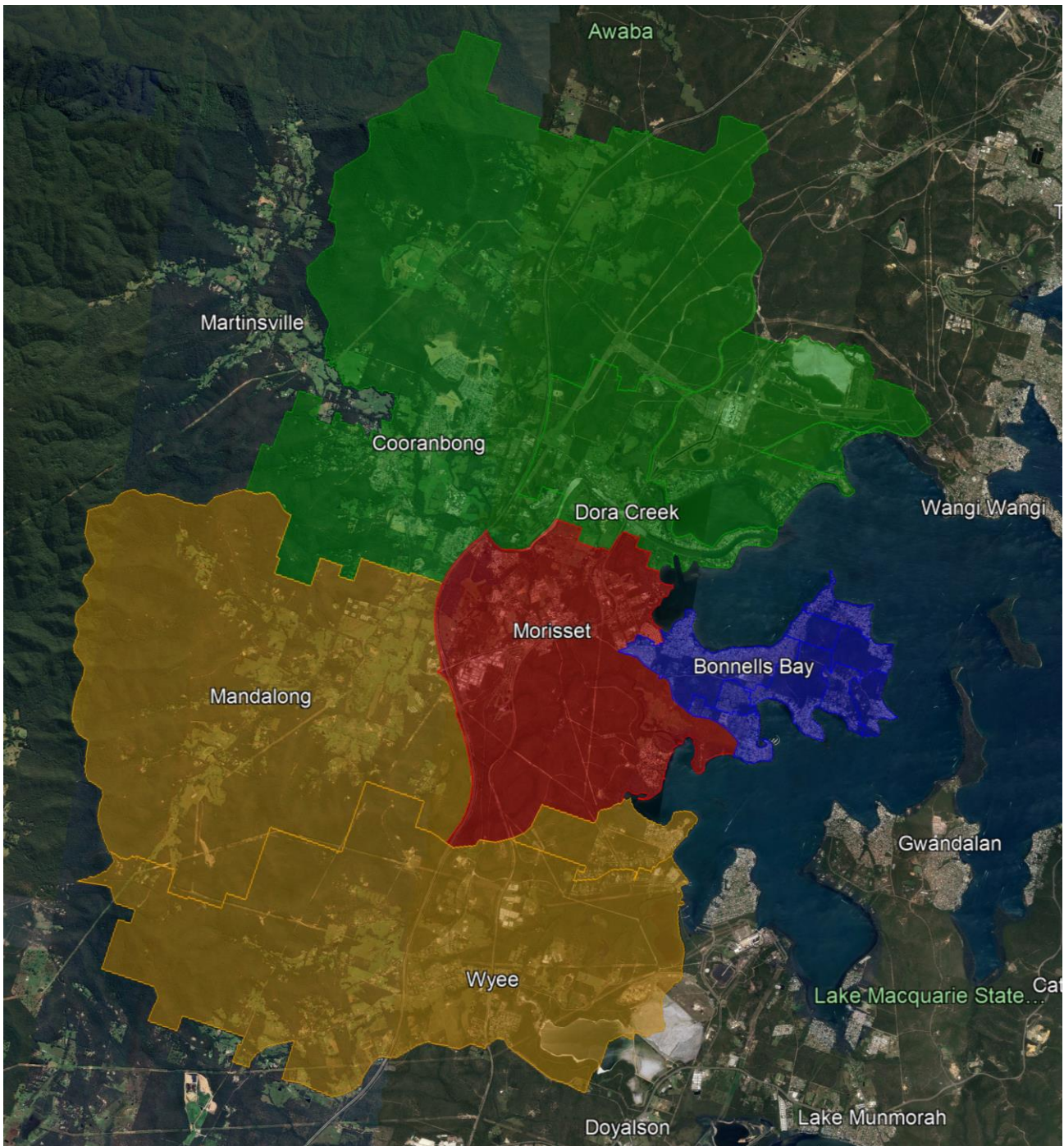
Figure 4: Growth modelling districts (for projections)

- Morisset shown in red.
- Peninsula (including Bonnells Bay) shown in purple.
- North and Cooranbong shown in green.
- South West (including Mandalong and Wyee), shown in yellow.

2.3.2   Outputs from this area of study

The growth modelling projections are designed to inform long-term capacity for residential, commercial, and industrial categories of land to inform future planning and plan-making.

Modelling of six economic development projections indicate that while growth is projected to increase over the next 20 years, there are wide variations in growth generally and within individual precincts across the Growth Area. The most influential factor for this variation is the likelihood and ease that projects will be delivered. Table 3 provides a summary of the assumptions for the modelling.

Table 3: Summary of modelled growth outcome assumptions

Growth outcome	Example projects included	Density option
1	Approved & Simple/faster	All low density
2	Approved & Simple/faster	Higher only in the Morisset district
3	Approved & Simple/faster	All higher density
4	All	All low density
5	All	Higher only in the Morisset district
6	All	All higher density

2.3.2   Key considerations

Of the six growth outcomes, 1 to 3 represent the most probable and achievable futures for the Growth Area. While on the lower range of the six growth projections modelled, these are based on projects most likely to be approved and therefore are more likely to be delivered.

In comparison, more significant growth is projected for the local population, dwellings and local jobs for the Growth Area across projections 4 to 6. These projections, however, are based on projects that would be more complex and more difficult to deliver. While presenting higher levels of economic growth, this growth is only expected to be realised much later in the 20-year period. These scenarios are largely aspirational due to the reduced likelihood of project delivery, required changes to planning controls, and the scale of the associated social infrastructure needed to support the population projections.

2.4   SCENARIO PLANNING

2.4.1   Approach

The outputs from the study areas described above (desktop analysis, engagement and consultation, and growth modelling) were analysed to inform scenario planning that explores different development pathways for the Growth Area.

Scenario planning is an established method that uses trends and drivers within a specific set of uncertainties to develop different plausible projections of what might happen in the future.[22]

Scenarios assume that the future is unknowable, and the goal of scenario planning is not to 'get the future right'. Scenarios are not predictions or forecasts. Instead, scenarios provide opportunities to envision plausible future contexts to generate strategies to reduce risks, to take advantage of opportunities and avoid potential threats[23].

Scenarios are necessarily speculative but can be more or less robust depending on the extent of the evidence base. Scenarios are not intended to present a choice between alternatives, but to surface the issues and considerations to guide decision-makers and to facilitate collaborative planning. In this way, scenario planning is regarded "not only as a thinking process but also through sensemaking and networking, as a process that leads to action."[24]

Techniques for scenario planning vary. This study followed a widely adopted model comprising:

- Articulating a vision, goals and objectives (Section 3.1)
- Identifying driving forces, megatrends and uncertainties (Section 3.2)
- Developing plausible scenarios (Section 4)
- Identifying implications (Sections 5-6 and Appendices 4-7)

2.4.2   Outputs from this area of study

Draft vision narrative

A draft vision narrative was developed with key stakeholders and the (then) NSW Department of Planning, Industry and Environment, which built on Council's Local Strategic Planning Statement and feedback though Council's previous community engagement exercises.

The draft vision for Morisset and the Growth Area was tested with key stakeholders and the community and received general support. It is designed to provide Council with a framing for further refining and testing.

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[22] Chermack, T.J, S.A. Lynham, and W.E.A. Ruona (2001). A review of scenario planning literature. *Futures Research Quarterly* Summer 2001: 7-31. Varum, C.A and C. Melo (2010). Directions in scenario planning literature: A review of the past decades. *Futures* 42(4): pp. 355-369.

[23] Miller, K.D. and H.G. Waller (2003). Scenarios, real options and integrated risk management. *Long Range Planning* 36: pp. 93-107.

[24] Roubelat, F. (2000). Scenario planning as a networking process. *Technological Forecasting and Social Change* 65: pp. 99-112.

Driving forces, megatrends, and uncertainties

A series of megatrends and other factors that are relevant to the development of the Growth Area have been identified and include the impact of:

- The digital economy on patterns of consumption, future workforces, workplaces, accessibility and housing demand.

- Population surges and cliffs.

- Changing work and consumption patterns on the demand for commercial, industrial, and retail space.

- The rise of hyper-localisation and local living strategies as planning tools to optimise urban densification and improve access to services within compact settlements.

- Declining opportunities for home ownership for young people.

Planning scenarios

Aligned with the vision, four plausible futures for the Growth Area have emerged informed by the desktop review, stakeholder and community consultation, growth modelling and analysis of megatrends.

Each scenario was designed to draw out possible outcomes for business and employment, land-use planning, housing supply and demand, social infrastructure, connectivity, infrastructure needs and community services.

The scenarios comprise:

1. **Morisset as usual:** a baseline scenario where limited additional investment would be required, and current physical and social infrastructure could be accommodated under Council's approach to asset upgrade and renewal.

2. **Inner core:** promotes increased density around Morisset Central, through changes to residential planning controls and state and Council investment in place-making and public domain. Under this scenario, the Morisset as usual scenario is coupled with a strategic urban renewal program targeting low-density buildings within 15 minutes of the train station.

3. **Gateway Morisset:** builds on the residential and lifestyle attractors of the Inner Core scenario and leverages the geographic advantage as a strategic road and rail transport corridor, driving urban intensification of Morisset Central and commercial, agricultural, and industrial land-uses adjacent to the M1 Pacific Motorway.

4. **Morisset City:** represents the fullest realisation of development across the Growth Area in terms of maximising the yield of residential and employment lands. Under this scenario, the current trends in housing costs and liveability pressures experienced in metropolitan areas are combined with digitized, remote workforces and enhanced transport links driving housing demand in regional, high-amenity enclaves.

2.4.3 Key considerations

The four scenarios in this report are broadly derived from growth outcomes 1, 2, 5 and 6 in terms of projecting population, housing, employment, and industrial development in each case (Table 4). These four were selected to progress to a scenario to emphasise the differences across the projections and to best demonstrate the variability in the range of growth futures.

Table 4: Modelled growth outcome assumptions used for scenario planning

Growth outcome	Example projects included	Density option
1	Approved & Simple/faster	All low density
2	Approved & Simple/faster	Higher only in the Morisset district
3	Approved & Simple/faster	All higher density
4	All	All low density
5	All	Higher only in the Morisset district
6	All	All higher density

3. SETTING A VISION FOR THE GROWTH AREA

3.1 DRAFT VISION NARRATIVE

The desktop analysis revealed broad consensus across existing local and state government strategic documents for a model of growth that:

- reinforces the role of the Morisset precinct and the M1 Gateway Corridor as under-utilised places for business and social life,

- improves transport connections,

- preserves access to natural areas, such as the Watagans National Park and Lake Macquarie,

- maintains viable agricultural land-use, and

- facilitates urban intensification through multi-storey commercial, mixed use and residential development in appropriate precincts.

There was further consensus evident around the Growth Area being a location that could improve the economic resilience of the LGA and broader region, by enabling access to local jobs and facilitating the growth of globally competitive small to medium enterprises.

A draft vision narrative was developed with key stakeholders and the (then) NSW Department of Planning, Industry and Environment, which built on Council's Local Strategic Planning Statement and feedback though Council's previous community engagement exercises.

The draft vision was tested with key stakeholders and the community and received general support. The community focused on ensuring basic provision of social and amenity services, rather than large-scale infrastructure and renewal projects. Community feedback also included a level of anxiety about being left behind in the new vision for Morisset and concern that current unmet needs might continue to be unaddressed. Some participants expressed concern that the vision for 'a big Morisset' would compromise its character or turn it into a housing estate. See Appendix 2 for a summary of questions and responses.

The draft vision narrative for Morisset and the South West Growth Area is provided in the box on the following page. This is designed to provide Council with a framing for further refining and testing, and to support the development of a suite of goals and objectives to underpin the vision.

Refinement of the vision will need to reflect regional and national socio-economic driving forces and megatrends detailed in Section 3.2.

Active participation by key stakeholders and the community to finalise and agree the vision, goals and objectives will be critical to ensuring Council realises its aspirations for the development of the Growth Area.

DRAFT VISION NARRATIVE FOR MORRISET AND THE GROWTH AREA

Morisset is situated on Awabakal land. It is a vibrant strategic centre supporting the Hunter region's economic transition. It is a thriving regional hub that caters to a diverse population from young families to retirees. It is a place where people want to live, with a robust local economy that has successfully navigated a transition to non-carbon intensive energy.

It is a vital gateway between the Hunter and Greater Sydney on the Central Coast-Lake Macquarie planning corridor, with direct links to the M1 Motorway and Main Northern Rail Line. The area takes full advantage of its significant opportunities for growth in residential, commercial, recreation, tourism and industrial land-use. Morisset and its supporting local centres, Cooranbong and Wyee, represent and are recognised as the largest growth area in the Hunter and as underpinning the economic transition of the region.

Morisset continues to grow given its available land, transport connections and proximity to other parts of the Hunter, Central Coast and Sydney. Growth supports diverse businesses, creative enterprises, government, and community services; and provides opportunities for more intensive multi-storey commercial, mixed-use, and residential development.

Improvements to rail passenger services and Morisset's position on the M1 Motorway provide local employment and cater to the lifestyle preferences of the emerging hybrid-remote working models.

Morisset is also the gateway to important natural areas including the Watagans National Park and Lake Macquarie which play an important role in tourism and active recreation industries. Growth is attentive to local European and Aboriginal heritage and connects people with the lake and the Lake Macquarie State Conservation Area adjoining the Morisset hospital site.

With several mines and two major power stations, including the 930-hectare site of Australia's largest coal-fired power station, the local economy is diversified to cater to the demand for renewable energy and circular economy developments, a growing lifestyle and tourism market, health services, goods distribution and urban food production. Supporting these activities is accessibility to tertiary education institutions including Avondale University and the University of Newcastle.

3.2   MEGATRENDS

Megatrends refer to large-scale, long-term shifts and transformations across social, economic, cultural and technological spheres that may significantly impact on future development in a geographic area. These are drivers of change that have a wider scope than the region itself, but has the capacity to re-shape industries, communities, and societies within Growth Area. Consideration of megatrends in this work derives from key reports, including the CSIRO megatrends assessment[25] and the learnings from *Regions Matter* research program of the Institute.[26]

There are any number of megatrends at play in the region and beyond that will have implications for the future development of the Growth Area. This report highlights the key megatrends that have been considered in the scenario for the Growth Area.

- The impact of the digital economy on patterns of consumption, future workforces, workplaces, accessibility, and housing demand. Teleworking, telehealth, online shopping, digital currencies, and a growing home-based workforce are impacting where and how people in regional population centres live, shop, and spend their leisure time. Digitisation trends that accelerated during COVID-19 pandemic are embedded in daily practice, especially in relation to remote work and the demand for digital workers. This has compounded the social issues associated with the digital divide between different regions, age-groups, and socio-economic groups.

- Related to the uptake of remote work practices, in the Hunter there was a regional population surge in early 2020 prior to COVID-19. This surge continued throughout the pandemic, most likely in response to several government lockdowns, and is only now returning to a pre-pandemic population growth trajectory. The challenges of record house prices and a preference to live in high amenity outer urban fringes, has reversed the pull of people from large (capital) cities especially younger, mobile populations and working families. Population surges can have the flow-on benefits of generating local employment and retaining a younger population cohort. Conversely, it also can create more demand on infrastructure and service provisions to meet the needs of the new population.

- Changing work and consumption patterns have had flow-on effects to demand for commercial, industrial, and retail space. This is pertinent to the Growth Area with significant land parcels under investigation as employment land or for use as bulk retail and warehousing. It also has implications for the demand of future uses in Morisset Central, which could theoretically have a similar function as the traditional central business district. Instead, the increasing penetration of e-commerce has led to a much higher demand for industrial and employment lands for freight, logistics and warehousing, and a diminishing demand for retail and office space. In more urbanised areas, this trend is contributing to repurposing of recently constructed commercial space.

- The hyper-localisation associated with COVID-19 has heightened the role of local living strategies as planning tools to optimise urban densification and improve access to services within compact settlements. The *Hunter Regional Plan 2041*, for example, notes that the predominance of local living, and especially 15-minute neighbourhood planning, responds to the positive experience of areas of high urban amenity. The decentralised approach to urban planning forwarded by these strategies encourages investment in outer suburban and regional areas and increases the associated liveability and lifestyle attractors.

- Economic forces impacting on younger populations are changing expectations around residential home ownership. As younger people experience diminished access to the housing property market, the pursuit of home ownership is a much lower priority, changing spending habits, settlement patterns and consumer behaviour. Conversely, an ageing population generally, and especially in regional areas, is

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[25] Naughtin C, Hajkowicz S, Schleiger E, Bratanova A, Cameron A, Zamin T, Dutta A (2022) *Our Future World: Global megatrends impacting the way we live over coming decades*. Brisbane, Australia: CSIRO.

[26] See https://www.newcastle.edu.au/research/centre/regional-futures/about

leading to a predicted decline in the ratio of working-age people to non-working-age people over the next 40 years.

Historical patterns of urban renewal and development, including how regional population hubs and main streets function, are shifting in response to global, national and local forces. Many of the trends that emerged during the pandemic, have led to seismic shifts in relation to remote working, suburban revival, social behaviour, transport, e-commerce, and virtual mobility. Place and growth patterning and social infrastructure planning for the Growth Area must be considered within the context of this changed social and economic environment.

4. FUTURE SCENARIOS

The draft vision narrative for Morisset and the South West Growth Area paves the way for a number of spatial and temporal growth patterns. Aligned with the vision, four plausible futures for the Growth Area have emerged informed by the desktop review, stakeholder and community consultation, growth modelling and analysis of megatrends.

Each scenario leads to different imagined outcomes for business and employment, land-use planning, housing supply and demand, social infrastructure, connectivity, infrastructure needs and community services.

