



REPORT OF REVIEW

SHIRE OF COCOS (KEELING) ISLANDS

LOCAL PLANNING SCHEME NO. 1

April 2022

Introduction

The Shire of Cocos (Keeling) Islands' Local Planning Scheme No. 1 (LPS 1) has been operational since 2007.

In accordance with the *Planning and Development Act 2005 (WA) (CKI)* and associated *Planning and Development (Local Planning Schemes) Regulations 2015 (WA) (CKI)* (the Regulations), a local planning scheme must be reviewed every five years. In addition, each local planning scheme is to be supported by a local planning strategy prepared in accordance with Part 3 of the Regulations.

There is no local planning strategy associated with LPS 1, and a review of the Scheme has not yet been conducted.

A local planning strategy is a fundamental part of a local government's planning framework and sets the strategic direction for planning and development in the Shire over the next 10 to 15 years. The strategy provides the strategic basis for the preparation, implementation and amendments to a local planning scheme.

A local planning scheme is the primary mechanism to implement the strategy, through various provisions and subsidiary plans, such as local planning policies. Implementing a local planning strategy is a key point listed in the Cocos (Keeling) Islands Master Plan (2019).

This Report of Review for LPS 1 has been prepared pursuant to Part 6 of the Regulations.

Background

The Shire of Cocos (Keeling) Islands ('the Shire') local government areas encompasses all of the Cocos (Keeling) Islands (CKI), an Australian External Territory located in the Indian Ocean at Latitude 12 deg 10' South longitude 96 deg 50' East. The islands lie 2,768 km north-west of Perth, 3,685 km due west of Darwin, approximately 900 km south-south west of Christmas Island and approximately 1,000 km south-west of Java and Sumatra.

The two inhabited islands of CKI are Home Island, the home of the Cocos Malay community and the Shire Office, and West Island on which is located the airport, government offices, the homes of most government and contracted employees, and some private residences.

North Keeling Island, an atoll approximately 27 km north of the southern atoll is protected as a World Heritage Reserve under the control of Parks Australia.

The only passenger transport connection with the rest of the world is by an air service to Christmas Island and Perth. Currently this service operates twice weekly with supplies/logistics supplied through a shipping service and fortnightly air-freight service.

The climate is sub-tropical with mean daily maximum temperatures ranging from 28 deg C (August) to 29.9 deg C (February/March) and mean daily minimum temperatures ranging from 23.4 deg. The highest point above sea level is 9 metres which is located on South Island. The islands in the southern atoll comprise an area totalling 14 square kilometres. Much of CKI is impacted by coastal hazards (erosion and coastal flooding).

Local Planning Framework

Local Planning Scheme Details

The Shire's LPS 1 was gazetted (approved by the Assistant Minister for the Territories) in 2007. Amendments were made to LPS 1 in 2016, 2017 and 2019. No review of LPS 1 has been conducted.

Whilst the Shire has undertaken amendments to introduce the deemed provisions of the Regulations, a comprehensive update has not been undertaken to ensure the Scheme's conformity with the model provisions (Schedule 1 of the Regulations). As such, LPS 1 remains inconsistent with contemporary local planning schemes in the following key areas:

- the manner and format of the scheme;
- most of the operational provisions;
- zone and reserve names and objectives;
- numerous general and land use definitions;
- includes 'special use' zone provisions that are no longer supported in local planning schemes, as future development/growth areas should be exclusively detailed within a local planning strategy; and
- some inconsistencies and contradictions in existing provisions that could lead to legal interpretation difficulties.

Local Planning Scheme Amendments

Amendment No.	Amendment Summary	Gazettal Date
1.	Various rezoning, reclassifying, and administrative changes.	05/02/2016
2.	Various administrative changes to reflect the 'deemed' provisions set out in Schedule 2 of the Regulations.	28/04/2017
3.	Rezone Lot 163 Beacon Heights, West Island, from 'Residential R15' zone to 'Commercial'.	15/02/2019

Local Planning Strategy

The Western Australian Planning Commission (WAPC) has never endorsed a local planning strategy for the Shire.

