

**KEMPSEY SHIRE**  
**RURAL RESIDENTIAL LAND**  
**RELEASE STRATEGY**

**1990**

## 1.0 **Introduction**

This Rural Residential Land Release Strategy has been prepared to determine the number of rural residential allotments that will need to be provided to accommodate the Shire's expected 2001 population, as well as redress a number of deficiencies identified in the Shire's planning instrument, Kempsey Local Environmental Plan 1987.

More specifically, the Strategy will -

- a fulfil the requirements of Clause 20(1) of the North Coast Regional Environmental Plan 1988 with regard to rural land plan preparation; and
- b be a major element of an overall Shire Land Release Strategy that will meet the requirements of the North Coast Regional Environmental Plan 1988 in respect of rural, rural residential, urban, commercial and industrial land release.

## 1.1 **Study area and localities**

The Study area for this Strategy is all rural land within the Shire.

Kempsey Local Environmental Plan 1987 recognises a number of specific rural residential localities, viz:

- a Crescent Head Road, south east of Kempsey
- b Arakoon Road, South West Rocks
- c Dondingalong, south of Kempsey
- d Aldavilla, west of Kempsey; and
- e Old Station Road, north east of Kempsey

The Strategy pays particular attention to these localities, and as well nominates other localities capable of accommodating rural residential development.

## 1.2 **Prerequisites for further rezoning**

Kempsey Local Environmental Plan 1987 is the planning instrument applicable to the whole of the Shire.

The release of further rural residential land will be carried out by way of amendments to the Shire-wide instrument, in accordance with the requirements of the North Coast Regional Environmental Plan 1988, and consistent with the Strategy adopted by Council and endorsed by the Director of Planning.

## 2.0 **Kempsey Local Environmental Plan 1987**

### 2.1 **Rural Zones identified in the Plan**

The plan provides for the following rural zones:-

- 1(a1) Rural 'A1'
- 1(a3) Rural (Agricultural Protection) 'A3'
- 1(c) Rural (Smallholdings) 'C'
- 1(d) Rural (Future Urban) 'D'
- 1(e) Rural (Floodway) 'E'
- 1(f) Rural (Forests) 'F'

The essential distinctions between the zones are:-

- 1(a1) Rural 'A1'. Subdivision is permitted provided allotments are not less than 40 hectares in area. Agriculture is permissible without consent, and a range of other land uses are permissible with consent.
- 1(a3) Rural 'A3'. Subdivision is permitted provided allotments are not less than 40 hectares in area. Agriculture is permissible without consent, and because of the generally better agricultural value of the land than that located in Zone 1(a1), a lesser range of other land uses are permissible with consent.
- 1(c) Rural (Smallholdings). Subdivision is permitted provided allotments are not less than 1 hectare in area. Limited agriculture is permissible without consent, and apart from dwelling-houses, a limited number of other land uses are permissible with consent.
- 1(d) Rural (Future Urban). Intended to designate land suitable for future urban use, permissible activities are limited to obviate excessive investment in the land.
- 1(e) Rural (Floodway). Identifies flood liable land where the nature of the flooding is such that virtually all development ought to be precluded.
- 1(f) Rural (Forests). Identifies land accommodating State Forests.

### 2.2 **Outline of Deficiencies in the Plan**

Since gazettal of Kempsey Local Environmental Plan 1987 a number of deficiencies inherent in the plan have become apparent:-

- a the convoluted history of land use controls over rural land west of the Pacific Highway, and the nature of existing development, has induced a situation of dependence upon State Environmental Planning Policy No 1 - Development Standards, for what is essentially in-fill development to proceed;

- b there is only one rural residential allotment size and the plan does not provide for a choice of lot sizes, contrary to the objectives of the plan;
- c there is no rural zoning available that signifies that land might be brought into rural residential usage some time in the near future; and
- d there is no enabling clause to facilitate cluster farming developments;

The Strategy addresses these issues.

### 2.3 **Deficiencies in provisions for zones 1(a1) and 1(a3)**

The convoluted history of land use controls over rural land in the Shire is such that an over-dependence on SEPP 1 - Development Standards has occurred.