The purpose of the scenario planning exercise is not to provide options to choose between. Rather it is designed to bring to the surface issues and considerations to guide decision-makers and to facilitate collaborative planning for the development of the Growth Area. The scenarios are:

1. Morisset as usual	2. The Inner Core	3. Gateway Morisset	4. Morisset City
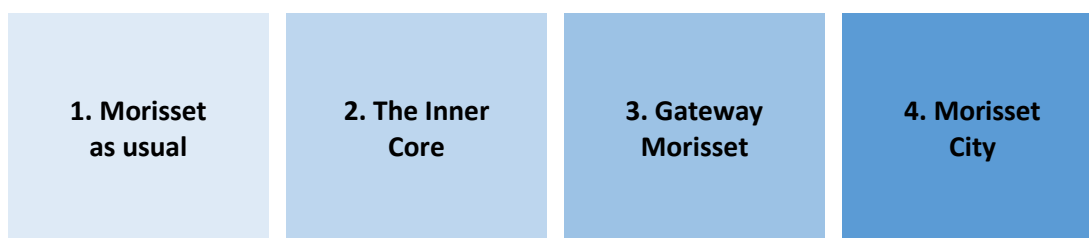
4.1   SCENARIO 1: MORISSET AS USUAL

Morisset As Usual is the baseline scenario (i.e., business as usual).

Under this scenario, there is still significant population growth across the Growth Area, but this is attributable to three factors. First, the population increases through migration to the area from both urban and rural sources due to persistently low housing costs and enduring lifestyle amenity across the Growth Area.

Second, additional housing demand is provided through a low number of land consolidations and opportunistic infill in a variety of locations. The total new development is capped by the existing land zoned for residential use (developed and undeveloped) and is generally undertaken within existing planning controls.

Third, ageing in place initiatives support population retention while expanding health care and social assistance will continue to drive significant employment. Under this scenario, the population of the Growth Area is 42,060 in 2041.

> **KEY FEATURES OF SCENARIO 1:**
>
> **Development drivers:** Opportunistic and ad hoc development
>
> **By 2041:**
>
> - Population of 42,060
> - Dwellings: 18,000
> - New jobs: 3,500 Industrial, 200 Commercial
>
> **Business development:** Expanding health care and social assistance needs, conservation management
>
> **Social infrastructure:** Ageing in place, health and community services

Limited additional investment would be required for this scenario for current physical and social infrastructure which can accommodate the increased population under Council's approach to asset upgrade and renewal. The current liveability and amenity values of the precinct, which is a key attractor for the new residents, are maintained. Significant habitat and biodiversity corridors would be maintained connecting the shores of Lake Macquarie with the Watagans National Park, enabling employment in conservation and eco-tourism industries.

Developments that are currently under assessment or in the planning phases currently come to fruition, including 'pipeline projects' in the Gunther Industrial Estate, Mandalong Road South, Mandalong Road North and an industrial hub on Gimberts Road. It is anticipated that the entertainment facility, and the residential, industrial, and commercial developments in the vicinity of Mandalong and Gimberts Roads are realised.

4.2   SCENARIO 2: INNER CORE

The Inner Core scenario promotes increased density around Morisset Central, through changes to residential planning controls and state and Council investment in place-making and public domain. The Morisset as Usual growth described in Scenario 1 is coupled with a strategic urban renewal program targeting low-density buildings within 15 minutes of the train station.

Under this scenario, place-making investment is combined with Council programming to re-create Central Morisset as a vibrant social heart with delightful main streets, active street frontages and a central community hub and civic space.

Planning controls are modified to enable and incentivise high-rise mixed-use developments within the inner precinct. The ground plane is activated through the attraction of boutique retail and fine dining, night-time economy, and cultural activity, integrated public art and convivial design elements. The Inner Core accommodates a mix of housing, including accessible, adaptive, and affordable housing, and a diverse offering of business services, retail and dining, health, and social services to match the expectations and needs of the targeted population growth.

> **KEY FEATURES OF SCENARIO 2:**
>
> **Development drivers:** Higher residential density in Morisset Central
>
> **By 2041:**
> - Population of 44,680
> - Dwellings: 19,225
> - New jobs: 3,500 Industrial, 600 Commercial
>
> **Business development:** Lifestyle and boutique retail, café and hospitality, night-time economy, and culture
>
> **Social infrastructure:** Placemaking, public domain upgrades, civic and community services.

This scenario sees the successful attraction of new residents, investment, business activity, and jobs - enabled with a greater promotion and recognition of the wider Morisset precinct as a live/work destination of choice. As with the Morisset as Usual Scenario, the Inner Core is supported by future commercial growth between freeway and existing city centre.

Under the Inner Core scenario, the commercial core and mixed-use land in Morisset Central is increased to a height of up to eight storeys, and the medium density residential land to the east, west and south given a permissible maximum height of up to six storeys. Streets around the train station, especially Yambo and Dora Streets, would be pedestrian priority spaces through 'streets as shared spaces' actions and upgrades to increase walkability and accessibility, and a potential bypass would be investigated to reduce through-traffic. The Town Square proposal is realised, creating a focal point for the public domain, and serving as a catalyst for private investment in Morisset Central. A modernised digital library and community centre is relocated to this Square and serves as an anchor tenant.

This scenario increases the population of the Growth Area by 44,680 in 2041 and creates an additional 9,225 dwellings in the area.

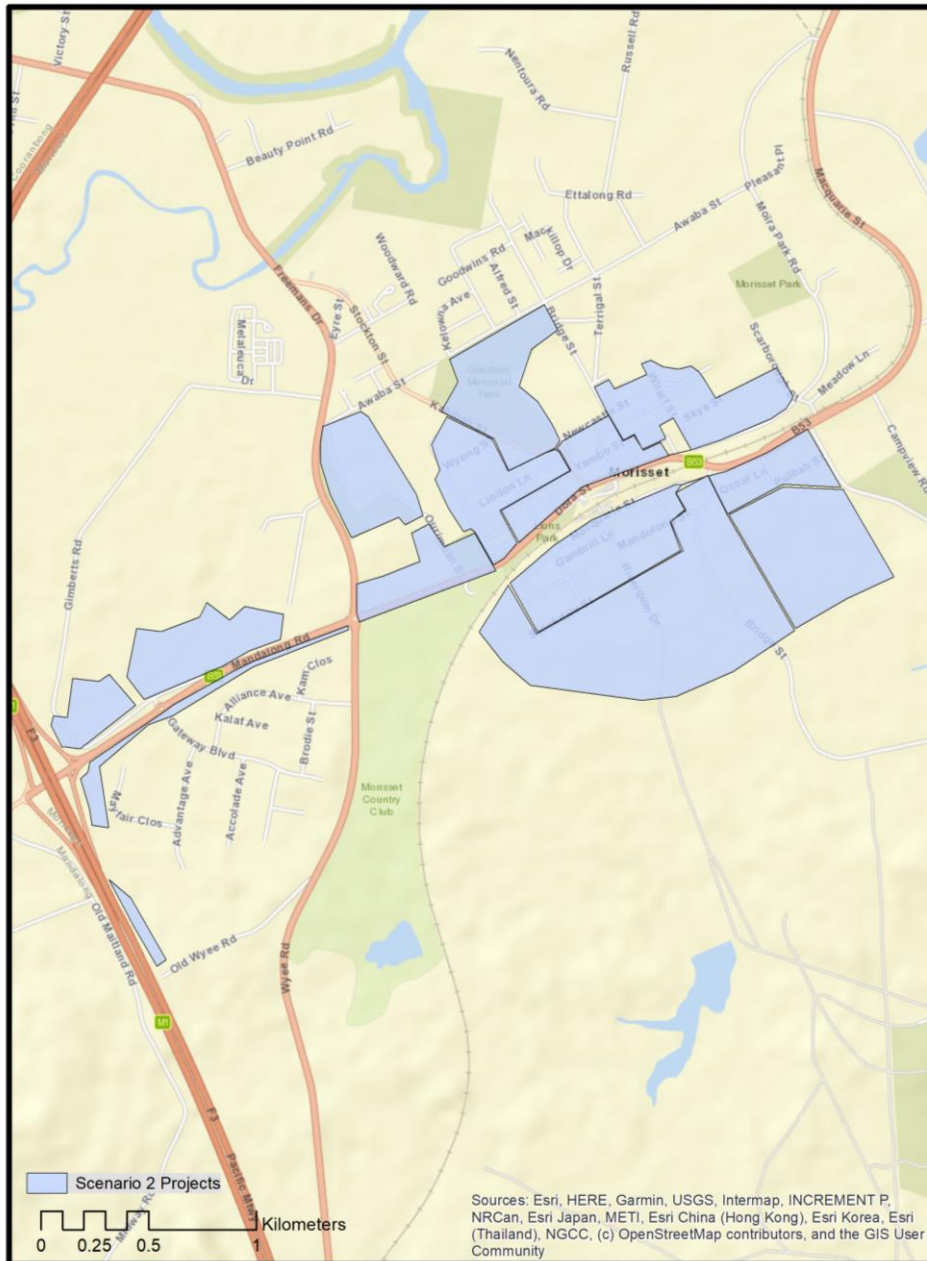Figure 5 illustrates the areas activated under this scenario.

Figure 5: Scenario 2 areas of investigation

4.3   SCENARIO 3: GATEWAY MORISSET

Building on the residential and lifestyle attractors of the Inner Core scenario, Gateway Morisset leverages the Growth Area's geographic advantage as a strategic road and rail transport corridor, driving urban intensification of Morisset Central and commercial, agricultural, and industrial land-uses adjacent to the M1 Pacific Motorway. In the Gateway Morisset scenario, Council advocacy and promotion amplifies the linkages and provisions of services between Central Coast / Greater Newcastle metropolitan area enabling regional-scale growth.

Gateway Morisset anticipates the introduction of fast(er) rail through the Sydney-Central Coast-Newcastle Faster Rail improvement investments in fleet and infrastructure upgrades. The area identifies and actively promotes itself as a dormitory suburb for commuters in Sydney, the Central Coast and Newcastle. This drives increased and diverse residential development, which in turn creates additional demands in retail and commercial offerings. The residential expansion and uplift proposed for the Inner Core scenario is extended, particularly towards the motorway.

> **KEY FEATURES OF SCENARIO 3:**
>
> **Development drivers:** Purpose-designed transit/transport-oriented development
>
> **By 2041:**
>
> - Population of 45,170
> - Dwellings: 19,420
> - New jobs: 4,300 Industrial, 5,200 Commercial
>
> **Business development:** Freight and logistics, circular economy, intensive agriculture, carbon farming
>
> **Social infrastructure:** Tourism infrastructure, arts and cultural events, protected peri-urban production lands

In addition to the increased population, industrial and commercial development nearby on M1 follows the trend of e-commerce penetration and includes transport, freight and logistics industrial uses and outer peri-urban land-uses. Importantly, industrial development takes full advantage of waste management and circular economy opportunities, due to uniquely positioned access to waste markets with declining landfill capacity.

Among the peri-urban land-uses, appropriate areas are reserved to encourage intensive agriculture, including precision farming, hydroponics, and large-scale greenhouses, to provide for ongoing local food security and to leverage strategic connections to wholesale distribution centres. Biodiversity farming initiatives including carbon farming and biobanking operate alongside protected cropping and horticulture.

Tourism is actively promoted, combining the amenity, natural environment, heritage, and outdoor lifestyle tourism appeal of the area. With improved and higher speed rail connections to Sydney, the Growth Area becomes a destination of choice for weekend and extended getaways from the metro regions. Council supports larger and more frequent festivals and events, including regular live music, that attracts more visitors and local residents to cultural and entertainment activities. Tourism infrastructure, including diverse visitor accommodation, easier transport connections, bookable experiences and packages of events and activities works in tandem with the commercial recreational, cultural, arts and events facilities and destinations. Where possible, these commercial facilities are integrated with other high values uses, such as the high demand residential alternatives like manufactured home estates and seniors living.

This scenario results in an estimated population of just over 45,000 residents by 2041 but could provide as many as 4,300 new industrial local jobs and 5,200 new commercial jobs.

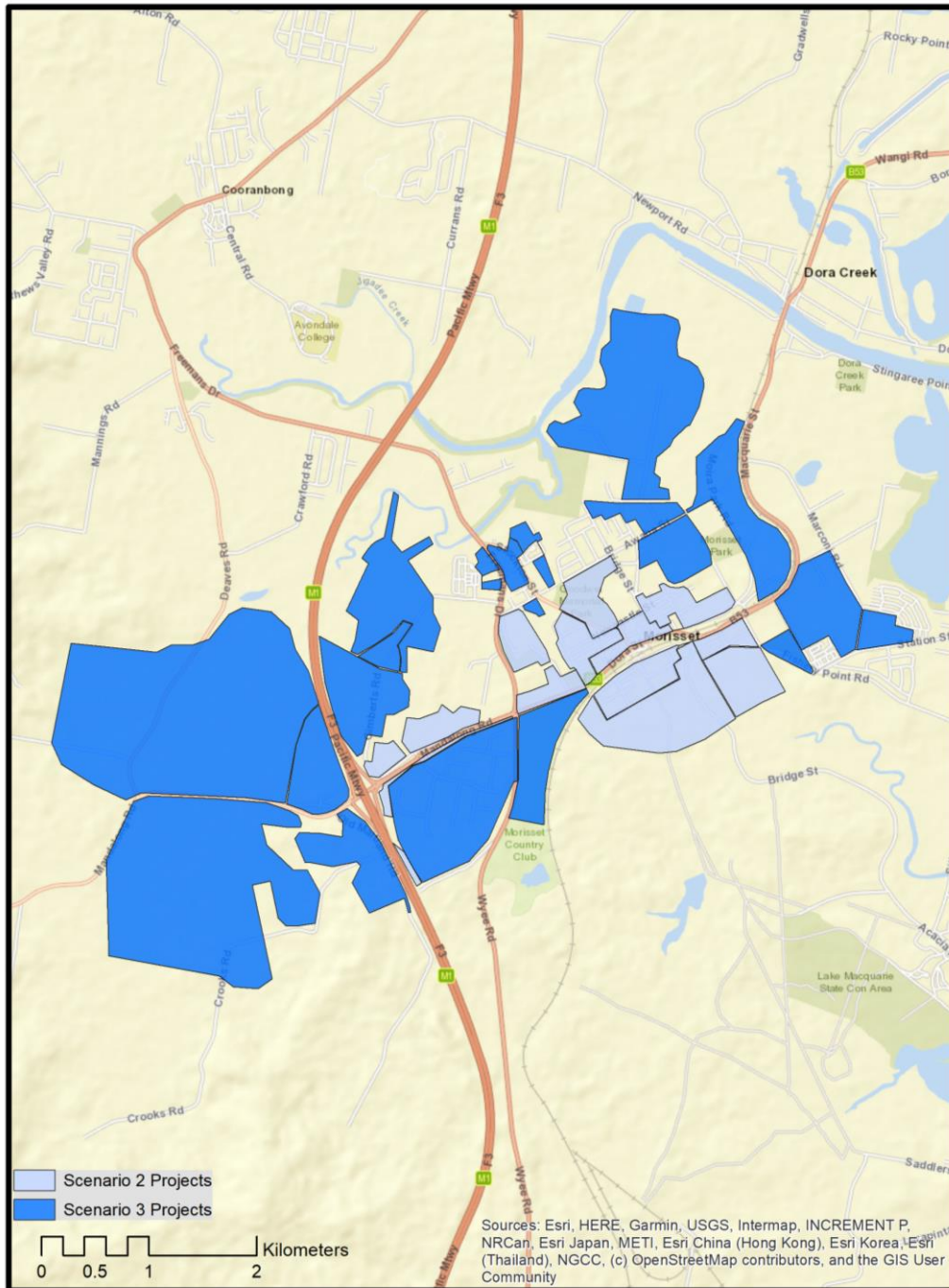Figure 6 illustrates the areas activated under this scenario.

Figure 6: Scenario 3 areas of investigation

4.4 SCENARIO 4: MORISSET CITY

The Morisset City scenario provides the fullest realisation of development across the Growth Area in terms of maximising the yield of residential and employment lands. Under this scenario, the current trends in housing costs and liveability pressures experienced in metropolitan areas are combined with digitized, remote workforces and enhanced transport links, driving housing demand in regional, high-amenity enclaves.

Through the timely staging and managed release of urban development areas and sensitivity to environmental constraints, the population progressively expands into new greenfield sites. Through careful Place Strategy planning, infrastructure investment precedes the population, especially in the provision of transport. Active transport links within and across neighbourhoods and mixed-use integration reduces health and environmental costs of incidental transport in compact, mixed-use urban villages.

The increase in population drives diversity in residential market, sustains local businesses (including expansion and change of use in existing shopping centres), and creates a population density threshold consistent with social and cultural diversity, inclusion, and cultural development. The increasing population creates significant additional demand for investment in physical and social infrastructure, but the concentration of population enables economies of scale and reduces costs per capita. Significant ecological assessment will be required in some of the areas that are being considered for urban release.

One of the key advantages of the increased population in the Morisset City scenario is that it supports Council and other stakeholders' advocacy for state/federal infrastructure, including university campuses and transport upgrades.

As with the Gateway Morisset scenario, demand for local jobs enables further growth of industrial and commercial activity adjoining the M1 Pacific Motorway. Morisset City also leverages the proximity to the M1 Pacific Motorway to support employment in Mandalong Road West, including freight, warehousing and logistics, that complements nearby centres.

This scenario has the highest population projection – with an estimated population of over 57,000 by 2041, with 24,420 dwellings across the Growth Area.

Figure 7 shows the areas that would be activated under the Morisset City scenario. As indicated, the Morisset City scenario would require Council to investigate the capacity, viability and development potential of key sites including the Eraring Power Station site, former Morisset Hospital site, and the Transition (RU6) zoned lands of Morisset and Bonnells Bay.

KEY FEATURES OF SCENARIO 4:

Development drivers: High intervention urban renewal and growth

By 2041:

- Population of 57,545
- Dwellings: 24,420
- New jobs: 4,300 Industrial, 11,500 Commercial

Business development: University and education institutions, expanded health facilities.