Since 2018, the Australian Government has been working in collaboration with the Shire and the Western Australian Department of Planning, Lands and Heritage to address coastal hazards (coastal erosion and flooding) on the Cocos (Keeling) Islands coastline through a Coastal Hazard Risk Management and Adaptation Planning (CHRMAP) project. The CHRMAP will cover the coastline of Home Island, West Island and Direction Island.

A CHRMAP is a strategic planning document prepared under WA's State Planning Policy 2.6 - Coastal Planning Policy provides guidance for decision-making within the coastal zone including development and land use change; establishment of foreshore reserves; and to protect, conserve

and enhance coastal values. The CHRMAP outlines the best management pathway for coastal assets vulnerable to coastal hazards.

CHRMAPs provide the touchstone for the Shire's local planning strategy and local planning scheme, by presenting the context around existing and future vulnerability to present and future coastal hazards, and the framework for managing that vulnerability.

Subdivision and Development Activity in the Local Government Area

Since the gazettal of LPS 1 in 2007, the WAPC has granted conditional approval to only one subdivision application on CKI, however; the new lots (proposed for West Island) were not subsequently created.

Additionally, in 2016 the WAPC refused to grant its approval to subdivide 25 new industrial lots on Rumah Baru Road, West Island for the following reasons:

"The proposed subdivision does not accord with the objectives and development control provisions of the Shire of Cocos (Keeling) Islands' Local Planning Scheme No. 1 (LPS 1) by reason that:

- comprehensive planning in the form of a structure plan has not been undertaken to support the proposed subdivision (pursuant to subclause 4.5.2 and Schedule 2 of LPS 1);*
- the proposed subdivision is not supported by an approved local water management strategy (pursuant to subclause 4.5.2 and Schedule 2 of LPS 1);*
- the application has not sufficiently addressed the potential impact of coastal processes, within a 100 year planning timeframe, and fails to apply coastal hazard risk management and adaptation planning in line with the principles of State Planning Policy 2.6 - State Coastal Planning Policy (pursuant to clause 5.12 of LPS 1)."*

Presently there are no structure plans operational with the Shire.

Since January 2011, the Shire has issued 158 Building Approvals, of those six (6) have been for new dwellings, and the remainder being for minor additions to existing dwellings or minor works/structures.

Strategic Framework

Population Change

The residential population on the Cocos (Keeling) Islands appears relatively steady:

	2006 ¹	2011 ¹	2016 ¹	2022 ²
People	572	550	544	579
Families	153	172	153	n/a
All Private Dwellings	167	164	166	n/a
Average People per Household	4.0	3.8	3.7	n/a

The Western Australian State Demographer does not produce official population forecasts for the Indian Ocean Territories. In 2020, the Department of Planning, Lands and Heritage prepared the

¹ <https://www.abs.gov.au/websitedbs/D3310114.nsf/Home/2016%20QuickStats>

² <https://www.abs.gov.au/statistics/people/population/regional-population/2020-21>

*Indian Ocean Territories Land Capacity Analysis - Shire of Cocos (Keeling) Islands*³ (LCA) which provides a broad overview of the existing and future land capacity of the settlements on CKI with respect to potential population growth. In particular, the LCA examines land identified for residential, commercial and industrial development and considers possible implications with regard to the local government area's land supply needs in the context of a number of nominal population scenarios.

Based on the current extents of zoned residential land and land identified for future residential purposes, the LCA suggests there is a potential shortfall of developable residential land to accommodate expansion of CKI's population under certain scenarios. However, it is important that this is read in the context of the methodology and assumptions of the analysis, particularly as:

- there is currently no applicable local planning strategy for the Shire to inform the LCA's land-use mapping, particularly with regard to designating areas for future land use; and
- the LCA population scenarios identified are nominal only. They do not necessarily reflect historical or likely future trends, nor do they necessarily reflect the Shire's aspirations.