Council has resolved to amend the anomalous situation by way of amendment to a benchmark date in the planning instrument. This Strategy need not, and does not offer any remedy to the situation as action is in train to correct the situation.

Notwithstanding, for this Strategy to be applied Council will need to be cognisant of the number of dwellings that the LEP amendment will permit between now and 2001.

### 2.4 **Deficiencies in the provision of smallholdings**

Clause 3(d) of Kempsey Local Environmental Plan 1987 expresses an aim of that instrument as to "ensure that a choice of lot sizes is available to rural land purchasers", yet the plan only provides for a 1 hectare minimum rural residential allotment size.

The Strategy recognises this deficiency and seeks to redress it by way of:-

- a the use of Clause 37 of the instrument to allow for a minimum allotment size of 4,000m<sup>2</sup> in appropriate parts of established 1(c) zones (vide Amendment No 4); and
- b the establishment of a new rural smallholdings zone with a minimum allotment size of 8 hectares, to be known as Zone 1(g) Rural (Small Agricultural Enterprises).

Historically 4,000m<sup>2</sup> allotments and 10 hectare allotments have proven extremely popular and the unavailability of lots of that size has disaffected many rural land purchasers.

The minimum allotment size of 8 hectares for the proposed 1(g) zone is founded on the fact that by far the majority of portions in the localities in question are 16 hectares in area and selection of a 10 hectare standard would likely lead to a multitude of requests for action under the auspices of SEPP No 1.

## 2.5 **Deficiencies in Provisions for Zone 1(d)**

The zone is simply intended to identify land to be brought into an urban usage at some time in the future, but since the very inception of the plan has been abused as it has been used to:-

- a identify land intended for future rural residential use; and
- b identify land worthy of investigation in the knowledge that urban usage might well be inappropriate.

Simply, the 1(d) zone is wrongly named.

The Strategy recognises this deficiency and seeks to redress it by way of simply changing the name of the zone from:-

Zone No. 1(d) Rural (Future Urban) 'D' Zone

to

Zone No. 1(d) Rural (Investigation) 'D' Zone.

The nomenclature then in no way pre-empts the likely future zoning of the land.

## 2.6 **Deficiencies in Provisions for Special Projects**

The rural land uses not catered for by the Plan are described below:-

Cluster Farming. council has received only one approach concerning cluster farming, namely the development of a cluster farm at Kundabung based on the growing of red-claw crayfish.

Whilst Council has expressed qualified support for the venture the proponent has yet to lodge a formal development application in the matter.

Kempsey Local Environmental Plan 1987 does not contain any clause that would enable the development of cluster farming and it is virtually impossible to pre-empt either the nature, location or scale of such entrepreneurial exercises, rendering it preferable to amend the plan to cater for specific proposals.

In terms of the rural residential component of such ventures, such components cannot be considered to be a part of the legitimate demand for the Shire as they are likely to occur randomly and are not related to the rural residential or small individual agricultural enterprise activities that are the norm.

Horticultural Activities. In instances where it is clearly demonstrable that a major commitment to horticulture has been made, the ability to create small allotments to accommodate those pursuits, plus a dwelling, ought to be made available where the Department of Agriculture and Fisheries lends its support.

No enabling clause ought to be incorporated in the Plan, but rather individual cases should be catered for by way of inclusion in Clause 37 of the Plan.

TABLE 2

**Projected Populations to 2001**

Locality	1986 Census	1991	1996	2001
Urban Areas	15067	16663	18349	20161
Rural parts of Shire	7933	10124	12317	14279
	23000	26787	30666	34440

The projection totals generally confirm those projections made in the "North Coast Population and Development Monitor", Issue No. 9 January 1989, page 7 -

	1991	1996	2001
Estimated Shire population	26800	30800	34700

The projected population for the Rural parts of the Shire as at 30.6.89 is 9183 persons.

3.2 **Converting Projections to Allotments**

An Allotment Balance Sheet will bring together the demand and supply sections of this Rural Residential Land Release Strategy, but before it can be tabulated population figures need to be converted to allotments to match the supply figures.