Social infrastructure: Health, education, early childhood, community support, community development, transport, culture, sport and recreation, parks and emergency services.
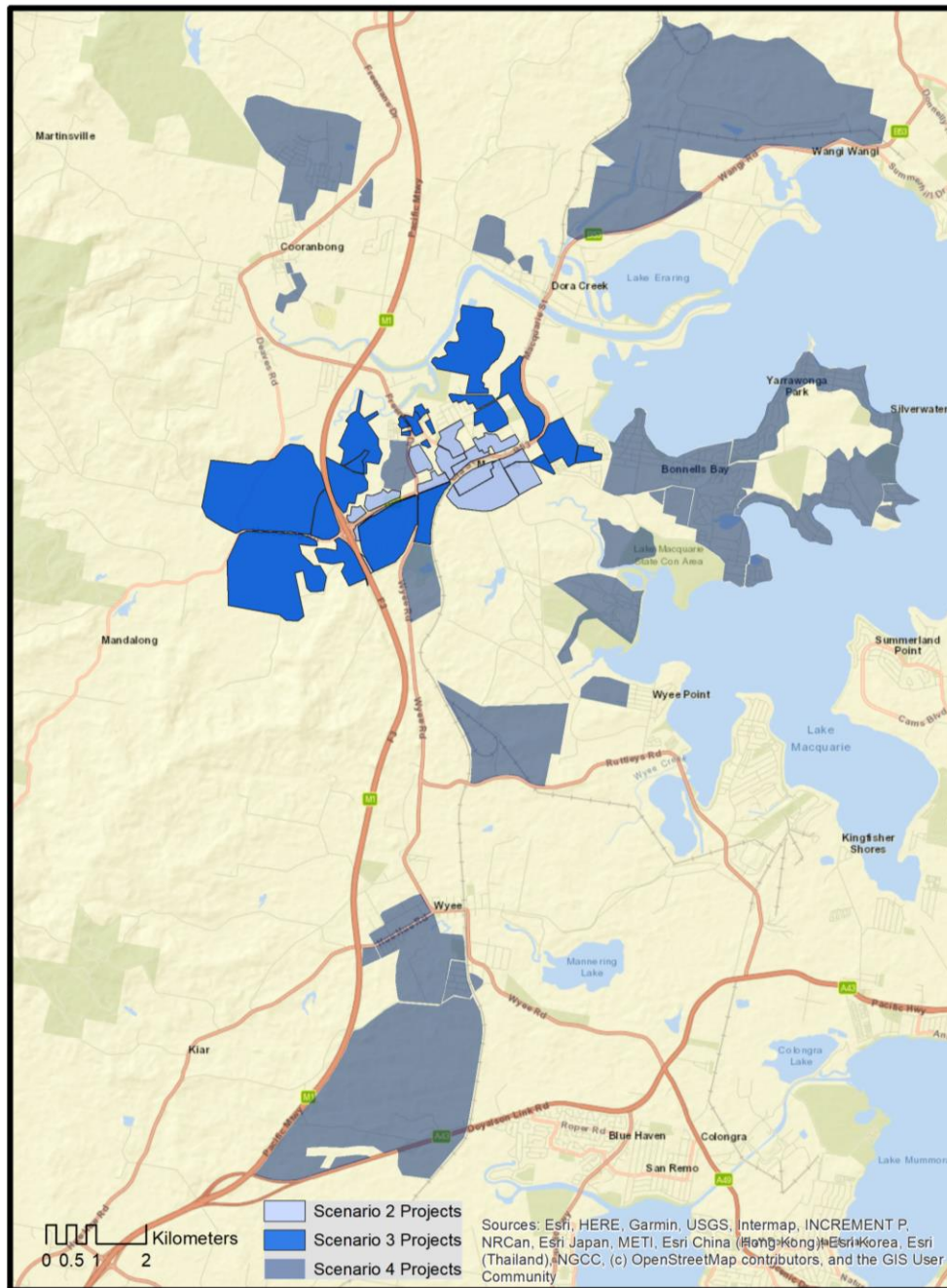
Figure 7: Scenario 4 areas of investigation

4.5   TRADE-OFFS BETWEEN SCENARIOS

The four scenarios provide examples of the different types of futures for the Growth Area that align with the draft vision. Each scenario places a different emphasis on the development footprint, population growth, business and sector development, and environmental conservation. Table 5 summarises the key characteristics of each scenario. The differences between each scenario highlights trade-offs, or different priorities, between the viable options for future growth, and can provide a basis for the preparation of the Place Strategy to resolve tensions between these trade-off decisions.

Table 5: Comparison between the four growth scenarios

|	**Morisset as Usual**	**Inner Core**	**Gateway Morisset**	**Morisset City**
Development drivers	Opportunistic and ad hoc development	Higher residential density in Morisset Central	Purpose-designed transit/transport-oriented development	High intervention urban renewal and growth
Estimated Population 2041	42,060	44,680	45,170	57,545
Estimated dwellings 2041	18,000	19,225	19,420	24,420
New jobs 2041	Industrial: 3,500 Commercial: 200	Industrial: 3, 500 Commercial: 600	Industrial: 4, 300 Commercial: 5,200	Industrial: 4,300 Commercial: 11,500
Business development	Expanding health care and social assistance needs, conservation management	Lifestyle and boutique retail, café and hospitality, night-time economy, and culture	Freight and logistics, circular economy, intensive agriculture, carbon farming	University and education institutions, expanded health facilities
Social infrastructure	Ageing in place, health, and community services	Placemaking, public domain upgrades, civic and community services	Tourism infrastructure, arts, and cultural events, protected peri-urban production lands	Health, education, early childhood, community support, community development, transport, culture, sport and recreation, parks, and emergency services
Council's role	Limited additional investment required for physical and social infrastructure Enhance current liveability, environmental, and amenity values	Place-making and programming for activated public domain and civic space LEP/ DCP amendments in Morisset Central to enable urban renewal Investigate community infrastructure incentives as trade-off for density Promotion of Morisset as live/work destination of choice	Advocacy for regional transport upgrades, including the traffic bypass for Dora Street Business case for additional commuter car parking spaces at Morisset Review public transport (multi-modal) connectivity Destination management and tourism planning to identify synergies across current offerings	Technical investigations for development areas Coordination of servicing of new land Advocacy for investments in education and health facilities Determine demand for new community services / facilities Facilitate negotiations in relation to the former Morisset Hospital site and surrounding RU6 Transition zoned land

5. NEW BUSINESS OPPORTUNITIES

There are several new business opportunities presented within each of the four future planning scenarios (Table 11). These include projects suggested by Council and additional opportunities identified through the desktop analysis and engagement activities.

Table 6: Business opportunities for each growth scenario

Scenario	Business Opportunities
1. Morisset as Usual	▪ 'Pipeline projects', including developments in Gunther Industrial Estate, Mandalong Road South, Mandalong Road North and an industrial hub on Gimberts Road ▪ Expanding social and health services provision associated with ageing-in-place infrastructure ▪ Environmental tourism and conservation management
2. Inner Core	All of the above, and ▪ Boutique retail, hospitality, night-time economy and associated commercial opportunities associated with a live/work precinct
3. Gateway Morisset	All of the above, and ▪ Freight and logistics hub ▪ Circular economy developments ▪ Intensive agriculture and protected cropping ▪ Destination and event tourism
4. Morisset City	All of the above, and ▪ Hydrogen and renewable energy infrastructure

Three of these have emerged as key new business opportunities for the Growth Area:

   i.   Freight and logistics hub

  ii.   Circular economy precinct

 iii.   Hydrogen cluster.

Each has the potential to strategically align with existing strategies and policies and are recommended for further investigation as the Place Strategy is developed. These will need to be considered in relation to existing pipeline projects to ensure interventions are made where necessary to re-position the Growth Area towards new opportunities.

5.1   FREIGHT AND LOGISTICS HUB

This study found considerable support for the establishment of a freight and logistics hub in Morisset, receiving endorsement from a variety of stakeholders. Support for a freight hub is largely due to the Growth Area's strategic location on the National Highway between Melbourne and Brisbane. A freight hub in this location could also provide strategic road connections to the Liverpool Plains and New England.

Morisset also benefits from access to rail line networks with existing freight capability, which will eventually link to the Inland Rail[27]. There appears to be land capacity to develop an industrial park with the enabling infrastructure needed (subject to further technical investigations) to support businesses that require national distribution.

Future planning and plan-making will need to consider the implications of structural changes within the freight and logistics sectors, including within the Hunter region. This includes transformative proposals for the Port of Newcastle (e.g., containerisation) and the potential for Newcastle Airport to play an increasing role in fast freight distribution. Monitoring the uptake of lands within the immediate vicinity of both air and sea ports, as well as in strategic locations such as Black Hill or Rutherford, will be important to establishing investment and planning conditions that are attractive to new industries.

In discussions about Morisset's industrial capacity, interviewees for this study often pointed to the importance of creating a solid reputation around specific regional strengths to attract investment and businesses. Another advantage of this approach is that it can drive local employment in Morisset, particularly as freight and logistics is not a knowledge intensive industry.

5.2   CIRCULAR ECONOMY PRECINCT

There is significant support in government, business and the community for initiatives that embody circular economy principles through, for example, the elimination of waste, reuse and recycling of materials, and the regeneration of nature. These types of initiatives typically rely on a significant movement of resources to/from value-add locations. The same strategic connectivity advantages that make the Growth Area a good freight and logistics hub candidate would also provide a strong platform for a circular economy precinct.

A circular economy precinct would be more locally/regionally focused (as distinct from the state/national focus of a freight hub), leveraging its connections to, for example, high-construction areas (e.g., residential growth), and areas where power stations and coal mines are in transition.

The Growth Area also benefits from its proximity to the University of Newcastle, with well-established capabilities in circular economy research. For example, in 2021 the University and Council partnered to establish a Circular Economy Living Lab, offering seed funding for new research projects drawing from industry opportunities within the Lake Macquarie LGA.

The Circular Economy Living Lab is currently working with Origin Energy to investigate opportunities for the anaerobic digestion and recycling fly ash at the Eraring Power Station for use as a product for other industries, including construction. The anaerobic digestion process can also be used to generate energy. If the process can be proven and commercialised, this would create demand for a site to be used as a waste-to-energy facility, relying on good transport connectivity and suitable separation to sensitive uses. Forward planning to safeguard the potential for such a site would be advantageous to ensuring both technical feasibility and a social license to operate.

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[27] Department of Infrastructure, Transport, Regional Development, Communication and the Arts (2022). *Inland Rail.* Available online at https://www.inlandrail.gov.au/.

Multiple other opportunities have been recognised for the Eraring Power Station site, which is due to close in 2025, including to support the site's environmental remediation. If realised, the site itself could serve as a 'blueprint' for other former power stations, and the Circular Economy Living Lab partnership model could be replicated for other sites or sectors.

A key challenge to establishing a circular economy is the need for engagement to foster collaboration, garner support, and build a systems approach between traditional and emerging industries. This concept is still largely experimental in the Hunter and will require significant leadership and innovation. Council can play an important role through its advocacy, and existing processes and planning pathways, and through the facilitative role of DANTIA in bringing together a diverse range of specialised partners.

5.3 HYDROGEN CLUSTER

Governments at various levels are exploring opportunities associated with the manufacture of hydrogen fuel in line with other global initiatives. This movement will rely on substantial policy and sector innovations for it to be established. The Hunter region is emerging as an important location for hydrogen futures. The region has been producing hydrogen for decades using traditional technologies to produce derivative products for the resources and associated sectors. The *Hunter Hydrogen Roadmap* highlights the relevance of the region as a cluster that can bring together expertise, technologies, resources, capital, and knowledge of businesses to drive supply chain coordination, connection, and development in the emerging hydrogen fuel industry.

The Lake Macquarie LGA has been identified as an important part of the hydrogen cluster in the *Hunter Hydrogen Road Map*. Stakeholder engagement as part of this study reinforced the potential role for the Growth Area in this regard. There is recognition of the transitional context of Lake Macquarie's economy, especially regarding the recently announced early closure of the Eraring Power Station. There is also an understanding of the need for coal and gas power stations to diversify over the next 20 years, with hydrogen representing a potential logical alternative fuel. This would allow Morisset to tap into the emerging global demand for fuels with less emissions, while building on the area's existing strengths as an energy powerhouse.

Again, the Growth Area's connectivity is a strategic advantage – for example, by capitalising on its proximity to the national highway to offer a green hydrogen refuelling station for passenger vehicles.[28] The model for a short-term pilot is already available at the ActewAGL Hydrogen Refuelling Station in the ACT[29,30]. Another opportunity around transport is the establishment of a service centre for electric vehicles (EVs) in Morisset, especially given that the Eraring Power Station is an ideal location for an EV battery station. This could drive employment in the service centres, and battery reuse and recycling services associated with this opportunity. Finally, mines and power stations in the Morisset area are connected by private roads that could be opened for use for hydrogen vehicle testing.

A large-scale green hydrogen industry represents an opportunity to enhance the region's economic prosperity, providing sustained employment to people in existing manufacturing and resources industries, and new construction sectors. Future planning and plan-making should consider what role the Growth Area could play in this cluster to maximise the opportunities locally and for the broader region.

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[28] NSW Department of Planning, Industry and Environment (2021). *NSW Hydrogen Strategy: Making NSW a global hydrogen superpower*. Available online at https://www.energy.nsw.gov.au/nsw-plans-and-progress/government-strategies-and-frameworks/nsw-hydrogen-strategy.

[29] The Commonwealth Scientific and Industrial Research Organisation (2023). *ActewAGL Hydrogen Refuelling Station*. Available online at https://research.csiro.au/hyresource/actewagl-hydrogen-refuelling-station/.

[30] The Commonwealth Scientific and Industrial Research Organisation 2022, ActewAGL Hydrogen Refuelling Station, https://research.csiro.au/hyresource/actewagl-hydrogen-refuelling-station/

5.4   CURRENT PIPELINE PROJECTS

Continuing to facilitate the delivery of employment-generating (industrial and commercial) projects that are already approved or (where appropriate) at an advanced stage of planning is an important role for Council. The economic modelling completed for this Study was exclusively focused on proposals within the M1 Gateway Corridor East precinct in the South West sub-area. Three of these projects – Gunther Industrial Estate, Mandalong Road South, and Mandalong Road North – were considered highly likely to be delivered in the next five years, and one project, an industrial hub on Gimberts Road, is more likely to occur in the next ten years.

While development at Gimberts Road has a much longer time horizon, an industrial hub in this area may be of benefit to the industrial capabilities in the Growth Area. With several developments already approved in this area in commercial and freight sectors, there is considerable evident appetite for industrial development. But, as identified by stakeholders, zoning allowances and the quality and accessibility of Mandalong Road are currently barriers to growth.

A key planning challenge for Council will be in relation to the nature of developments emerging in the Gunther Industrial Estate, Mandalong Road South, and Mandalong Road North development areas. These have a strong out of centre retail focus. How these are managed in the short-term will influence the trajectory of future growth and nature of investments required.

5.5   IMPLICATIONS FOR BUSINESS OPPORTUNITIES

There are significant business opportunities in Morisset and the Growth Area due to the area's assets, which include its natural setting, access to education institutions, transport accessibility and inter-regional connectivity, and environmental assets and biodiversity corridors. With several mines and two major power stations, Morisset's economy is expected to further diversify and cater to demand for renewable energy and circular economy developments, and goods distribution.

The current pipeline projects also reinforce the presence of an appetite for industrial development in Morisset. At the same time, there is a gulf between the considerable opportunities for Morisset to be an industrial hub in sectors such as freight and logistics or hydrogen, and the projects currently on the horizon for development. The implication of this is that certain barriers should be addressed to ensure that the area's full potential can be realised.

While industrial growth is somewhat inevitable in Morisset, the degree to which the considerable business opportunities for the area can be capitalised on depends on navigating existing barriers, such as the quality and accessibility of Mandalong Road. It is also important to consider the infrastructure requirements of the sectors identified as business opportunities in this chapter, and how these can be provided to attract new businesses. Finally, it will be necessary to integrate regulatory requirements and environmental impact assessments and how they affect feasibility into the consideration of business opportunities such as hydrogen and the circular economy.

6. IMPLICATIONS FOR FUTURE PLANNING

Section 3 of this report provides a working draft vision for the Growth Area. This was applied along with growth modelling outputs of different development outcomes to develop four alternative futures for the Growth Area that sets a framework for future planning and plan-making.

This section summarises the implications for future planning that have emerged through the study, and areas to consider where further work could be undertaken in the development of a Place Strategy. Data and analysis to inform these considerations is provided in Appendices 4–7.

6.1 SUMMARY OF KEY OPPORTUNITIES TO RE-POSITION THE GROWTH AREA

The study has identified a range of key opportunities to re-position the growth area, which should be incorporated into future planning and plan-making. Each align with the broader policies and strategies and the working draft vision proposed in Section 3.

The Growth Area's location, and accessibility to domestic and international markets via national transport networks provide a platform for exploring new business opportunities. Three plausible and realistic concepts that should be incorporated into future planning include the potential for the Growth Area to emerge as:

- A nationally relevant freight and logistics hub

- A region-leading Circular Economy Precinct

- A significant location to the broader Hunter Hydrogen Cluster.

The Growth Area already has substantial residential growth capacity, even without major intervention. Consultation conducted for this Study demonstrated that stakeholders and current residents understood the need to ensure increased supply addresses current and expected future need, with the aim of looking after residents as they age and retaining the lower-skilled workers upon which local industry will continue to rely. To re-position the Growth Area, future planning will need to consider new approaches to encourage:

- Greater housing diversity and amenity (through design) in urban release

- More uptake in medium- and higher-density living in locations close to transport and services, and

- Outcomes for specific cohorts, including older people, renters, and lower-income households.

The study has also emphasised the need to prioritise social planning to ensure the Growth Area can continue to meet the current and changing needs of local residents, employees, and visitors to the area. The key domains recommended focus on supporting community access to health, education (schools and libraries), and recreation (sporting facilities, parks, and open space) services.

Each of these will need to be responsive to the specific nature of future growth – for example, service delivery models for high density areas are different to catering for more dispersed populations. Some of these initiatives can also serve as catalyst projects to assist with the Growth Area's re-positioning, including investments to establish a landmark community hub in Morisset's town centre.

6.2 SUMMARY OF IMPLICATIONS AND CONSIDERATIONS

Future development of the Growth Area presents implications and considerations across the following domains:

Job creation

There are several implications for Council to consider regarding the employment opportunities in Morisset and the South West Growth Area. Firstly, and similarly to the business opportunities for the area, maximising local employment opportunities will require that commercial and industrial precincts are well-serviced with the necessary enabling infrastructure to facilitate growth and attract businesses.

This may require collaboration between Council and other government bodies, underlining the importance of a unified strategic intent for employment in the area. This again connects to the business opportunities for Morisset and the Growth Area, as having a specific vision for the area's commercial and industrial identity (e.g., as an adventure tourism destination and inland port) to help to maximise job opportunities.