The *Accommodation Needs Assessment for the Indian Ocean Territories*⁴ undertaken in 2011 indicated a very low home-ownership rate when compared to the national average. Given the uniqueness of the islands and constraints in terms of coastal hazards, remoteness, transient population and difficulty in engaging in personal investment in property, there is little-to-no demand for subdivision.

In recent years and expected to continue for the next few years the temporary population coming to islands has/will increase dramatically due to the desirable location for holiday makers due to the COVID19 pandemic as well as increased contractors required on island for major Commonwealth Government projects, such as, the Department of Defence Airport Runway project.

Reviewing the Shire's local planning framework may provide an opportunity to identify sufficient residential land to accommodate aspirational population targets.

[Shire of Cocos \(Keeling\) Islands Strategic Community Plan 2016 – 2026](#)⁵

The Shire's Strategic Community Plan 2016 – 2026 outlines the aspirations the local community have over the ten-year timeline from the plan's adoption. Ultimately, the plan shapes the future delivery of services and projects undertaken by the Shire during this period. The following outcome and strategies from the plan have a high influence on land use planning and development over the Strategic Community Plan's timeline:

Outcome 1.1 Encourage economic stability for the Islands

1.1.1 Increase employment opportunities for local residents

1.1.2 Encourage low impact tourism

1.1.3 Lobby to remove impediments to the Islands economic growth

Outcome 3.1 Retain the Islands environment

³ <https://www.wa.gov.au/government/document-collections/regional-north-land-capacity-analysis>

⁴ <https://www.infrastructure.gov.au/territories-regions-cities/territories/publications>

⁵ <https://shire.cc/en/your-council/council-documents.html>

3.1.1 Increase the environmental credentials of the Islands

3.1.2 Protect the Islands environment

3.1.3 Minimise coastal erosion

Outcome 3.2 Future development is sympathetic to the Islands environment

3.2.1 Maintain and develop infrastructure in-line with community needs and the Islands environment

3.2.2 Develop and maintain infrastructure within the resource capability of the Shire.

'Our Cocos (Keeling) Islands 2030 Strategic Plan' (March 2019)⁶

In March 2019 the Indian Ocean Territories Regional Development Organisation completed a 10-year strategic plan for the CKI. Working at the federal level of government this plan creates a roadmap to the community aspirations captured in drafting the document. The plan has a strong sustainability focus - community, economic development, and maintaining the pristine environment. Also, of importance is its focus on education, social harmony, building tourism and creating jobs.

The plan calls for all pertinent information to be included into a new local planning scheme for CKI. For this reason, the plan has been given due consideration in this scheme review.

The major action items with implications for local planning range around accommodation for locals and visitors, as well having a planning framework in place which is conducive to organic economic development. A few examples taken from the strategic plan are listed below:

The CKI Tourism Association believes tourism numbers can be increased within the constraints of current infrastructure by targeting the low season with new and emerging markets, such as fly fishing, photography tours, weddings and sporting/cultural events such as the new Pulu Kelapa festival. The long term strategy is to build year-round capacity through greater tourism accommodation options, such as attracting investment for an eco-resort.

Expansion of the tourism industry will bring many business opportunities. Support for small businesses will build local business capacity and ultimately create new jobs.

Identify & address barriers to affordable housing - Chronic housing shortages were raised repeatedly during consultations. Inability to obtain insurance and exorbitant building costs is real barriers to home ownership. An Affordable Housing Strategy is recommended to identify and address the barriers to affordable housing, including the consideration of community housing models.

Develop an affordable housing strategy for the IOTs. In this, explore possibilities for Co-op/Shire/Trust to build community housing plus a review of grants to ensure IOT benefits (such as first home buyers). Current reports indicate that 6 houses on HI and 4 houses on WI are needed.