An examination of the Occupancy Rates for the rural area of the Shire for the last three inter-censal periods shows that the rate is steady. Vide Table 3 below -

TABLE 3

**Occupancy Rates (Annual Averages) and Trend**

Locality	Period			Trend
	1971-1976	1977-1981	1982-1986	
Rural	3.2	3.1	3.2	Steady

The trend highlighted above gives weight to the assumption that occupancy rates in rural areas will likely hold steady until the year 2001.

By application of the assumed occupancy rate it is possible to calculate future demand in rural residential allotments, and by comparing demand with supply, balance sheets can be drawn up showing the adequacy (or otherwise) of that supply.

3.0 **Demand**

3.1 **Kempsey Shire Population Projections**

Kempsey Shire's population growth is due predominantly to migration into the Shire.

The growth rate exhibited for the 1981-1986 inter-censal period was solid, and there is no reason why an overall steady growth rate will not be maintained for the next decade.

For the purposes of this Strategy, the 1986 census figures are used as a base, and the exhibited 1981-1986 annual growth rates for the various urban areas of the Shire used as a guide to make assumptions regarding 1986-1991, 1991-1986 and 1996-2001 growth rates for those urban areas.

It should be noted that the various growth rates are expected to decline over the period of the projection. Vide Table 1 below -

TABLE 1

**Demonstrated and Assumed Average Annual Growth Rates (%)**

Locality	Period				
	1976-1981	1981-1986	1987-1991	1992-1996	1997-2001
Kempsey	0.8	0.6	0.4	0.2	0.1
South West Rocks	2.3	9.6	7.5	6.8	6.0
Crescent Head	3.6	3.2	2.5	2.0	1.5
Frederickton	0.2	4.7	3.5	3.0	2.5
Smithtown	-2.0	-1.7	-1.5	-1.0	0.0
Gladstone	3.0	5.1	3.0	2.0	1.0
Stuarts Point	9.6	6.9	5.0	4.0	3.0
Hat Head	3.5	1.5	1.0	1.5	1.0
Rest of Shire	8.2	6.6	5.0	4.0	3.0

The "Rest of Shire" figures above embrace the rural zones of the Shire, and the small rural settlements not described in the preceding list of urban areas.

By application of the assumed average annual growth rates, population projections may be made.

Table 2 below sets out the projected populations for the major urban areas and for the rural parts of the Shire for the years 1991, 1986 and 2001.

TABLE 4

**Predicted Future Demand in Allotments for 1991**

Location	Projected population increase by 1991*	Demand in lots
Rural	941	294

\*Increase on Estimated Population as at 30.6.89.

TABLE 5

**Predicted Future Demand in Allotments for 1986**

Location	Projected population increase by 1996*	Demand in lots
Rural	3130	978

\*Increase on Estimated Population as at 30.6.89

TABLE 6

**Predicted Future Demand in Allotments for 2001**

Location	Projected population increase by 2001*	Demand in lots
Rural	5096	1593

\*Increase on Estimated Population as at 30.6.89.

**3.3 Calculation of Legitimate Demand**

The North Coast Regional Environmental Plan sets down the method by which "legitimate demand" for rural land release is to be calculated,

The method involves the averaging the rate of building approvals over the preceding 5 years, and provides for a 30 per cent over-run to allow for changes in demand.

Council has only a 2 year experience of building approvals in the 1(c) zone since gazettal of Kempsey Local Environmental Plan 1987, and is therefore in a position where the calculation of legitimate demand needs be made using other criteria.

The appropriate method of calculation is:-

The total number of dwellings approved on small rural allotments for the two years preceding gazettal of Kempsey Local Environmental Plan 1987 on 29th May, 1987

PLUS

The number of dwellings approved on 1(c) zoned allotments for the two years since 29th May, 1987

PLUS

The number of dwellings approved on small rural allotments in zone 1(a1) and 1(a3) for the two years since 29th May, 1987 (these lots invariably having been purchased prior to 29th May, 1987, i.e. before any 1(c) allotments were available).

MULTIPLICATION

of the sum of the 4 year experience by a factor of 1.25 to derive a projected 5 year experience.