Secondly, employment and housing should be understood as complementary factors in Morisset and the Growth Area. The findings of the study made it clear that more housing will be an important factor in driving job growth in the area. Providing a variety of housing options is important to ensuring that there will be a diversity of employment options in the Growth Area, creating demand for higher and lower income jobs.

Finally, active and meaningful engagement with the community will be critical for delivering on Council's pipeline projects. It will be important to understand the level of density and the types of jobs that would be accepted and valued by the community as there are potentially significant differences in the types of jobs, industrial versus commercial that will emerge from Council's project pipeline. Housing types and location and the social infrastructure associated with these jobs will also need to be considered through community engagement.

Land-use planning

The findings from this study indicated that there is an opportunity for Council to spearhead an innovative and modern approach to land-use planning in Morisset and the South West Growth Area. Key stakeholders and the community have flagged their interest in land-use planning that integrates a balanced view of economic, social, and environmental outcomes.

The implication of this finding is that Council will need to navigate these competing factors in its land-use planning approach going forward. More specifically, this means ensuring that the advocates for each principle are heard, and that potential for conflict is minimised. This will be important when it comes to the community in Morisset and the Growth Area, who, as the consultation conducted for this study showed, are likely to feel that development needs to be balanced against preserving local and environmental heritage. Determining how these considerations should be balanced and translated into effective land-use planning will require effective and continuous community consultation. This in turn will contribute to fostering the community's trust and engagement with Morisset's and the Growth Area's development.

Housing planning

The findings from the study showed that residential development will be a significant part of the Growth Area's growth and is viewed as important by both key stakeholders and the community. However, these findings also implied that there is a need for a balanced approach to housing development to ensure that the Growth Area is more than just a 'housing destination'. More specifically, it is important for Council to consider mixed housing and residential development options for the growing population, including seniors living and aged care, and affordable housing.

Current and future housing also needs to be adequately serviced with the required social infrastructure, and it is recommended that Council commit to 'place making' to ensure well-designed, regenerative and adaptable streets and places where people want to live, work and visit.

Social planning

As a rapidly growing area, Morisset and the South West Growth Area will require balanced and effective social planning to complement and properly capitalise on its business and employment opportunities. Informed social planning will also be important to ensuring that the area's growing population has access to the services and facilities that residents require throughout their lives. To do this, social planning in Morisset and the wider Growth Area will need to account for a range of factors, including the area's predicted growth, identified megatrend factors impacting migration, housing and living affordability, civic spaces and recreational amenities, and the demand for health care and education facilities.

Due to its wide scope, social planning for Morisset and the Growth Area offers an excellent opportunity to deliver on Council's broader strategic objectives across several policy areas, such as the night-time economy, tourism, arts and culture, and the circular economy. Relatedly, the Community Hub project represents an additional opportunity to cater to certain demands for social infrastructure, particularly in the health and commercial sectors.

Table 7 summarises the key considerations and risks to mitigate identified across job creation, land-use planning, housing, and social planning.

Table 7: Key considerations

FACTOR	CONSIDERATIONS
New business and job creation	▪ Variations in economic activity in regional businesses can create difficulty when planning infrastructure to bolster development and long-term growth[31]. ▪ Education levels can influence job opportunities and availability of a skilled work force for new / expanding industries. ▪ Lack of affordable housing, difficulty in maintaining social equity and limited accessibility to services will make it more difficult to retain a local workforce, particularly in lower-income sectors. ▪ Inadequate servicing infrastructure will discourage new businesses and industries to relocate to Morisset, creating a missed opportunity for a local workforce. ▪ Changing population demographics, such as an aging population and loss of young people from the area, which is linked to limited youth employment opportunities.

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[31] Infrastructure Australia (2022). *Regional Strengths and Infrastructure Gaps – Regional Analysis: New South Wales*. Australian Government. Available at https://www.infrastructureaustralia.gov.au/2022-regional-strengths-and-infrastructure-gaps-NSW

FACTOR	CONSIDERATIONS
Land-use planning	▪ Fast-changing land-use and development can place additional pressures on transport networks. Failure to organise land-use and transport development can add to congestion and crowding in some areas, or a lack of suitable services in others.[31] These outcomes would influence the amenity and 'liveability' of Morisset. ▪ Limited supply of land for 'out-of-centre' developments, like larger footprint commercial or light industrial uses in the Growth Area, will lead to competition for space which may sterilise or delay new projects. ▪ Challenge to ensure that biodiversity and cultural considerations are properly addressed, particularly as Council works with Biraban Local Aboriginal Land Council. ▪ Limited understanding of transport development can pose a significant risk for the delivery of projects, particularly industrial parks along Mandalong Road. ▪ Need for improved coordination to oversee services and infrastructure required, such as water and sewage access for new developments (similar issues experienced in the Central Coast). ▪ Limited engagement and support from key stakeholders, such as government agencies and private landowners, over land-use planning. This is a particular risk for the Morisset Hospital and the Eraring Power Station sites.
Housing	▪ Key services and social infrastructure such as schools, health services, and retail and commercial services are required alongside housing development to enhance for the attractiveness of the area, and liveability for new residents. ▪ Mixed housing options are needed to cater for different housing demands with regard to size, density and location of the dwelling. ▪ Affordable housing construction and key worker housing is made difficult by prohibitive costs to Council or developers. ▪ Job availability is a key factor to attracting new residents which could undermine demand for affordable housing. ▪ Constraints on densification in Morisset given its geographical features. ▪ Potential community resistance to densification of housing that may alter the traditional character of the town centre.
Social planning	▪ The shifting landscape of health concerns are increasing the cost of health infrastructure and services for both funders and consumers. If this is not addressed, government funding will become untenable, and costs will become too expensive for consumers.[31] ▪ Small service densities can restrict the supply of available, continuous and quality health care in rural communities and remote areas. Without action, healthcare outcomes for populations in these areas will to be adversely affected.[31]

7. CONCLUSION

Morisset and the South West Growth Area is in a position of strength. It has been prioritised for growth by different levels of government. It is strategically located between Greater Newcastle and the Central Coast and has ready-access to inter-regional transport networks. The private sector is increasingly looking for opportunities for residential and commercial development. Key stakeholders and the community support the growth of the area but have called for Council to take an approach that manages change carefully.

Decades of evidence shows how inadequate planning provisions and poor development controls can produce adverse ecological, social and amenity outcomes in rapid, development-led high growth contexts.[32] Urban expansion and sprawl are recognised as drivers of significant irreversible environmental harm, including ecosystem service degradation, landscape fragmentation, water scarcity, and loss of habitat at multiple scales.[33]

Growth planning for sustainability and resilience allows for sequencing of infrastructure upgrades and service delivery, by Council, state agencies and other service providers. It actively mitigates against the risks of population growth from inadequate infrastructure and services to meet needs, social dysfunction, and environmental degradation. This proactive approach can avoid or minimise inequitable distribution of and access to fundamental social provisions like health and education, with compounding flow on socio-economic and quality of life impacts.

This can be achieved by forward-planning to align developer contributions and capital investment in infrastructure with growth across residential, commercial, and industrial uses in new growth areas, ensuring sufficient infrastructure and utilities (such as water or roads) and capacity to meet demand for services (schools, health care, employment opportunities, parks and playgrounds, emergency services).

The role of new planning approaches to improving urban environments was highlighted in the most recent Australian State of Environment (SOE) Report.[34] The 2021 SOE promotes a 'vision and validate' approach (as opposed to a 'predict and provide' approach) to better manage and service urban growth with the timely provision of infrastructure. The 'vision and validate' approach seeks to proactively shape urban environments in line with an agreed overarching vision for an area. It focuses on community needs to provision infrastructure ahead of demand, with efficiency and cost reduction benefits alongside the mitigation of growth risks. The growth scenarios in this study are intended to inform the 'vision and validate' approach.

There are several pathways available to Council to explore. Council has the option to continue with 'business as usual', and the area will likely still deliver growth in population and jobs. Incremental increases in intervention across the scenarios will be contingent on further developments in the policy context, changes to planning controls and Council's projected capacity for investment.

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[32] Rubiera-Morollón, F. and R. Garrido-Yserte (2020). Recent Literature about Urban Sprawl: A Renewed Relevance of the Phenomenon from the Perspective of Environmental Sustainability. *Sustainability* 12(16), p. 6551.

[33] Squires, G.D. (2002) *Sprawl: Causes and Consequences and Policy Responses*. The Urban Institute Press: Washington, DC, USA. Wilson, B. and Chakraborty, A. (2013). The environmental impacts of sprawl: Emergent themes from the past decade of planning research. *Sustainability* 5: pp. 3302–3327.

[34] Department of Climate Change, Energy, the Environment and Water (2021). *Australian State of Environment Report*. Australian Government. Available online at https://soe.dcceew.gov.au/urban/management/management-approaches.

NEXT STEPS FOR CONSIDERATION

The findings from this report were subject to community and Council review and feedback via:

- community consultation conducted between 20th June and 14th September 2023, as part of the Council's broader consultation on the Morisset Place Strategy discussion paper; and

- consideration at the meeting of Council's Economic Portfolio Committee on 7 March 2024.

A summary of the input from that review process is provided in this report as Appendix 7. However, based on planning analysis, community feedback and Councillor input, the next stage of this project – the *Roadmap and Action Plan* – will detail actions to deliver the residential, employment, social amenity and business development aspirations broadly consistent with those outlined in Scenario 3.

The Roadmap and Action Plan will:

- Provide actions to guide land use planning, development and economic activity over the next 5, 10 and 20 years to achieve a preferred scenario.
- Inform updates to regional and local policy including the Place Strategy, Structure Plan, Council's LSPS and provide advice to support inter-regional collaboration over the same time horizons.
- Outline infrastructure, service and facility needs to ensure Morisset and the South-West Growth Area are ready to capitalise on business, employment and growth opportunities.

The preferred scenario promotes increased density around Morisset Central, through changes to residential planning controls and state and council investment in place-making and public domain. Strategic urban renewal program targeting low-density buildings within 15 minutes of the train station. Place-making investment is combined with council programming to re-create Central Morisset as a vibrant social heart with delightful main streets, active street frontages and a central community hub and civic space. The 'Town Square' proposal is realised, creating a focal point for the public domain, and serving as a catalyst for private investment in Morisset Central. A modernised digital library and community centre is relocated to the square and serves as an anchor tenant.

 The recommended immediate next steps for future planning and plan-making are to:

1. Ensure technical reports that are conducted to form the evidence base for the Place Strategy include a review and assessment of megatrends on the Growth Area.

2. Develop place-based priorities for each sub-precinct that align with the vision for the Growth Area.

3. Develop landscape attributes and local character statements for the sub-precincts to reflect the distinctiveness between locations within the Growth Area.

Longer term, and subject to the recommendations of the Road Map, Council will be able to proceed with scoping the development of a business case which will be key to informing the next stage of the South West Growth Area strategy.

APPENDICES

APPENDIX 1: POLICY CONTEXT

Table 8: *Hunter Regional Plan 2041* **Place Strategy outcomes for Morisset (refer to Figure 8)**

Place strategy outcomes	
Precinct	**Desired outcomes**
Morisset Central Precinct	▪ Create a vibrant social heart with inviting main streets, active street fronts and mixed use development with a central community hub and civic space. ▪ Plan for a mix of housing and a diverse offering of business services, retail and dining, and health and social services. ▪ Create a main shopping strip close to transport infrastructure. ▪ Plan for mixed use opportunities adjacent to the city centre to provide a 15-minute neighbourhood.
Morisset M1 Interchange Gateway Corridor	▪ Encourage intensive agriculture, including precision farming and greenhouses, for ongoing food security and to make use of strategic connections to wholesale distribution centres. ▪ Incorporate private recreation facilities with other uses, such as manufactured home estates and seniors living. ▪ Expand industrial, business and specialised retail employment uses. ▪ Leverage proximity to the M1 Pacific Motorway to support employment in Mandalong Road West, including freight, warehousing and logistics, that complements nearby centres.
Conservation area	▪ Revegetate previous cleared areas to promote corridor linkages north of Mandalong Road. ▪ Retain the east-west biodiversity corridor connecting the shores of Lake Macquarie with the Watagans National Park. ▪ Retain and enhance areas of high environmental and biodiversity value and incorporate these into a network of habitat corridors and conservation areas.
Urban expansion areas	▪ Increase to higher residential housing densities adjacent to Morisset rail station. ▪ Improve connectivity with Morisset Central Precinct and gateway to the southern Lake Macquarie State Conservation Area and adjacent conservation land. ▪ North Morisset: Plan for housing anchored by a central neighbourhood common and quality pedestrian and cycle connections to surrounding precincts. ▪ Morisset East: Transition Marconi Road small lot production to accommodate low rise residential uses, sensitive to the operation of Morisset wastewater treatment plant. Connect walking and cycling links to Morisset Central precinct, Bonnells Bay and open space foreshore areas. ▪ West Morisset: Develop residential land to accommodate the growing population. Build pedestrian and cycle connections to surrounding precincts. Identify Morisset Hospital as a sub-precinct for revitalisation and improved foreshore access.
Urban Support	▪ Transition Moira Park Road investigation land to accommodate expansion of urban services as required.

Figure 33: Morisset regionally significant growth area

Legend		
Proposed Morisset community hub and town centre activation project	Endangered ecological communities	Train station
Employment opportunity	Investigation (subject to ecological assessment)	Power station
Infill	Conservation zone	Transport interchange
Mixed-use investigation area	Railway	Morisset Hospital
Crown land	Pacific Motorway (M1)	Existing urban areas
	Biodiversity corridors	National park and state forest
		Open space
		Water body

0   0.5   1   2 Km   N

Figure 8: Morisset Regionally Significant Growth Area as identified in the Regional Plan

APPENDIX 2: SUMMARY OF COMMUNITY FORUM FINDINGS

Table 9: Summary of community forum findings

Question to community forum	Summary of responses
What are the most important outcomes you would like to see for the future of Morisset (generally)?	- Diversification of industry and business - Better employment opportunities, particularly in retail in the town centre - More recreation facilities/opportunities for the community, particularly families - Good planning and a better integration of nature into planning - Better health infrastructure - Maintaining a community feel/spirit - A place to both live and work - Environmentally friendly community - Community involvement in decisions - Welcoming community - Finding a balance in Morisset between sustainability and growth - Less housing, more infrastructure
What are the most important outcomes you would like to see for the future of Morisset (specifically)?	- A business hub that includes major companies or a focus on start ups - Shared roads or car free areas in the town centre - Renewable energy hub, potentially at the Eraring site - University site to increase employment opportunities - Eco-friendly buildings - Greater accommodation options for the influx of tourists - Eco-tourism - Housing in appropriate locations and community space around the lake - Repurpose Eraring site as a hydrogen hub - Traffic bypass for Morisset
What needs to be done to achieve these outcomes?	- Quality connectivity/technology provision - People that *want* to work - Better traffic flow - Rezoning DA planning for scale of housing - Better building designs - Lake connectivity - Quality of life available to attract professionals to the area - Selective school/high school - Changing Morisset Hospital to regional public hospital - Integrated living and working complex (like Alexandria in Sydney) - Attracting young professionals - Integrated health hubs/centres - EV charging stations - Have an ongoing deliberative planning process with communities - Protecting biodiversity - Industry planning/forecasting to see which sectors are likely to grow - Transport connectivity (e.g., taking advantage of the train line and the lake) - Clarity on the current hospital site (e.g., ownership and future plans) - Clearer communication and timelines on plans for the area

APPENDIX 3: MODELLING

Summary of growth modelling

The growth modelling results can be summarised in terms of lower and higher ranges for each growth indicator. The lower and higher range columns in Table 10 below represent the lowest and highest value under all scenarios (e.g., the population projections range from around 36,000 people in scenarios 1 and 2 to around 56,000 in Scenario 6).

Table 10: Summary of modelling results

Indicator	Lower range	Upper range
2021 Dwellings	10,143	10,143
2041 Dwellings	15,673	24,143
Dwelling Growth	5,531	14,000
% Annual Dwelling Growth	2.7%	6.9%
2021 Population	23,583	23,583
2041 Population	36,058	56,395
Population Growth	12,474	32,812
% Annual Population Growth	2.6%	7.0%
2021 Industrial Jobs	1,933	1,933
2041 Industrial Jobs	5,823	6,193
Industrial Job Growth	3,890	4,260
% Annual Industrial Job Growth	10.1%	11.0%
2021 Commercial Jobs	4,052	4,052
2041 Commercial Jobs	4,257	13,018
Commercial Job Growth	205	8,966
% Annual Commercial Job Growth	0.3%	11.1%
2021 Total Jobs	5,985	5,985
2041 Total Jobs	10,080	19,211
Total Job Growth	4,095	13,226
% Annual Total Job Growth	3.4%	11.0%

APPENDIX 4: IMPLICATIONS FOR JOB CREATION

Table 11 provides an overview of the job opportunities that are unique to each future scenario. This section presents the evidence for the most significant employment opportunities that emerged in this study. These include opportunities identified through desktop analysis, stakeholder engagement, and economic modelling. It also considers how Council can capitalise on these opportunities to increase local employment.

Table 11: Unique job opportunities for each growth scenario

Scenario	Job Creation
1. Morisset as Usual	- Commercial jobs in employment in the M1 Gateway Corridor East precinct - Growth across health care and social assistance, allied health, education and aged care services - Conservation management
2. Inner Core	All of the above and - Hospitality, community services and retail - Public services and administration - Night-time economy and culture
3. Gateway Morisset	All of the above and - Transport, freight, logistics, postal, handling and intensive manufacturing - Agriculture (horticulture, precision farming, protected cropping) and biodiversity farming - New sunrise industries including renewable energy and storage, circular economy and hydrogen - Creative and cultural industries expanded lifestyle, destination and event tourism
4. Morisset City	All of the above and - Construction and real estate services - Education (primary, secondary, tertiary) - Professional and technical services

The 2021 Census demonstrates the highest current employment across the Growth Area is in healthcare and social assistance, which accounts for 17.6% of the 8,700 total local jobs. This is followed by construction (14.1%), mining (9.6%) and retail trade (9.3%). The Growth Area currently comprises around 12% of the total jobs within the Lake Macquarie LGA. Figure 9 provides a view of the breakdown of employment by industry.

Of the healthcare and social assistance industry jobs, 36% are in Residential Care Services, around 30% are in Social Assistance Services, and 10% are in Hospitals. Under all the Future Planning Scenarios, employment within this sector is expected to grow, due to combination of the pull-factors of the Growth Area for an ageing population, the increase in seniors' residential developments, new retirement and aged care facilities, and the retained population through ageing-in-place initiatives.
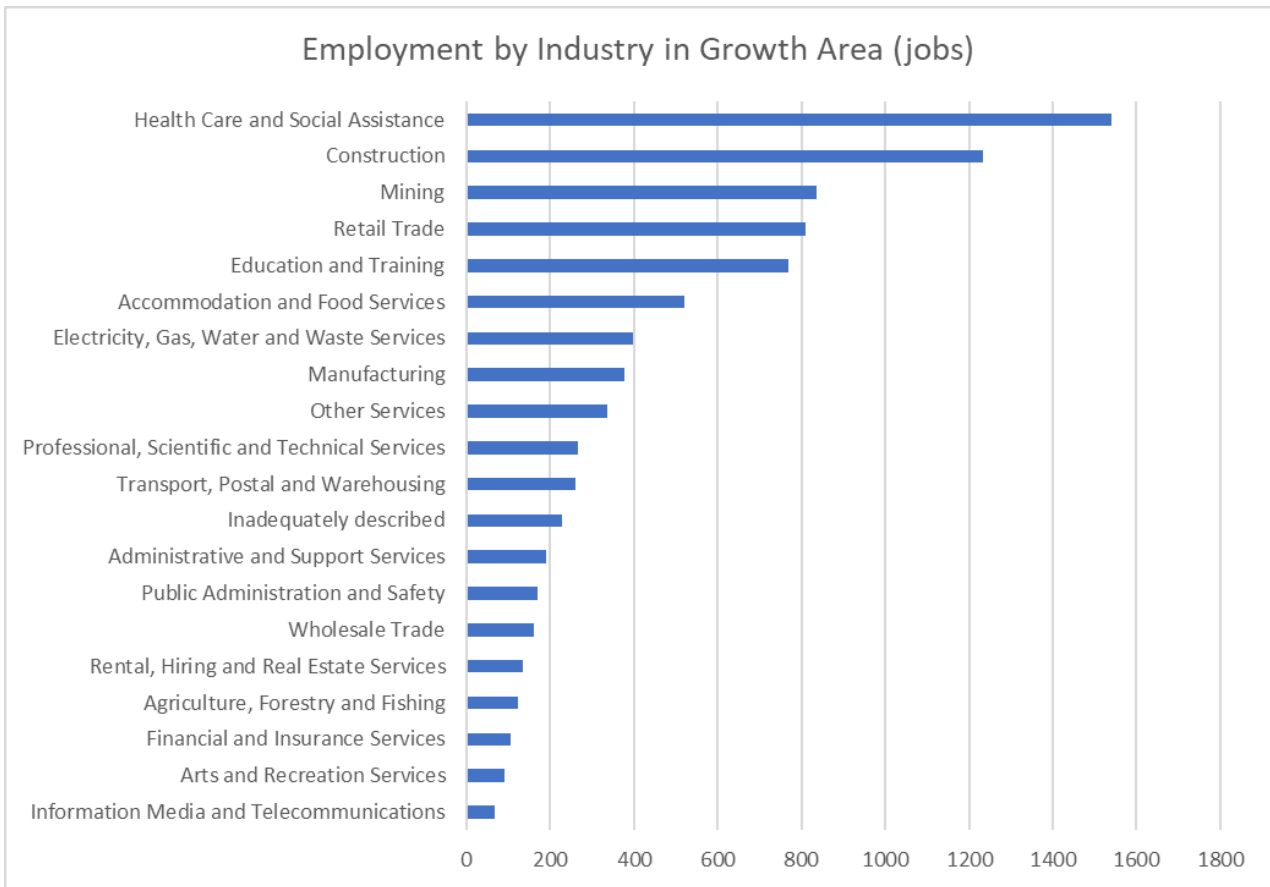
Figure 9: Current Employment in the Growth Area by Industry[35]

Mining employment is primarily associated with the Mandalong Mine to the west of Morisset, which commenced in 2005 and provides coal to both Vales Point and Eraring Power Stations. Mining is currently the largest industry sector in terms of economic output in the Growth Area, with $1.5 billion annually accounting for almost a third (32.11%) of total economic output. A similarly high level of economic output is derived from the electricity, gas, water, and waste services industry. Despite only accounting for 4.6% of employment, the industry is estimated to generate $647.578 M per annum, which is around 14% of total economic output in the area. This is largely associated with Eraring Power Station. These industries and key sources of employment are not resilient into the medium term, given the increasing preference for renewable energy, and a push to decarbonise at all jurisdictional levels. This highlights the need for new job creation as a vital component of the growth pattern for the area and as a priority objective of the Place Strategy.

Each scenario alters the composition of the Growth Area's employment profile. For example, under the Inner Core Scenario, there would be a projected increase in Retail and Accommodation and Food Services, which currently comprise 9.3% and 5.8% of local jobs respectively. Whilst retail is consistent with the larger Hunter region and national employment profile, employment in hospitality in the Growth Area is significantly lower than the Hunter Region proportion at 8.4%. Similarly, the Gateway Morisset scenario would see significant job increases in the transport, postal and warehousing industries, and wholesale trade. Both industries have a lower proportion of employees in the Growth Area compared to Hunter, state, and Australian averages. Freight and logistics accounts for just 2.9% of jobs in the Growth Area, but consistently represents around 4.5% of jobs in the Hunter, in NSW and across the country.

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[35] Australian Bureau of Statistics (2021). 2021 Australian Census of Population and Housing Data and 2021 Australian Census of Place of Work Data.

Policy drivers for local employment

The state of the labour market in the Growth Area is situated in a wider regional context. Regions face unique economic and social opportunities and challenges, particularly regarding employment. The Growth Area provides a critical opportunity to create reliable local employment through the location of a sufficient number of key industries in regional areas. This can contribute towards regional resilience and sustainability by promoting the retention and growth of the resident population. Typically, these industries include agribusiness and forestry, resources and mining, tourism and hospitality, and health and social care, as well as emerging industries such as renewable energy, circular economy, and hydrogen manufacture.

Morisset also faces the same challenges that regions face in securing local employment, typically due to a series of intensifying factors including relatively low levels of education attainment and the struggle to maintain social equity, accessibility to services, and housing affordability. Additionally, a disproportionate reliance on a concentrated number of industries is a threat to job security in regions.

In this context, there are several policy drivers aiming to foster local employment in regions that are relevant to the Growth Area. Generally, the policy context indicates that it is vital to create resilient regional economies through diversification to counter the trend that sees more people employed in fewer economic sectors. There is also recognition that resources need to be put towards transitioning some of the regional workforce into new jobs and industries in a socially just way. The key policy drivers for local employment include the following:

- The *Lake Macquarie Economy Study 2018,* which identifies demographic and economic trends and their implications for employment in Lake Macquarie and establishes the aim to diversify the region's economy and become a hub for new industries,

- The Smart Specialisation approach, which suggests that regions identify a limited number of priority areas to focus their strengths and comparative advantages, which can promote a strong local workforce by attracting certain businesses and industries to the area,

- The *Prospects and Challenges for the Hunter: A Strategic Economy Study*, which recognises that to fully capitalise on employment opportunities in the Hunter, regions such as the Growth Area need to ensure that local planning and infrastructure can accommodate new businesses and industries, and

- The *Central Coast and Lake Macquarie Regional Economy Development Strategy 2018-2022,* and the subsequent *Central Coast and Lake Macquarie Regional Economic Development Strategy – 2023 Update*[36] which recognises Morisset as part of an opportunity to grow new industries and employment through improved transport links between the Central Coast and Lake Macquarie.

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[36] Department of Regional NSW (2023). *Central Coast and Lake Macquarie Regional Economic Development Strategy - 2023 Update*. Available online at https://www.nsw.gov.au/sites/default/files/2023-02/Central-Coast-and-Lake-Macquarie-REDS-2023-Update.pdf?contentOnly=true

Identification of employment opportunities

The desktop review and stakeholder engagement phases of the study revealed a wide variety of job opportunities in the Growth Area. They include:

- Commercial and industrial job opportunities that can be leveraged through collaboration with the Biraban LALC,

- Jobs related to the circular economy that can be connected to the Eraring site,

- Collaboration with the Central Coast to encourage industrial employment,

- Opportunities to cater to emerging hybrid remote working models by leveraging the area's transport assets, and

- Opportunities to leverage the area's natural assets to create a thriving tourism sector that supports local jobs.

Consultation with the local community indicated that there is a lot of agreement about the importance of good employment outcomes for the Growth Area. Community members understand that there is a lack of jobs for local residents, tending to view the area as an industrial hub lacking in labour diversity. The kinds of opportunities in employment that Council should consider given their community backing are ensuring that there are more commercial and high-skilled jobs in the area, encouraging job containment and a variety of jobs, and encouraging youth employment.

Maximising local employment opportunities

The discussions with stakeholders indicated that there are options available to Council to maximise local employment opportunities within the Growth Area, facilitating the growth of regionally, nationally, and globally competitive small to medium enterprises. Council's role in this capacity is similar to its role in facilitating industry opportunities in the area. For both cases, stakeholders advised that Council ensure commercial and industrial precincts are well-serviced with the necessary enabling infrastructure to facilitate growth and encourage businesses to setup in the Growth Area. This should be complemented by Council ensuring that biodiversity considerations such as offsets through strategic bio-certification are taken care of. These types of initiatives will require partnerships between local and state governments to provide the necessary infrastructure.

Stakeholders identified addressing environmental constraints, the need to upgrade roads to facilitate access for new businesses and ensuring the servicing of these new areas as the three primary enablers of development and job growth in the Growth Area. Furthermore, Council should decide on a specific vision for the Growth Area's industrial identity, which stakeholders indicated would make the area an attractive destination for investment and the development of new businesses, ultimately boosting local employment.

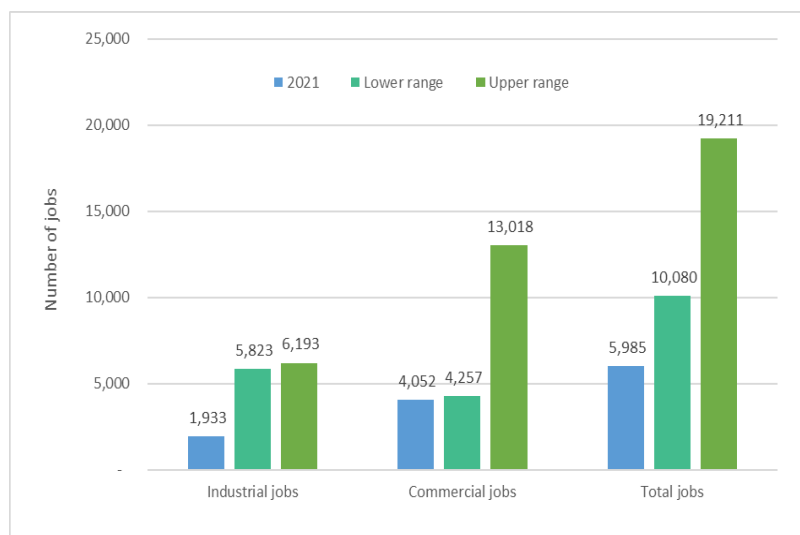As illustrated in Figure 10, the modelling for this study indicates that by 2041 there are projected to be

Figure 10: Comparison of total number of local industrial and commercial jobs for 2021 and 2041

between 10,080 to 19,211 local jobs. Of these jobs, up to two thirds are projected to be commercial jobs for the upper range of growth. In the lower range of job growth, jobs are projected to be industrial.

To maximise these different growth scenarios, consideration about the link between housing and local jobs is needed. Discussions with stakeholders indicated that the growth of industrial and commercial areas will need to be supported by local and affordable housing to ensure that there is an available labour market. The Central Coast has had issues finding employees to fill lower income jobs because high housing prices are untenable for the required human capital. This case represents both a warning and opportunity for Morisset, as Council and CCC could work together on addressing the lack of affordable housing and local employment in the growth area and the northern part of the Central Coast. For example, CCC leads an affordable housing program that could be considered in the Growth Area. Relatedly, Council could consider leveraging the factors that make the Growth Area an attractive location to live to encourage new residents and generate local employment.

Summary of implications for job creation

There are several implications for Council to consider regarding the employment opportunities in the Growth Area. Firstly, and similarly to the business opportunities for the area, maximising local employment opportunities will require that commercial and industrial precincts are well-serviced with the necessary enabling infrastructure to facilitate growth and attract businesses. As noted in this chapter, this may require collaboration between Council and other governmental bodies, underlining the importance of a unified strategic intent for employment in the area. This again connects to the business opportunities for Morisset, as having a specific vision for the area's commercial and industrial identity (e.g., as an adventure tourism destination and inland port) will also help to maximise job opportunities.

Secondly, employment and housing should be understood as complementary factors in the Growth Area. The findings of the study made it clear that more housing will be an important factor in driving job growth in the area. Providing a variety of housing options is particularly important to ensuring that there will be a diversity of employment options in the Growth Area, creating demand for higher and lower income jobs.

Finally, active and meaningful engagement with community will be a critical factor for delivering on Council's pipeline projects. It will be important to understand the level of density and the types of jobs that would be accepted and valued by the community as there are potentially significant differences in the types of jobs, industrial versus commercial that will emerge from Council's project pipeline. Housing types and location and the social infrastructure associated with these jobs will also need to be considered through community engagement.

APPENDIX 5: IMPLICATIONS FOR LAND-USE PLANNING

Suitable land-use planning is critical to steering new developments in regional growth centres and land-use planning generally involves allocating various use activities to land parcels, ranging from residential, commercial, recreational, and agricultural.

Spatial arrangement of land-use in growth areas can impact activity, travel, economic growth, social interaction, the natural environment, and long-term sustainability. Overdevelopment of inner-city areas and the replacement of agricultural land for urbanisation can also lead to negative impacts on natural environments, biodiversity and destruction of land, which have all led to increasing conflict between economic growth and environmental protection.

Land-use planning is an essential element of local government to minimise the potential for conflicts, while supporting ecological principles. Sustainable land-use planning aims to reach long-term stable progress between the economy, society and the environment. Table 12 provides an outline of land-use planning for each growth scenario.

Table 12: Land-use planning for each growth scenario

Scenario	Land-use Planning
1. Morisset as Usual	No significant impacts on or changes to current, proposed or planned land-use
2. Inner Core	▪ Town Centre activation ▪ Mixed use development in Morisset Central Precinct, including densification through increasing maximum height and FSR controls ▪ Review planning controls in infill areas to enable increased density and retain local character and amenity
3. Gateway Morisset	All of the above and ▪ Employment lands investigations including in and around the M1 Gateway Corridor ▪ Secure and service light industrial employment lands to meet freight and logistics expansion ▪ Identify and protect lands suitable for agricultural production (including sufficient buffers to prevent land-use conflicts)
4. Morisset City	All of the above and ▪ Investigate capacity and development potential of Eraring Power Station site, former Morisset Hospital site, Morisset and Bonnells Bay RU6 Transition zoned land

Consultations indicate that residents of the Growth Area understand the need to balance development against preserving local heritage and community feel. However, this should be managed through community consultation; while there may be many residents who will benefit from the growth, there will be many who may be opposed to change.

Development in the Growth Area is happening at a time when developers are more open to viewing planning as a complete process that is not about competing environmental, social and financial demands, but about a combination of these aspects. Therefore, planning is becoming more stable – this provides Morisset with an opportunity to move towards becoming a transitional economy that is not solely driven

by economic factors. To make a positive difference to the Growth Area, it is in the best interest of residents to effectively plan the use of land to guarantee accessibility, connectivity and inclusiveness.

Current land-use zones for the area around Morisset that align most readily with the Inner Core and Gateway Morisset projects shows a significant proportion of Transition (RU6) zoned lands that presents urban development opportunities, along with large areas of Rural Landscape (RU2) zoned land with employment lands potential. A pocket of light industrial land is located in the south west on the eastern side of the M1 Pacific Motorway. There is no high density residential zoned land within the area. Mixed use (B4) zoning fringes the commercial core in three discrete locations.

Business and commercial land

As the population of Morisset and the Growth Area grows and expands into the future, business and commercial land will also be needed. Residential and commercial development must be considered alongside or before economic development occurs; new populations will need shops, schools and social infrastructure. Residents of Morisset have expressed a desire to shift away from promoting the area purely as a housing destination and for more local cafes, pubs and clubs, improved retail spaces including boutique and destination retail offerings, a business hub that includes major companies to benefit future generations.

Currently, there is only a limited amount of land in the Growth Area available for 'out-of-centre' developments, like larger footprint commercial or light industrial uses. The current land supply is concentrated to the east of the M1, taking access via Mandalong Road. The high level of accessibility to the national road network this location provides makes it important to the consideration of the Growth Area's future position, particularly in the context of the new business opportunities identified in Section 5.

Within the Morisset Central Precinct, there is opportunity for land currently zoned as Commercial Core to better realise its development potential. This area is intended to play a key role for all four Scenarios presented in this study. That land-use zoning is specifically intended to strengthen the locales within the Lake Macquarie LGA that act as regional centres, including Morisset. The purpose of this zoning is to:

▪ provide a wide range of retail, business, office, entertainment, community, and other suitable land uses that serve the needs of the local and wider community.

▪ encourage appropriate employment opportunities in accessible locations.

▪ maximise public transport patronage and encourage walking and cycling.

▪ create urban centres and public spaces that are safe, accessible, welcoming and are a central focus for the community.

▪ provide for housing as part of mixed-use developments.

Development controls, especially as they relate to building heights and floor space ratios, will need to be reviewed subject to the preferred growth scenario. In all but the Morisset as Usual case, the Morisset Central Precinct, including to areas within active transport distances to the train stations would be seeking to increase residential density. The current LEP presents a hard limit to the urban uplift available in this area. In this study we have suggested that up to six storeys (18-20 metres) would be achievable within the currently zoned medium density land around Morisset Central, and up to 8 storeys (24-26 metres) in the Commercial Core and fringing mixed use lands.