The actual calculation is set out below:-

Dwellings approved on small rural lots for two years preceding 29.5.87	216
Dwellings approved on 1(c) lots for two years since 29.5.87	58
Dwellings approved on small rural lots in Zones 1(a1) and 1(a3) since 29.5.87	181
Total Dwellings	455
Legitimate Demand	= 455 X 1.25
	= 569

### 3.4 Cross-Check of Methodologies

A cross-check of the accepted methodology outlined in 3.3 above, with the methodology outlined in 3.2 is warranted.

From 3.3

Legitimate Demand for a 5 year period, including 30% allowance =  $569 \times \frac{130}{100} = 740$  lots

From 3.2

Additional demand for the 5 year period  
1991-1996 = 978 - 294  
684 lots

Additional demand for the 5 year period  
1996-2001 = 1593 - 978  
= 615 lots

The two methodologies arrive at essentially the same answer and confirm that the figure of 740 allotments being required to fulfil a likely 5 year demand is reasonable and defensible.

A 5 year demand of 740 allotments averages out at 148 allotments per year.

### 3.5 Calculation of Rural Residential Demand

The rural residential component of total legitimate demand calculated above, is identified as demand for allotments of 10 hectares in area or less. In addition to this the demand for allotments between 10 hectares and 40 hectares in area needs to be provided for.

Given that Kempsey Local Environmental Plan 1987 identifies a minimum lot size of 40 hectares for dwelling within Zones 1(a1) and 1(a3) then demand for new allotments less than 40 hectares in area will need to be met by the 1(c) and proposed 1(g) zones.

Demand for rural residential allotments is calculated as follows:-

Percentage of dwellings approved on rural allotments less than 10 hectares in area ( $228 \div 587 = 39\%$ )

PLUS

percentage of dwellings approved on rural allotments between 10 and 40 hectares ( $244 \div 587 = 41\%$ )

EQUALS

80% dwellings of calculated legitimate demand

$80\% \times 740 = 592$  allotments averaging out at 118 per year.

4.0 **Supply**

4.1 **Rural Residential Land Supply**

Council has undertaken a housing stocktake in June for the past 3 years and as well as the number of dwellings in each rural residential locality, the stocktake has provided figures for vacant serviced rural residential allotments as well as for allotment equivalents for appropriately zoned but yet unsubdivided land.

4.2 **Discounting of Land Supply**

The appropriately zoned, yet unsubdivided land in the rural residential localities has been assessed regarding its development suitability.

Appendix "A" identifies the location and lot equivalents of zoned unsubdivided land in the Shire, and details of discounting assumptions adopted in each case.

Discounting is necessary to make allowances for situations where land is not likely to be developed in the short term because of any one or more reasons such as owner unwilling to develop, uneconomic to service, land flood prone, difficult access, and so on.

Table 7 below sets out the discounted land supply for each of the major rural residential localities of the Shire -

Table 7

**Discounted Land Supply as at 30.6.89**

Locality	Vacant Serviced Lots	Zoned Unsubdivided land (lot equivalents)*	Discounted Supply
Crescent Head Road	29	205	133
Arakoon Rd	23	44	44
Dondingalong	21	102	75
Aldavilla	107	124	124
Old Station Rd	9	197	106

\* Calculated on a yield of 8 allotments (1 ha in area) per 10 hectares, and in a location at Aldavilla favoured by Council for subdivision into 4000 m<sup>2</sup> allotments, 2 such allotments per hectare.

Examination of recent subdivision in the 1(c) zones within the Shire support these assumptions of allotment yields.

5.0 **Balance Sheet**

5.1 **Allotment Balance Sheet**

It is not possible to project population growth for small, individual rural residential localities with any degree of worthwhile accuracy, but it is possible to project the growth of the overall rural population of the Shire. vide Table.

Balance Sheets for the years 1991, 1996 and 2001 have been drawn up in respect of rural residential land -

Table 8

**Allotment Balance Sheet for 1991**

Location	Projected Population Increase by 1991	Lots available (discounted)	Demand in Lots	Lots shortfall (-) OR Surplus (+)
Rural	941	482	235	+247

Table 9

**Allotment Balance Sheet for 1996**

Location	Projected Population Increase by 1996	Lots available (Discounted)	Demand in Lots	Lots Shortfall (-) OR Surplus (+)
Rural	3130	482	782	-300

Table 10

**Allotment Balance Sheet for 2001**

Location	Projected Population Increase by 2001	Lots available (Discounted)	Demand in Lots	Lots Shortfall (-) OR Surplus (+)
Rural	5096	482	1274	-792

## 5.2 Adjustment to Balance Sheets

Section 2.3 of the Strategy highlights an Amendment to Kempsey Local Environmental Plan 1987 that will enable additional dwellings to be erected on land in Rural zones 1(a1) and 1(a3).