Expansion to major shopping centres

Retail shopping is highly reactive to market size, demographics, disposable income and consumer attitude. Therefore, space for major shopping centres should be considered for areas where population growth is expected. The Life & Home Morisset shopping centre has added a Bunnings Warehouse, Storage King, Reece Plumbing, two breweries and multiple smaller retail and hospitality outlets. The proximity of the centre to both the Morisset town centre (2km) and the M1 motorway (500m) provides access to both residents of Morisset and those from towns along the M1.

Out of centre retail/commercial spaces

The current 'pipeline' of development within the Growth Area that includes commercial developments that are in approval, assessment or planning phases, and most of which are proposed to be located in the M1 Gateway Corridor East precinct, outside of the current retail centre of Morisset Central. The modelling for this study indicates that most of these developments, which include an entertainment venue, retail, supermarkets and food outlets, are already approved and likely to be delivered in the next five years. However, the high value land-use opportunities of these sites should be considered in the context of the higher population density as envisaged under Gateway and Morisset City scenarios. There are additional projects, which are more complex and yet to be approved, with commercial benefit and likely to be delivered in the next 10 to 20 years which will result in delayed job and other associated growth.

Using job growth as the indicator, the economic modelling conducted in this Study (as shown in Table 13) for the low and high ranges of development options indicates that only modest job growth is projected for the lower range. More significant growth is expected for the upper range, that is, the higher density commercial developments. The commercial job growth projected in all modelled scenarios is almost entirely concentrated in the M1 Gateway Corridors (East and West) and Morisset Central. However, as noted above, this growth would not be fully realised until 2041.

Table 13: Projected job growth for commercial development by 2041

	Lower range	Upper range
2021 Commercial Jobs		4,052
2041 Commercial Jobs	4,257	13,018
Commercial Job Growth	205	8,966
% Annual Commercial Job Growth	0.3%	11.1%

The stakeholder and community consultations indicate that while there is a call for more retail options and spaces, residents may not have an appetite for high-density development. Therefore, Council will need to engage closely with the community to plan and sound out what level would be acceptable given the potential employment opportunities for the area.

Summary of implications for land-use planning

The findings from this study indicated that there is an opportunity for Council to spearhead an innovative and modern approach to land-use planning in Morisset. Both key stakeholders and the community have flagged their interest in land-use planning that integrates a balanced view of economic, social, and environmental outcomes.

However, the implication of this finding is that Council will have to navigate these competing factors in its land-use planning approach going forward. More specifically, this means ensuring that the advocates for each principle are heard, minimising the potential for conflict. This will be especially important when it comes to the community in Morisset, who, as the consultation conducted for this study showed, are likely to feel that development needs to be balanced against preserving local and environmental heritage.

Determining how these considerations should be balanced and translated into effective land-use planning will require effective and continuous community consultation. This in turn will contribute to fostering the community's trust and engagement with Morisset's development.

APPENDIX 6: IMPLICATIONS FOR PLANNING FOR HOUSING

The Growth Area is recognised in several strategies and plans as a priority housing area that will play a key role in the development of the broader region. A key outcome of the *Greater Newcastle Metropolitan Plan 2036*[37] is to deliver housing close to jobs and services. In line with this outcome, the *Lake Macquarie City Housing Strategy* [38] has also identified five key priorities as follows.

> Priority 1: facilitating housing supply and infrastructure coordination.
>
> Priority 2: increasing diversity and choice in housing.
>
> Priority 3: facilitate efficient opportunities for housing close to jobs and services.
>
> Priority 4: increase affordable rental housing and home ownership.
>
> Priority 5: facilitate housing design for innovation and sustainability.

Table 14 summarises the housing outcomes for each planning scenario

Table 14: Housing outcomes for each scenario

Scenario	Housing
1. Morisset as Usual	▪ Approved, proposed and planned residential developments proceed within the 5-15 year timeframe ▪ Ad hoc land consolidations and opportunistic infill in a variety of locations within existing residential zones (dual occupancies, small apartment blocks) ▪ Undeveloped land zoned for residential use is developed to the yields intended under existing planning controls.
2. Inner Core	All of the above and: ▪ Shop-top housing and medium/high density mixed use apartments (up to six storeys) in Central and South Morisset and adjacent to train station/transport hub ▪ High-rise residential mixed use apartments in commercial core (up to eight storeys)
3. Gateway Morisset	All of the above and: ▪ Medium density mixed use apartments extend into R3 zoned land north of the train station ▪ Additional low-rise townhouse/terrace housing and smaller scale residential apartment buildings at the edge of the town centre
4. Morisset City	All of the above and: ▪ Urban releases, rezoning and redevelopment of R2/R3 land across the Growth Area, including the Morisset Peninsula and parts of Wyee ▪ Increase in the supply of manufacturing housing estates, seniors housing and novel developments (such as tiny home estates).

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[37] NSW Department of Planning, Industry and Environment (2018). *Greater Newcastle Metropolitan Plan 2036*. Available online at https://www.planning.nsw.gov.au/plans-for-your-area/greater-newcastle-metropolitan-planning.

[38] Lake Macquarie City Council (2021). *Lake Macquarie Housing Strategy*. Available online at https://shape.lakemac.com.au/housing-strategy.

As part of broader change and development plans outlined in these strategies, there is a current pipeline of residential development projects that are proposed across the Growth Area. Broadly, the economic modelling for this study shows that this existing pipeline of approved, proposed and planned residential development will see a significant increase in population and dwellings, under the Morisset-As-Usual scenario. That is, a 'business as usual' scenario will see an increase of around 8,300 more dwellings and a population increase of more than 18,000 residents by 2041.

Under the other scenarios, there is a significantly higher demand for new housing. The Inner Core Scenario envisages medium density shop-top housing and medium/high rise housing within an active transport radius from the train station. Gateway Morisset and Morisset City would envisage land rezoning and urban release areas in additional locations across the Growth Area not limited to Morisset Central, and both involve additional low-rise townhouse and terrace housing and smaller scale residential apartment buildings toward the edge of the town centre, and into areas currently dominated by low set detached dwellings.

This study has also confirmed that residential development and population growth is largely welcome and seen as important by stakeholders and community members as an economic and social driver for the Growth Area. However, this support was coupled with concerns that the Growth Area would not be solely promoted as a housing destination, that housing developments were not prioritised over existing social, economic, and environmental issues, and that a mix of housing types should be considered. The following sections explore some of the housing options and needs for the Growth Area that have been identified through the study.

Morisset housing

As part of any economic development, housing is a critical factor for planning. However, as noted by stakeholders and community members, considerations need to be made for the number of dwellings and the type of dwellings to ensure a variety of housing types are available to meet the diverse needs of a growing population. This is supported by the *Greater Newcastle Metropolitan Plan 2036* which has a target of 25% small lot and multi-dwelling housing by 2036 which could include a mix of apartments, townhouses, villas and homes. Infrastructure planning, such as schools, retail spaces and health centres also need to be considered alongside any new housing developments.

Currently, housing supply in the Growth Area is overwhelming characterised by low density separate (detached) houses, which account for more than 87% of total dwellings. Dual occupancies and semi-detached dwellings of one or two storeys account for a further 8.5%, which means that these three categories together comprise 96% of current housing supply in the Growth Area. Table 15 provides the breakdown of dwelling types.

Table 15: Dwelling type in growth area[39]

Dwelling Type	Total	Percent
Separate house	10,291	87.3%
Semi-detached, row or terrace house, townhouse etc. with one storey	798	6.8%
Semi-detached, row or terrace house, townhouse etc. with two or more storeys	208	1.8%
Flat or apartment in a one or two storey block	197	1.7%
Flat or apartment in a three storey block	13	0.1%
Flat or apartment in a four to eight storey block	30	0.3%
Flat or apartment in a nine or more storey block	0	0.0%
Flat or apartment attached to a house	38	0.3%
Caravan	17	0.1%
Cabin, houseboat	131	1.1%
Improvised home, tent, sleepers out	3	0.0%
House or flat attached to a shop, office, etc.	3	0.0%
Total	**11,782**	**100.0%**

Generally, current housing composition in the Growth Area is highly consistent with state and national averages, with 71.8% of the population living in family households, and roughly a quarter of households are lone occupiers. Tenure is distinct from state and national averages, however, given that the area has a significantly higher proportion of outright home ownership, and a lower population of renters. Table 16 provides a breakdown of housing composition and tenure according to the 2021 Census.

Table 16: Tenure and dwelling composition in Growth Area[40]

Growth area		Percent	NSW (%)	Australian (%)
Family Households	7,433	71.8%	71.2%	70.5%
Single (or lone) person households	2620	25.3%	25%	25.6%
Group households	306	3%	3.8%	3.9%
Owned outright	3,908	38%	31.5%	31%
Owned with mortgage	3,393	33%	32.5%	35%
Rented	2,379	23%	32.6%	30.6%

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[39] Australian Bureau of Statistics (2021). *2021 Australian Census of Population and Housing Data*.

[40] Australian Bureau of Statistics (2021). *2021 Australian Census of Population and Housing Data*.

Modelling for this study was based on 26 feasible residential developments[41] within the Growth Area, in various stages of planning and implementation. Not all will proceed, and the housing supply yields estimated in this work may be significantly higher than what is possible, especially when environmental and other considerations are included in more detailed development assessment. Nonetheless, because these developments include varying density implications and housing types, the modelling provides a useful low and high range of total residential developments that could be reasonably anticipated in the time horizon to 2041, subject to the preferred growth scenario. As detailed in Table 17, by 2041 most of the population and dwelling growth for the lower and upper range is expected to occur in the North & Cooranbong sub-area, followed by Morisset, while growth for the higher range is driven by high-density development in the Morisset Central and the Morisset precinct generally.

Table 17: Population and dwelling growth projected by 2041 for residential developments by location[42]

Sub-Area & Precinct	BASELINE (2021)		LOWER RANGE (2041)		UPPER RANGE (2041)	
	Population	Dwellings	Population	Dwellings	Population	Dwellings
North & Cooranbong						
Eraring	96	223	223	96	223	96
Dora Creek	1,705	733	2,555	1,073	2,555	1,073
Russell Road					4,944	1,978
Cooranbong	5,641	2,426	11,891	4,926	11,891	4,926
Total	7,442	3,382	14,669	6,095	19,613	8,073
Morisset						
North Morisset	999	430	3,487	1,614	4,546	2,037
Morisset Central	1,665	716	1,611	689	4,922	2,225
South Morisset	666	286	666	286	3,877	1,597
Marconi Rd					1,465	586
Total	3,330	1,432	5,764	2,589	14,810	6,445
South West						
Freemans Drive West			-	-	1,388	555
Wyee Road			702	638	799	726
Wyee	3,663	1,649	5,901	2,471	7,018	2,918
Total	3,663	1,649	6,603	3,109	9,205	4,199
Peninsula						
Bonnells Bay	4,419	1,901	4,419	1,901	4,803	2,093
Morisset Park	769	331	769	331	769	331
Morisset Peninsula	3,833	1,649	3,833	1,649	7,195	3,002
Total	9,021	3,881	9,021	3,881	12,767	5,426
Total	23,456	10,344	36,057	15,673	56,395	24,143
% Growth			**54%**	**52%**	**140%**	**133%**

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[41] This includes a development for over 55s which is discussed in the following section.

[42] Information in this table is based on the baseline data derived from the 2016 Census and Housing and projected data generated via the growth modelling conducted for the study.

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Figure 11 and Figure 12 indicate that at the lower range this would be associated with a total population of 29,332 and 12,085 total dwellings by as early as 2026, while the upper range of growth would occur much later in the 20-year period.
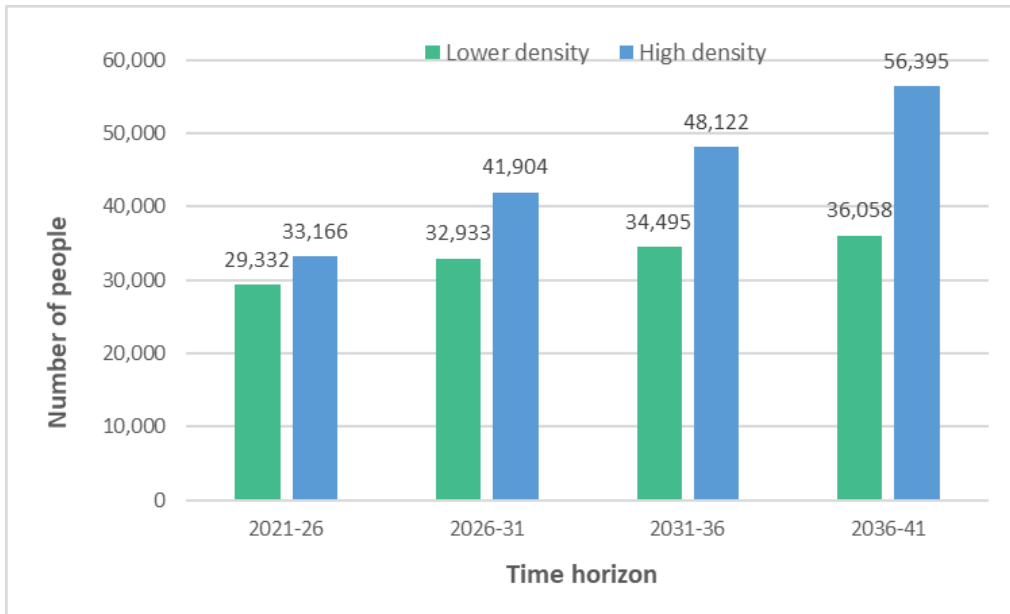
Figure 11: Modelled population change for low- and high-density options for residential development projects, 2021-41
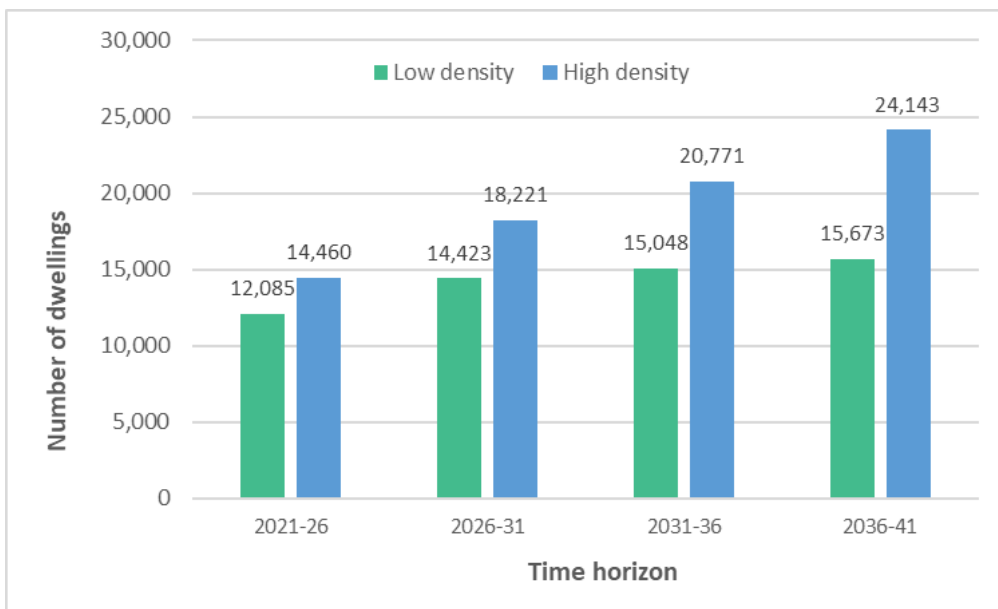
Figure 12: Modelled dwellings change for low- and high-density options for residential development projects, 2021-2041

Consultation conducted for this study demonstrated that stakeholders and current residents understood the need to increase residential housing supply, particularly to overcome a current challenge of lower-skilled workers leaving the area due to a lack of affordability. However, there was also a strong sentiment that the Growth Area needed to be more than just a 'housing estate' and that a mix of housing options would need to be considered.

Seniors living and aged care

With the completion in 2021 of the Royal Commission into Aged Care Quality and Safety in Australia[43], there has been an increased focus on the aged care sector in Australia, and particular attention has been placed on aged care service availability in rural, regional and remote areas. A key finding from the Royal Commission was the need for integrated long-term support and care for older people and the need for aged care support being available to growing communities. Easy access to aged care means a person can get the information, support or care they need, when they need it. Yet, it has been identified that the aged care system can be difficult to access and navigate.

Australia's changing demographics influence the demand for and delivery of aged care. While the median age of the Growth Area is 43 to 46 years, the population is older compared to the broader Australian population with a third of the population aged 60 years and over (Figure 13).
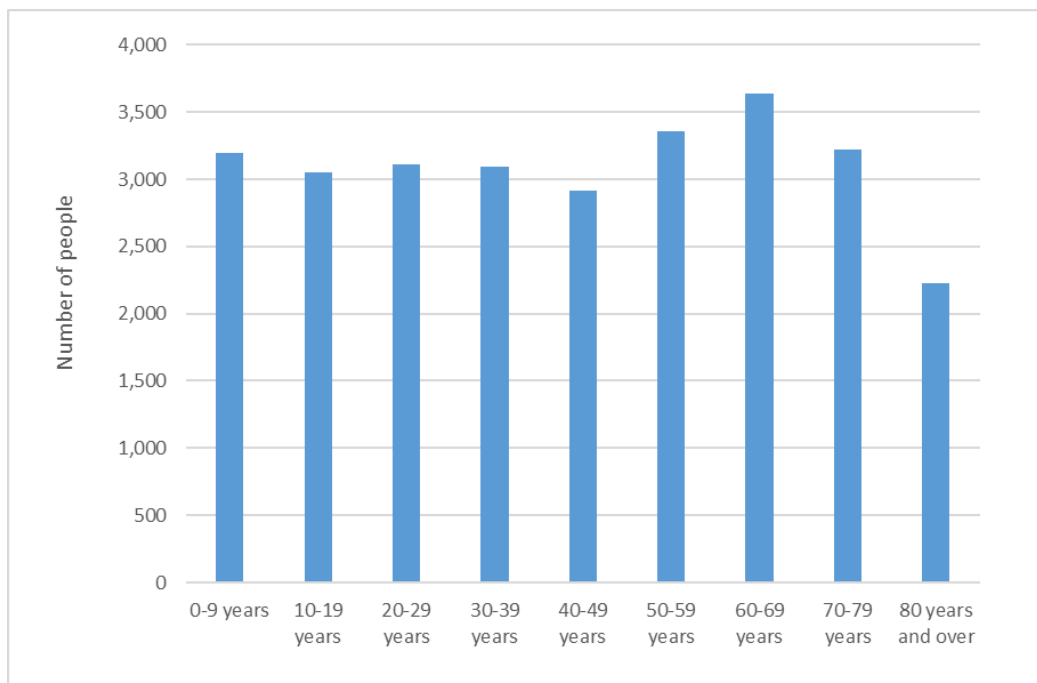
Figure 13: Age range of the Growth Area (Source: 2021 Census Data)

There are currently several specialised senior living facilities in the Growth Area. Some of these include the Lakeside Retirement Village and Bayside NSW Aged Care in Bonnells Bay, Ingenia Lifestyle 'The Grange' in Morisset, Lake Macquarie Over 55s Lifestyle Community in Cooranbong and Wyee Point Lifestyle Community. The Australian Government's current age care service ratio recommends a ratio of 125 subsidised care places for every 1,000 people aged 70 or over. Compared to this ratio, Table 18 indicates that the Growth Area is currently well-placed in terms of aged care.

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[43] Royal Commission into Aged Care Quality and Safety (2021). *Final Report of the Royal Commission into Aged Care Quality and Safety*. Available online at https://agedcare.royalcommission.gov.au/publications/final-report.

Table 18: Morisset aged care facilities compared to Aged Care Financing Authority's (ACFA) 2021 report recommendations

Type	Benchmark	Existing	Proposed
Nursing home beds	0.125 beds per person over 70	0.118 beds per person over 70	Current nursing home bed rates in Morisset are slightly below targets, with Morisset's growing and aging population, considerations should be made moving forward.

An additional Ingenia Lifestyle facility is also planned for the Growth Area and will be located on Wyee Rd. Modelling for this study indicates that this development would amount to 638 dwellings for 702 people by 2026; a higher density option would support 726 dwellings and 799 people by 2026. This additional development could therefore meet the needs of approximately 9% to 10% of the current population aged 60 years and over. However, this new development could also be accessed by people over 55 years moving into the area.

Given the older and ageing population of the Growth Area, increasing the supply of seniors housing and aged care would allow more residents to 'age in place'. This is an important strategy for older Australians to remain engaged with their community and embedded within their social support networks. Enabling older residents of the Growth Area to remain close to their friends and families and connected to their social ties would have a positive impact on community cohesion.

This also highlights the need for redevelopment of existing housing stock to incorporate adaptable building standards. An adaptable dwelling is a dwelling that is designed so that it can be easily modified in the future to become accessible to both occupants and visitors with a disability or progressive frailties. Controls will need to be designed for residential developments over a specified density to ensure that a proportion are designed and constructed to meet building code certification as adaptable housing.

Summary of implications for housing

The findings from the study showed that residential development will be a significant part of Morisset's growth and is viewed as important by both key stakeholders and the community. However, these findings also implied that there is a need for a balanced approach to housing development to ensure that the Growth Area is more than just a 'housing destination'. More specifically, it is important for Council to consider mixed housing and residential development options for Morisset's growing population, including seniors living and aged care, and affordable housing.

Current and future housing also needs to be adequately serviced with the required social infrastructure, and it is recommended that Council commit to 'place making' to ensure well-designed, regenerative, and adaptable streets and places where people want to live, work and visit.

APPENDIX 7: IMPLICATIONS FOR SOCIAL INFRASTRUCTURE

Social infrastructure is vital to preserving and enhancing the quality of life of all Australians. It is also crucial for social inclusion and unity within communities. It provides not only the essential services, such as schools and health services, required for communities to function, but importantly, social infrastructure helps to create comfortable and liveable environments to enable individuals, communities and the broader Australian society to thrive.

Communities in areas of rapid population growth are often left without the necessary social infrastructure and services needed to maintain a fulfilling and healthy lifestyle. Social infrastructure resources such as health and education facilities also provide economic incentives for areas experiencing rapid growth, providing a source of local, stable employment and supporting area economies.

As part of social infrastructure planning, consideration of the changing structure of population groups in local areas to deliver appropriate services and facilities that meet a growing population's requirements through different stages of life. To meet such needs, social infrastructure may include health centres, libraries, community centres, sporting facilities, educational facilities, and green and blue spaces. Table 19 provides a summary of social planning considerations for each scenario.

Table 19: Social planning drivers for each scenario

Scenario	Social infrastructure
1. Morisset as Usual	▪ Ageing in place initiatives to meet the needs of the existing population ▪ Expansion of health care, personal care and social services
2. Inner Core	All of the above and: ▪ Place-making investment to improve and maintain local amenities ▪ Upgrade of public domain, vibrancy of main streets and active street frontages ▪ Enhancing and creating a central community hub and civic spaces
3. Gateway Morisset	All of the above and: ▪ Investment in tourism infrastructure such as accommodation, transport connection and recreational facilities ▪ Supporting and enabling regular cultural events and festivals ▪ Protection of peri-urban land-uses to support diverse agriculture and food production
4. Morisset City	All of the above and: ▪ Expansion of early childhood and education (primary, secondary, tertiary) ▪ Supporting community development initiatives to promote social and cultural inclusion ▪ Investment in transport facilities and connections ▪ Improving and maintaining parks and opens spaces

Findings from the engagement for this study indicated that residents were keen for positive and inclusive change to the social infrastructure of the area that would:

- aim to make a positive difference

- manage uncertainty

- create influence

- be in the best interest of the community.

The impacts of increased remote work, alongside housing affordability pressures, have contributed to changed migration patterns in communities such as Morisset. For example, migration specifically from Sydney (excluding the Central Coast) to Newcastle and Lake Macquarie has increased 59% [44] over the five years to 2020-21. In addition, more people migrated from Sydney to the Newcastle and Lake Macquarie LGAs than moved the other way during 2020-21 [45], a net gain that has been accelerating in recent years.

Future social infrastructure should consider not only Morisset's predicted population growth, but also how the population will use these spaces in a post-COVID-19 world. Some suggestions include locating services near housing, increasing housing density around Morisset railway station, providing multifunctional areas/buildings, improving digital infrastructure, the integration of green and blue spaces and designing dedicated bike lanes [46]. Given the likely reliance on access to digital infrastructure and equipment for work moving forward, and the social impacts associated with differences in digital literacy, there is also scope to expand the Morisset Public Library to include further technology access within its services and programming.

Population growth and planned facilities for Morisset and the Growth Area

The potential growth scenarios suggest that the population in the Growth Area is set to increase from 23,265 people in 2021 to a population of between 46,770 (Morisset as Usual scenario) and 64,127 (Morisset City scenario) by 2041. This implies a growth of between 20,000 to 27,160 dwellings. Expansion of population will therefore require increased availability of educational, health, social services and other important social infrastructure.

Council is currently working on a Community Hub project to create a community facility in Morisset. This is fundamental initiative under the growth pattern for the Inner Core scenario. It is expected to drive demand for new residential development for the commercial core and mixed-use zones of Morisset central. There is a long history to the project, and consultation with the Morisset Memorial Hall is ongoing. Community consultation over what to include in the Hub is also forthcoming. There is an opportunity to address current and future need for certain types of social infrastructure in this project, which may become a 'Town Square' type of facility that centralises many different functions. There are also opportunities to integrate commercial facilities into the site as well, addressing the need for a revitalisation of Morisset's commercial sector.

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[44] Australian Bureau of Statistics (2022). *Regional population methodology.* ABS website. Available online at https://www.abs.gov.au/methodologies/regional-population-methodology/2020-21.

[45] Australian Bureau of Statistics (2022). *Regional population methodology*.

[46] WSP (2021). *Rethinking Urban Planning in a Post COVID World*. Available online at https://www.wsp.com/en-au/insights/rethinking-urban-planning-in-a-post-covid-world.

Education facilities

Growing populations increase pressure on education infrastructure, from early childhood through to tertiary and vocational education. This has the potential impact of larger class sizes, reduced resources and staff burnout. Given that education is at the forefront of Australia's social and economic future, it is crucial to effectively plan educational social infrastructure.

In 2021, there were an estimated 3,200 primary and secondary school enrolments within the Morisset area, across fourteen schools (11 primary schools, two high schools, and one K-12 school). There were an estimated 4,600 school age students aged between 5 and 19 years in the area. Of the 14 schools, only four schools are within a two-kilometre radius of the Morisset town centre.

Although the Morisset ratio is well below the state average, rapid population growth is likely to narrow the gap and it will be important that educational social infrastructure can meet the demand of the expected ratio change.

In terms of tertiary and vocational education, the closest TAFE and University campus are located at Ourimbah, situated 35 kilometres from Morisset, which is also on the Northern Rail Line. Morisset has been identified as a potential location for a new TAFE campus, however, as the future of this proposal is unclear, tertiary education opportunities remain a priority for the expanding population of Morisset. There is an opportunity for Lake Macquarie City Council to work with TAFE to prepare Morisset's younger population for jobs of the future while offering re-training to those displaced by the closure of Eraring.

Currently, 14.7% of the Morisset population have a tertiary level education compared to 24.1% in NSW as a whole. Skill shortages can have major effects on economic growth for regional centres, with most skills shortages coming in the form of the automotive trade, construction trades and engineering trades [47]. Therefore, a strategically placed TAFE campus in Morisset would provide ongoing delivery of trade training for the region, minimising the skill shortages in the area, especially given that the Eraring Power Station will soon close.

Health facilities

Long term planning of community health and hospital facilities are affected by population growth [48], with a growing population, there is an increased demand for high-quality local health services. The healthcare needs of a growing number of Australians are a crucial social and economic challenge facing Australia.

In Morisset and the Growth Area, the closest public hospital is Wyong Public Hospital, which is located 26 kilometres away, or a 24-minute drive from the city centre. Although the Wyong Public Hospital has recently been expanded to include an extra 60 beds, this is unlikely to be sufficient as Morisset and surrounding area's populations continue to grow. Wyong Public Hospital experienced 8,517 emergency room presentations in the 2020-21 year, with average emergency room presentations increasing at a rate of 3.2% per year from 2016-17 [49].

There is also only one general practice operating in Morisset, with five general practitioners (GPs). With over 87.8% of the population visiting their GP at least once in the course of a year, it is crucial that growing regions are equipped to provide primary medical care [50]. By 2038, it is predicted that there will be a

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[47] Levy, C. (2019) "The impact of skills shortages on local economic development." Blog. Available online at https://blog.id.com.au/2019/economic-analysis/the-impact-of-skills-shortages-on-local-economic-development/.

[48] Perrott, G. ST. J and D. F. Holland (2005), "Population Trends and Problems of Public Health," *Milbank Quarterly* 83(4), pp. 569-608. Available online at https://onlinelibrary.wiley.com/doi/10.1111/j.1468-0009.2005.00393.x.

[49] Australian Institute of Health and Welfare (2021). "Wyong Hospital." Web page. Available online at https://www.aihw.gov.au/reports-data/myhospitals/hospital/h0074.

[50] Department of Health and Aged Care (2018). *Annual Medicare Statistics: Financial Year 1984–85 to 2017–18*. Australian Government. Available online at www.health.gov.au/internet/main/publishing.nsf/content/annual-medicare-statistics.

shortfall of 28% of GPs in major cities, however a growth of 20% in regional areas [51]. This strengthens the case for securing the health of Morisset's increasing population with more access to GP services. Benchmarked against the NSW ratio of 0.12 GPs per resident [52], Morisset falls well short with a ratio of only 0.02 GPs per resident. This will be an important issue for Morisset that is prone to falling behind as the population increases.

In addition to health care availability, health care quality needs to be considered when planning social infrastructure for a growing population. Nurse to patient ratios in an Australian context have been found to result in patient mortality, low quality of care and nurses' emotional exhaustion[53]. As per the 2016 census, the median age of the population of Morisset is 56 (compared to the Australia wide average of 38). Despite these pressures, the NSW government forecasts that there will be an additional 30,000-57,000 jobs created for the Central Coast/Lake Macquarie region by 2038. And projections of job growth in regional areas set the health care sector to account for approximately 22% of jobs created in regional areas [54].

Through consultations for this study, Morisset residents expressed a desire for plans regarding the current Morisset hospital site, better health infrastructure and integrated health hubs. There is now the potential to update the site to account for the healthcare shortcomings that will come with population growth. With the advanced age of Morisset population compared to the Australian population, combined with Australia's ageing population, Morisset's projected population boom, a high rate of job creation in the healthcare sector and the increased healthcare needs of the older population, the need for a hospital at Morisset is clear.

Parks and open space

Lake Macquarie has considerable outdoor potential. Green and blue spaces are generally highly appreciated areas used by a wide variety of residents, valued for their distinction from urban environments, their recreational function, social interaction potential and relaxation factor. One of Morisset's largest assets is availability of green and blue spaces, with access to Lake Macquarie and surrounding bushland. As Morisset plans for future growth and development, access to quality green and blue spaces will become crucial to successful development of social infrastructure. The Lake Macquarie City Council is responsible for the management of over 1,000 open space areas, including parks, bushland, foreshore areas and recreational areas.

Green infrastructure areas are comprised of three main types: open space for recreation, urban tree canopy, and bushland and waterways. Benchmarks for green and blue spaces suggest that open areas should be accessible by thirty minutes travel time on public transport or by vehicle to regional open space, and these spaces should be located no more than two kilometres from most houses [55]. Regional parks should also be accessible to local residents and residents from wider districts. One hectare per 1,000 people is the existing benchmark for parklands in NSW. The Morisset picnic area has an approximate area of 7.5 hectares, which falls short of benchmark for the current population of 23,265. The picnic area is currently closed for safety reasons.

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[51] Deloitte (2022). *General Practitioner Workforce Report 2022.*

[52] Statista (2020). *Number of general practitioners in Australia in 2019, by state and territory*. Available online at https://www.statista.com/statistics/1092241/australia-number-of-gps-by-state-and-territory/.

[53] McHugh, M.D. et al., (2019) "Case for Hospital Nurse-to-Patient Ratio Legislation in Queensland, Australia, Hospitals: An Observational Study," *BMJ Open* 10(9) e036264.

[54] NSW Government (2021). "An even brighter future for Regional NSW." Web page. Available online at https://www.nsw.gov.au/regional-nsw/a-20-year-economic-vision-for-regional-nsw-refresh/an-even-brighter-future.

[55] Government Architect NSW (2020). *Draft Greener Places Design Guide*. Available online at https://www.governmentarchitect.nsw.gov.au/policies/greener-places#:~:text=The%20Draft%20Greener%20Places%20Design%20Guide%20provides%20information,design%20and%20development%20communities%20to%20deliver%20green%20infrastructure.

Community consultation has unearthed a desire for the Morisset Swim Centre to be operational year-round, as opposed to its current opening dates of September to March. Year-round operation of the pool would not only provide residents with an additional blue recreation option but would also provide additional employment in the area. Additionally, there is community request for community gardens, better management of environmental and natural assets, and improved lakefront access. Further planning of green and blue spaces is no doubt required to meet the benchmark for Morisset as the population grows.

Summary of implications for social planning

As a rapidly growing area, Morisset will require balanced and effective social planning to complement and properly capitalise on its business and employment opportunities. Informed social planning will also be important to ensuring that the area's growing population has access to the services and facilities that residents require throughout their lives. To do this, social planning in Morisset will need to account for a range of factors, including the area's predicted growth, identified megatrend factors impacting migration, housing and living affordability, civic spaces and recreational amenities, and the demand for health care and education facilities.

Because of its wide scope, social planning for Morisset offers an excellent opportunity to deliver on Council's broader strategic objectives across several policy areas, such as the night time economy, tourism, arts and culture, and the circular economy. Relatedly, the Community Hub project represents an additional opportunity to cater to certain demands for social infrastructure, particularly in the health and commercial sectors.

APPENDIX 8: REVIEW OF FINDINGS

(NB: This appendix was included in the revision to the Report in April 2024.)

This report was subject to a community and council review, in order to inform the development of a Road Map and Action Plan for the future development pathway of the Growth Area.
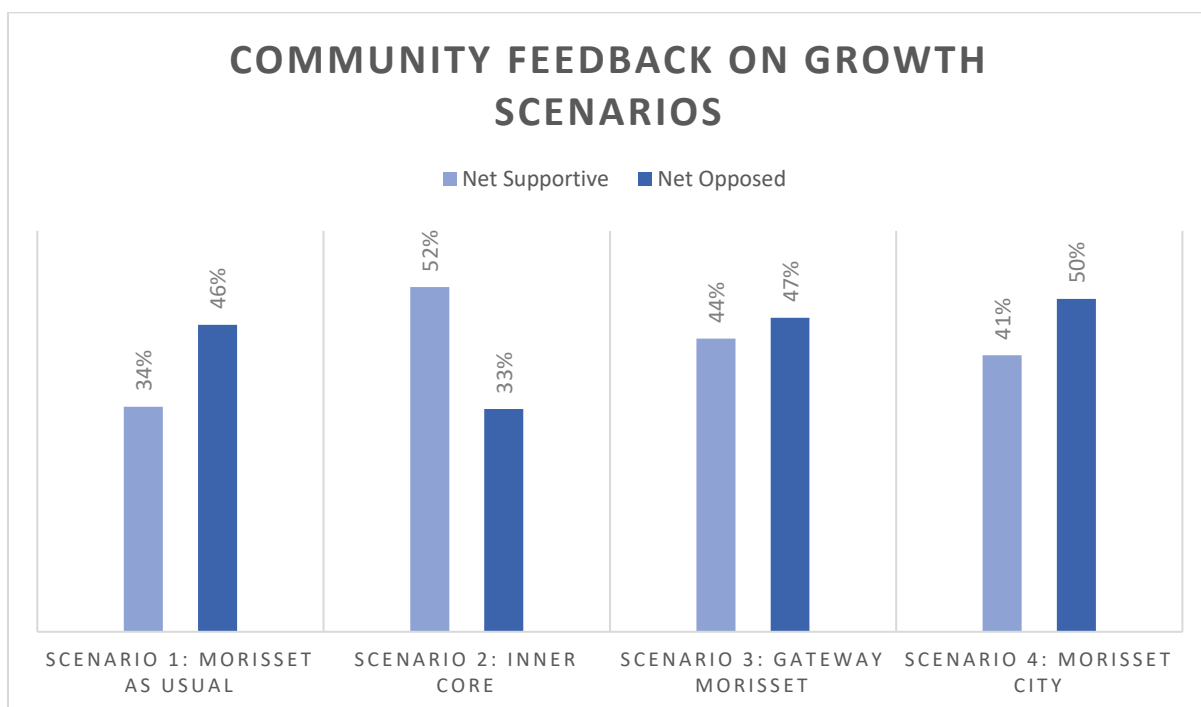
Community Consultation

Community consultation on the proposed growth strategies was conducted between 20th June and 14th September 2023, as part of the Council's broader consultation on the Morisset Place Strategy discussion paper. Feedback was obtained from 354 respondents, including 285 surveys and 65 submissions received by e-mail or via Council's website.