A total of 90 allotments will be available when Amendment No. 17, the enabling amendment, is eventually gazetted.

Perusal of SEPP 1 - Development Standards records shows that for the 2 year period 26.9.87 to 26.9.89 a total of 8 dwellings have been approved under the Policy.

On the basis of double that annual rate, that is, 8 dwellings per year, the 90 available allotments will be taken up by 2001.

The adjusted Balance Sheet for 1991, 1996 and 2001 will therefore be:-

1991	247 + 16 = 263 SURPLUS
1996	300 - (8x7) = 244 SHORTFALL
2001	792 - 90 = 702 SHORTFALL

## 6.0 **Conclusions**

### 6.1 **Adequacy of Supply**

Conclusions may be drawn from Tables 8, 9 and 10, and the adjustments in 5.2, as to when additional rural residential land ought to be made available, although the Tables offer no assistance in deciding just where new rural residential allotments ought to be located.

The disposition of new rural residential allotments throughout the Shire is the prerogative of Kempsey Shire Council, with input from government departments, such as the Soil Conservation Service, the Department of Agriculture and Fisheries and the Department of Planning.

Quite obviously the already designated rural residential zones cannot simply be extended every time there is a requirement for more allotments.

New locations suitable for rural residential development have been identified by Council, and, cognisant of market demands and servicing requirements, Council will from time to time release land for development in these new locations.

The method of release will be by way of the delineation of a new zone, as well as the identification of additional 1(c) zone locations, in amendments to Kempsey Local Environmental Plan 1987, in accordance with the adopted Land Release Strategy.

### 6.2 **Opportunities for Delineation of a New Zone**

Appropriate locations for 1(g) zones are:-

- (a) Along Spooners Avenue, the road that connects Frederickton and comes into play as the flood-free route in lieu of the Pacific Highway in time of flood.

A considerable amount of 10 hectare subdivision has already taken place in this locality and inclusion of the locality in a 1(g) zone will "round-off" the small lot community and provide for an additional 96 lots.

- (b) At Beranghi, where again 10 hectare subdivision activity was fairly intensive prior to 6th April, 1981 and a well established community of 10 hectare allotments exists.

Recognition ought to be given to the existing settlement, and the ability for 8 hectare subdivision accorded to adjoining land.

The location adjoins the Kempsey to Crescent Head Road and will provide has allotments of a size much in demand, in close proximity to the popular coastal resort of Crescent Head.

That part of the Kempsey to Crescent Head corridor that abuts the Beranghi Road junction similarly is worthy of a 1(g) zoning.

A 1(g) zoning accorded the Beranghi locality described above would provide for an additional 122 lots.

- (c) Extensive 10 hectare subdivision has also taken place in the localities of Temagog, Old Rollands Plain Road, Smiths Creek, Turners Flat/Mooneba, Collombatti and Hickeys Creek localities. The opportunity exists to give recognition to the existing subdivision patterns, and allow for a "rounding off" of the individual localities by bestowing subdivisional ability on adjoining land.

### 6.3 **Opportunities for further 1(c) Zones**

Appropriate locations for further 1(c) zones are:-

- (a) On land to the west of Frederickton. The land, in the Everinghams Lane locality, has already experienced considerable small lot subdivision (pre 6th April, 1981) and has many of the characteristics of a rural residential area.

Land on the southern side of Everinghams Lane enjoys good views to the east, south and west across the Kempsey floodplain, and by way of Development Control Plan, rural residential subdivision in this locality should ensure a single lot depth so that all allotments created enjoy a "dress circle" view. The locality will yield 60 lots.

- (b) Another opportunity exists at Crescent Head for the incorporation of land on the lower slopes of "Killuke" into a 1(c) Zone. The locality is well drained, able to be serviced, and virtually adjacent to the Village of Crescent Head.

There is no rural residential zone in close proximity to Crescent Head at this juncture, and the experience of Arakoon Road rural residential development at South West Rocks suggests that the seaside location of a 1(c) Zone will be extremely popular. Some 117 lots could be made available.

The Villages of Gladstone, Smithtown, Hat Head, Willawarrin, Bellbrook and Kundabung do not enjoy circumstances that suggest an adjoining 1(c) Zone would be an appropriate land use choice.

At Stuarts Point a large area of land is undeveloped and within a 2(v) zoning, and the cost of providing sewerage to facilitate development will be prohibitive. It is possible that Council will be presented with a proposal in the future to rezone a substantial part of the 2(v) land to 1(c). Council reserves its opinion on this possible eventuality.

### 6.4 **Development of a Rural Residential Release Strategy**

Council needs to develop a Strategy that will:-

- (a) provide for a range of lot sizes in accordance with the aims and objections of Kempsey Local Environmental Plan 1987;
- (b) ensure that all rural residential land can demonstrate an efficient utilisation of services;
- (c) provide additional allotments in localities where established demand demonstrates that such expansion is justified;
- (d) ensure monitoring on an annual basis of the take up of rural residential land so that annual amendments to Kempsey Local Environmental Plan 1987 might be prepared; and
- (e) ensure that at all times there is a reserve capacity of allotments able to be created, to enable Council to respond to circumstances where extraordinary demand justifies special amendment of the LEP prior to the annual amendment advertised to in (d) above.

## 6.5 Land Release Strategy

### Choice of Lot Sizes

Kempsey Local Environmental Plan 1987 does not properly satisfy Clause 3(d) of its aims and objectives.

Amendment of the Plan will be sought to:-

- i provide for the establishment of allotments with a minimum allotment size of 4000m<sup>2</sup>, in appropriate locations, via the auspices of Clause 37 of the Plan;
- ii introduce a new 1(g) zone providing for Small Agricultural Enterprises with a minimum allotment size of 8 hectares; and
- iii alter the description of zone 1(d) from Rural (Future Urban) Zone, to Rural (Investigation) Zone.

### Location Criteria for Rural Residential Zones

- i 4000m<sup>2</sup> allotments generally will only be permitted within established 1(c) zones. Such subdivisions will be located away from arterial and sub-arterial roads, and only in locations where topography and soil types are clearly conducive to small allotment subdivision.

In view of the possibility of problems associated with noise generation at Kempsey Aerodrome, no intensification of the existing 1(c) development that adjoins the aerodrome will be supported by Council.

Council will support the rezoning of land to 1(c) for 4000m<sup>2</sup> minimum allotment size development on land on the western side of the Point Plomer road adjacent to the village of Crescent Head. This land includes Crown Land being Portion 216, as well as land owned by Killuke Pty Ltd.

- ii All proposals for extensions to existing 1(c) zones will need to demonstrate an efficient utilisation of services.
- iii 1(g) zones will be located along sealed roads, or roads scheduled to be sealed, and shall have a their focal points already well established areas of 10 hectare subdivision.

#### Calculations regarding "Legitimate Demand"

The "legitimate demand" established by way of Council's experience of rural residential subdivision at the time of publication of this Strategy document, is such that a supply of some 244 allotments will need to be created to "top-up" the existing stock to meet demand up to 1996.

A fresh calculation will need to be done each year to ensure that appropriate annual amendments are made to Kempsey Local Environmental Plan 1987.

#### Location of Additional Allotments to be Created

The additional 244 allotments proposed to be created in an amendment to Kempsey Local Environmental Plan 1987 under the auspices of this Land Release Strategy document are identified in attached Plans 1 and 2.

The plans carry descriptions of the proposed allotments and a balance sheet related to demonstrated demand.

#### Monitoring of Rural Residential Development

In May each year Council will undertake a housing and subdivision stocktake in all rural residential zones and on land adjoining those zones. These stocktakes will form the basis of Council's calculations for legitimate demand for rural residential allotments.