Respondents were asked to rate each of the four Growth Scenarios on a five point scale (from strongly supportive to strongly unsupportive/opposed), as well as each of the eight Place Strategy objectives. In addition, respondents were invited to further written feedback on the scenarios and objectives. 145 respondents provided written feedback on the scenarios and 82 respondents made additional comment on the Place Strategy Objectives. Survey respondents were also invited to provide specific feedback on any of the five precincts outlined in theMorisset Place Strategy discussion paper, and in general. All qualitative responses were collated thematically to broadly identify concerns, issues and recommendations arising from the discussion paper, with implications for the Growth Scenarios.

Feedback on Growth Scenarios

Scenario 2 (Inner Core) was both the most supported and least opposed scenario, with a net approval score of 18%. All other Scenarios has a net disapproval score, ranging from 3% for Scenario 3 through to 12% for the business-as-usual case presented as Scenario 1. The majority of the support focused on increased density around central Morisset, through changes to residential planning controls and state and Council investment in placemaking and the public domain. Higher growth scenarios faced more opposition, especially for the largest population growth outlined as Scenario 4 (Morisset City). Similarly, however, the least amount of support was received for the Scenario 1 (Morisset as Usual), indicating widespread community support for urban renewal of the Morisset and South West area.

COMMUNITY FEEDBACK ON GROWTH SCENARIOS

Legend: ■ Net Supportive ■ Net Opposed

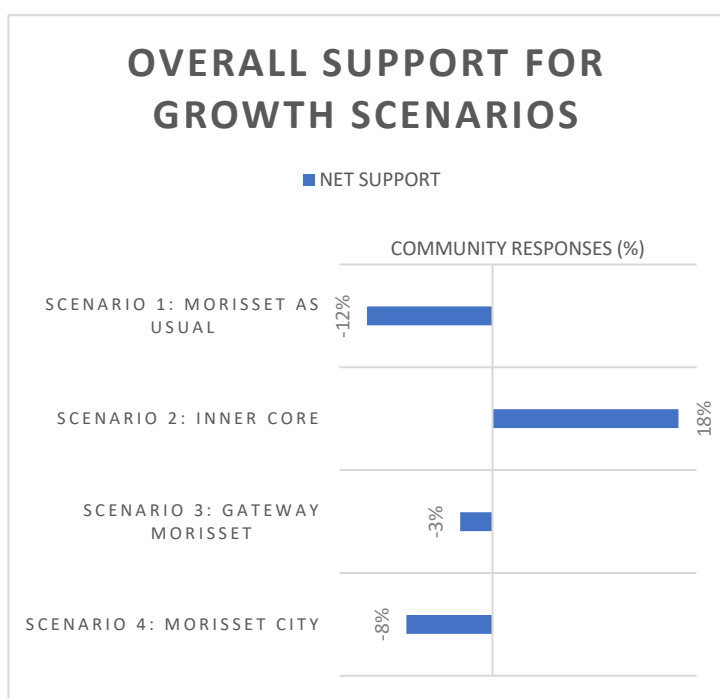|	Net Supportive	Net Opposed
SCENARIO 1: MORISSET AS USUAL	34%	46%
SCENARIO 2: INNER CORE	52%	33%
SCENARIO 3: GATEWAY MORISSET	44%	47%
SCENARIO 4: MORISSET CITY	41%	50%

Written submissions highlighted key matters for consideration in for growth planning and urban renewal, many of which cut across all four of the scenarios:

Traffic: More than 50% (177 respondents) express concerns about traffic and specific road improvements. The largest group is concerned about congestion in the town centre (116 people, 36%) and the need for road upgrades, such as bypass options or widening of Dora street (removing parking along the street).

Active transport: 40 % (141 respondents) mention the lack of active transport infrastructure and the need for upgrades of walking and cycling infrastructure. The general pattern is requests for more footpaths within each community, and shared path facilities to connect Morisset with the surrounding areas. This topic also included the need for improved curb and guttering, and potential recreational infrastructure.

Opposition to development: 92 submissions (28%) expressed opposition to any industrial development on the western side of M1 in the Mandalong area. The main reasons for opposition are environmental concerns, such as biodiversity, flooding, subsidence, pollution, and the impact on lifestyle/quality of life, rural character, tourism opportunities and property values.

OVERALL SUPPORT FOR GROWTH SCENARIOS

■ NET SUPPORT

COMMUNITY RESPONSES (%)

SCENARIO 1: MORISSET AS USUAL -12%

SCENARIO 2: INNER CORE 18%

SCENARIO 3: GATEWAY MORISSET -3%

SCENARIO 4: MORISSET CITY -8%

Environmental values: 28% of submissions emphasised the importance of protecting the environment. These submissions advocate for the preservation and conservation of bushland, riparian corridors, and wildlife habitats (flora and fauna). These values are closely related to the lifestyle preferences of the residents of this area, who have chosen this area for its natural beauty and rural town character.

Public transport: 76 submissions (23 %) are submissions that relate to public transport. These submissions call for improved bus and rail services locally, with more frequent services and better connectivity between the communities and (intermodal) services.

Support for moderate growth: 42 submissions (13%) highlighted the importance of balanced, sustainable and staged growth under the right conditions. These include appropriate locations, environmental protection, and sufficient
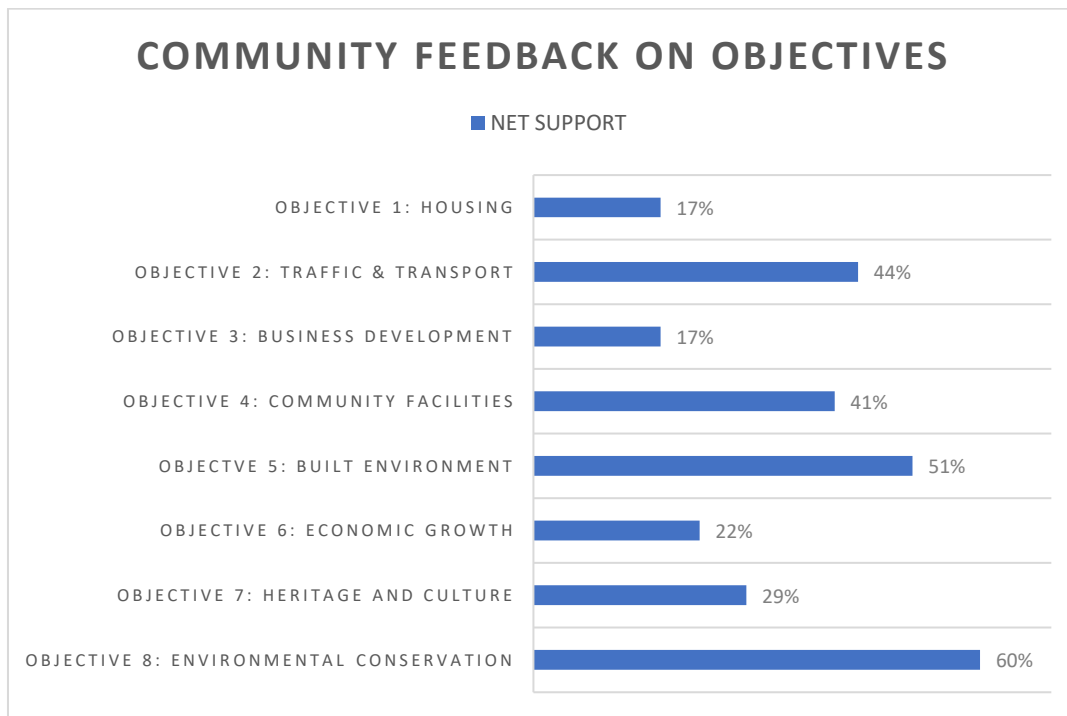
infrastructure and services. Some specific conditions included investment in infrastructure prior to population growth (especially transport and health services), and staged renewal that preserves the lifestyle, environment and rural character of the area, while supporting a more vibrant town centre with more diverse retail options and eateries.

Local services: about 16% of submissions highlighted the need for improved services and amenity in the area, including the need for more medical services and GPs, local emergency services (Police, Fire and Ambulance), schools, daycare, more public open spaces and waterfront access, and activities for young people and families.

Local character: the preservation of local character was flagged in 16% of submissions, and the preservation of existing lifestyle amenity in a further 13% of submissions. Heritage values were cited significantly less than other aspects of local character. The rural qualities of the area, and environmental amenities such as the bush and the lake were identified as critically important features.
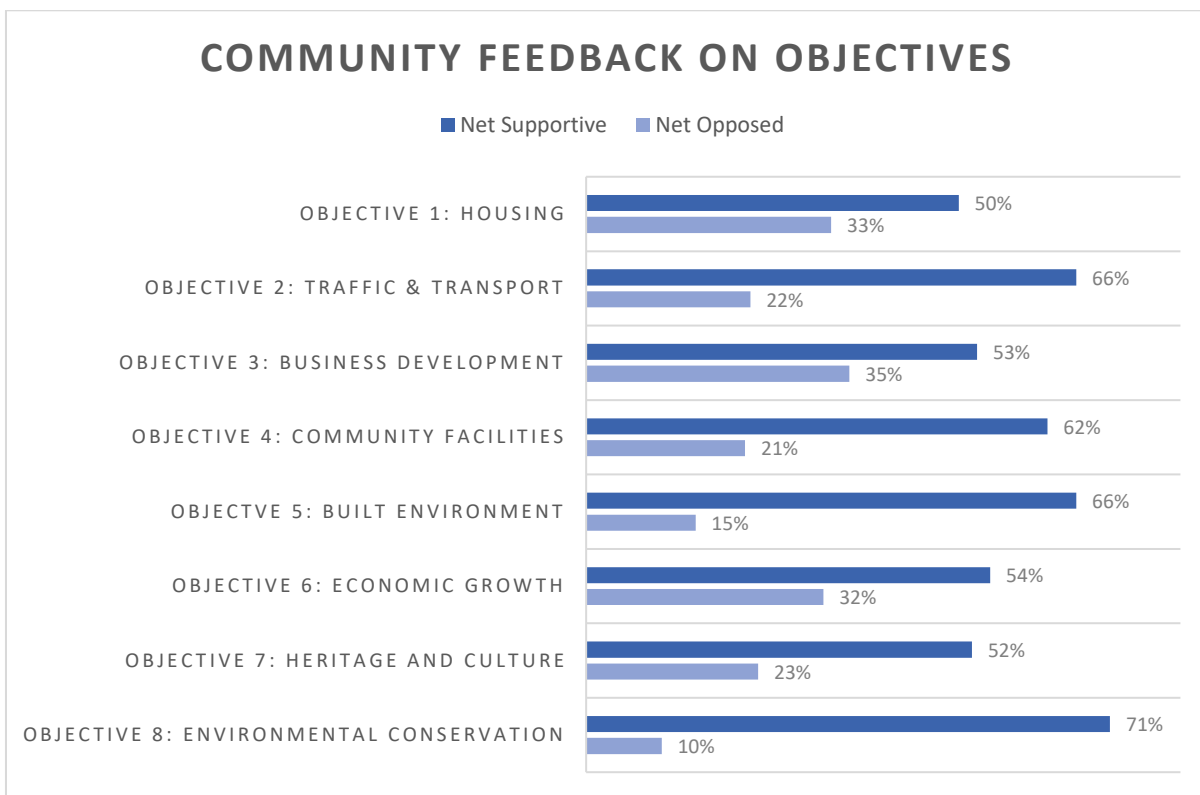
Feedback on Place Strategy Objectives

Community members also provided on their relative support and agreement with the Objectives outlined for the Place Strategy. Consistent with the written feedback, the Place Objectives relating to traffic and transport, environmental conservation and a well-designed, regenerative built environment were the most supported by the community. Objectives relating to increasing housing supply, business development and economic growth in the area were the most contested. It is likely that the business development objective was opposed due to the inclusion of the western side of the M1 commercial developments, as opposed to the Town Centre business improvements, which have tended to be well supported throughout the consultation process.

COMMUNITY FEEDBACK ON OBJECTIVES

■ NET SUPPORT

Objective	Net Support
OBJECTIVE 1: HOUSING	17%
OBJECTIVE 2: TRAFFIC & TRANSPORT	44%
OBJECTIVE 3: BUSINESS DEVELOPMENT	17%
OBJECTIVE 4: COMMUNITY FACILITIES	41%
OBJECTVE 5: BUILT ENVIRONMENT	51%
OBJECTIVE 6: ECONOMIC GROWTH	22%
OBJECTIVE 7: HERITAGE AND CULTURE	29%
OBJECTIVE 8: ENVIRONMENTAL CONSERVATION	60%

The Place Strategy Objectives that were provided in the discussion paper were:

1. Enable the delivery of more housing, ensuring diverse and affordable housing options that meet the projected needs for Morisset (predominantly young families and empty nesters), and locate and design new housing to increase resilience to natural hazards.
2. Expand transport choice and reduce road trauma through improved infrastructure, and facilitate access to everyday services within 15 minutes by focusing new housing around Morisset Central Precinct and existing local centres.
3. Reinforce the role of the Morisset Central Precinct and the M1 Gateway Precinct as places for business and social life.
4. Ensure convenient, safe access to open space, recreation and community facilities and natural areas, locating new housing around the Morisset Central Precinct 'green belt' and near current and future planned facilities.
5. Well-designed, regenerative built environments, targeting net zero carbon emissions are sensitive to Morisset's bushland setting, and support successful, thriving places where people want to live and work.
6. Improve economic resilience, access to local jobs and facilitate the growth of globally competitive small to medium enterprises, recognising Morisset's locational advantage on the M1 Motorway, on the edge of the Greater Sydney Metropolitan Area, proximity to southern Lake Macquarie and Watagans National Park, and opportunities associated with the Eraring transition area.

7. Enhance and celebrate local heritage, culture and creativity, including partnering with Biraban Local Aboriginal Land Council to enable economic selfdetermination for Aboriginal residents, and identifying opportunities for adaptive re-use of the Morisset Hospital site.
8. Enhance biodiversity, conservation areas and corridors, linking the Greater Morisset Area to regional biodiversity corridors and protected areas.

COMMUNITY FEEDBACK ON OBJECTIVES

■ Net Supportive ■ Net Opposed

Objective	Net Supportive	Net Opposed
OBJECTIVE 1: HOUSING	50%	33%
OBJECTIVE 2: TRAFFIC & TRANSPORT	66%	22%
OBJECTIVE 3: BUSINESS DEVELOPMENT	53%	35%
OBJECTIVE 4: COMMUNITY FACILITIES	62%	21%
OBJECTVE 5: BUILT ENVIRONMENT	66%	15%
OBJECTIVE 6: ECONOMIC GROWTH	54%	32%
OBJECTIVE 7: HERITAGE AND CULTURE	52%	23%
OBJECTIVE 8: ENVIRONMENTAL CONSERVATION	71%	10%

Councillor Review

Council's Economic Portfolio Committee considered the full planning, modelling, advisory and consultation information on matters relating to Morisset and the South-west Growth Area on 7 March 2024. The Committee advised that on consideration they supported the following priorities for the Place Strategy:

- provision of more affordable housing, and
- increased residential densities in town centres.

In terms of their advice in relation to the Growth Scenarios, it was noted that a "Morisset as Usual" scenario is inconsistent with the regional plan, Council's own strategic planning documents, and the NSW Government's Transport Oriented Development initiatives. It was acknowledged that Scenarios 2 and 3 were supported by the community and generally by Councillors, but that the preferred outcome was for a Gateway Morisset (Scenario 3), with tall, mixed use developments in the town centre, and industrial and intensive horticultural development west of the M1. Scenario 4 (Morisset City) was considered as a potential long term outcome but noted that it would be dependant upon the realisation of preceding growth. It is clear that the Scenarios are more or less sequential, are subject to timing, and certain housing, services, jobs and infrastructure triggers.

Conclusion

Based on planning analysis, community feedback and Councillor input, the *Roadmap and Action Plan* will detail actions to deliver the residential, employment, social amenity and business development aspirations outlined in Scenario 3. The Roadmap and Action Plan will:

- Provide actions to guide land use planning, development and economic activity over the next 5, 10 and 20 years to achieve a preferred scenario.
- Inform updates to regional and local policy including the Place Strategy, Structure Plan, Council's LSPS and provide advice to support inter-regional collaboration over the same time horizons.
- Outline infrastructure, service and facility needs to ensure Morisset and the South-West Growth Area are ready to capitalise on business, employment and growth opportunities.

The preferred scenario promotes increased density around Morisset Central, through changes to residential planning controls and state and council investment in place-making and public domain. Strategic urban renewal program targeting low-density buildings within 15 minutes of the train station. Place-making investment is combined with council programming to re-create Central Morisset as a vibrant social heart with delightful main streets, active street frontages and a central community hub and civic space. The 'Town Square' proposal is realised, creating a focal point for the public domain, and serving as a catalyst for private investment in Morisset Central. A modernised digital library and community centre is relocated to the square and serves as an anchor tenant.

Planning controls are modified to enable and then to incentivise high-rise mixed-use developments within the inner precinct. The ground plane is activated through the attraction of: boutique retail, fine dining, night-time economy activity, and cultural activity including integrated public art and public events. Health and social services are also offered to match the expectations and needs of the targeted population growth.

This scenario sees the successful attraction of new residents, investment, business activity and jobs enabled with a greater promotion and recognition of the wider Morisset area as a live/work destination of choice.