#### Determination of Priorities

Quite obviously not all the land identified in Plans 1 and 2 as suitable for rural residential development can be immediately bestowed with an enabling zoning.

In June of each year the Town Planning Department will put before Council a report analysing the rates of growth in the respective rural residential communities, and will recommend to Council the rezoning of additional land to meet demonstrated demand.

### **6.6 Strategy For Other Rural Lands**

#### Cluster Farming

It is impossible to pre-empt the nature, location or scale of cluster farming proposals, and where considered appropriate, Council will facilitate such ventures by way of amendment to Kempsey Local Environmental Plan 1987.

The rural residential components of such ventures are not related to normal rural residential developments, and accordingly will not be taken into account when determining legitimate demand.

#### Horticultural Activities

Where Council is satisfied that a major commitment to horticulture has been made, in circumstances where the Department of Agriculture and Fisheries lend support to the excision of small allotments, Council will support the creation of small allotments and the erection of dwelling-houses on them.

#### Dwelling-Houses in Rural Zones

Amendment of Kempsey Local Environmental Plan 1987 will be sought to enable the erection of a dwelling on each allotment in rural zones 1(a1) and 1(a3) that constituted the whole of an existing holding as at 29th July, 1988. Vide Section 2.3.

#### Development of Aboriginal Lands

The Aboriginal Land rights Act 1985 has seen the transfer of title from the Crown to Kempsey Local Aboriginal Land Council in the case of a number of parcels of rural land.

The Kempsey Local Aboriginal Land council has signified to Council its desire to develop a 1(c) zone on land recently acquired on Crescent Head Road, in close proximity to an existing 1(c) zone.

The application will be treated on its merits by Council, but the tenure arrangements of Aboriginal land are such that any rural residential development which eventuates, like cluster farming proposals, should not be a part of Council's calculations insofar as "legitimate demand" is concerned.

7.0 **Monitoring**

7.1 **Monitoring the Strategy**

There are obvious limitations in a Strategy that is based on a series of assumptions about the future. Matters such as changing growth patterns, unexpected occupancy rate changes and so on, can render a strategy devised in 1989 off the mark in 1991, further off the mark in 1996 and possible even meaningless by 2001. To avoid that situation the development of the various areas of the Shire needs to be constantly monitored and adjustments made to the Strategy where necessary.

Following the annual housing stocktake conducted in June, a review of the Strategy will be undertaken by Council's Town Planning Department.

Appendix "B" sets out the key assumptions used in the strategy. As part of the monitoring process these key assumptions will be tested to determine their validity. Fresh calculations will be made in respect of the strategy where it is apparent that prevailing assumptions should be discarded and new assumptions adopted.

APPENDIX "A"

LAND SUPPLY REGISTER

Effective Lot equivalents after discounting

SITE	NO. LOTS	DISCOUNT RATE	AFTER DISCOUNT	ASSUMPTIONS
Crescent Head Road	205	60%	133	Part flood-prone steep gullies, difficult and expensive to service.
Arakoon Rd	44	NIL	44	Desirable location.
Dondingalong	102	70%	75	Heavily timbered and difficult to develop economically.
Aldavilla	124	NIL	124	No constraints to development.
Old Station Rd	197	50%	106	Part flood-prone. Difficult to service economically.

N.B. The attached Maps 1 and 2 depict the sites referred to in the Register.

KEY ASSUMPTIONS/MATTERS REQUIRING MONITORING

- 1 Resident Population Projects
  - 1.1 Declining population growth rate.
  - 1.2 Allocation of population projections to rural areas.
  - 1.3 Additional dwellings construction/demolished.
  - 1.4 Occupancy rate for rural area.
  
- 2 Land Demand
  - 2.1 Number of dwelling units per hectare.
  - 2.2 Occupancy rate.
  - 2.3 Allowance for delay in occupation of land.
  
- 3 Land Supply
  - 3.1 No. of occupied lots by locality.
  - 3.2 No. of vacant lots by locality.
  - 3.3 Quantity of zoned unsubdivided land by locality.
  - 3.4 Discounting of zoned unsubdivided land.
  
- 4 Balance Sheet
  - 4.1 Shortfall or excess of land.
  - 4.2 Timing of releases.