Adopt a transparent, planned approach to industry development and government investment.

⁶ <https://www.infrastructure.gov.au/department/media/publications/our-cocos-keeling-islands-2030-strategic-plan-march-2019-produced-indian-ocean-territories-regional>

Cocos (Keeling) Islands Master Plan Report (April 2019)⁷

In January 2019, the Shire commenced a master planning process that included community consultation, and delivered a master plan that identified a range of potential projects across Home Island and West Island, and the development of a tool to assist in the prioritisation of identified projects.

The process involved in-situ site analysis on both Islands; a preliminary community workshop; evaluation of the community responses; preparation of draft master plan maps and diagrams; preparation of a project prioritisation tool; two follow-up community feedback workshops; all of which, feed into a final report and diagrams.

The master plan development process was underpinned with a focus on liveability and sustainability. Whilst these two themes should be important to all communities, they are particularly relevant to an isolated island community.

The master plan notes, that given the governance structure of the Indian Ocean Territories, it is essential that there is collaboration between the Shire and the various delivery agencies/service providers at State and Commonwealth levels if the community's needs are to be met effectively and efficiently.

Consultation

No consultation has commenced directly related to a Scheme review; however, public consultations over the past few years and planned for 2022 have/will be undertaken for the following topics and will assist with informing the Scheme review:

Year	Consultation Topic	Lead Agency
2019	Strategic Community Plan 2030	Department of Infrastructure (Cth)
2019	Master Plan	Shire of Cocos (Keeling) Islands
2019	Direction Island Resort Proposal	Shire of Cocos (Keeling) Islands
2021	Request to Lease Lots 223/224 for purpose of Eco Resort	Shire of Cocos (Keeling) Islands
Planned 2022	Major Strategic Community Plan Review	Shire of Cocos (Keeling) Islands
Planned 2022	Coastal Vulnerability and CHRMAP	Department of Infrastructure (Cth)

Officer's Comments

To ensure the local planning framework remains responsive to the issues and opportunities faced by CKI, it is recommended a new local planning strategy and new local planning scheme be prepared in accordance with relevant planning legislation, policy and practices. It is essential that the new strategy and scheme address and achieve the following:

- the legislative requirements of the *Planning and Development Act 2005 (WA)(CKI)* and the *Planning and Development (Local Planning Schemes) Regulations 2015 (WA)(CKI)*;

⁷ <https://shire.cc/en/your-council/council-documents.html>

- the objectives, policy measures, and *Guidelines* of State Planning Policies of the Western Australian Planning Commission⁸;
- the guidance (including structure and content for local planning strategies) provided in the Western Australian Planning Commission's *Local Planning Strategy Guidelines* (WAPC 2021)⁹;
- the Shire's responsibilities and outputs under the Integrated Planning and Reporting Framework (WALGA, 2016)¹⁰.

The strategy will be generally structured in the format detailed in the WAPC's *Local Planning Strategy Guidelines*, including spatial plans, and supporting documents and studies. The strategy will provide a framework for land use planning and development on CKI and the strategic basis and rationale for the new scheme. The strategy will set out the local government's objectives for future planning and development over the next 10 - 15 years and includes strategies and actions by which to pursue those objectives. The strategy will need to address the social, environmental, resource management and economic factors that affect, and are in turn affected by, land use and development.

The new scheme will be made under the *Planning and Development Act 2005 (WA)(CKI)* which sets out the general objects of schemes and the matters which may be addressed in schemes and comprise the principal statutory tool for implementing the objectives, strategies and actions of the new strategy to achieve the Shire's aims and objectives with respect to the development of its local area. The new scheme text and maps will be consistent with the model scheme format prescribed by Schedules 1 and 3 of the Regulations.

A key objective of the Shire will be effective community and stakeholder engagement in the preparation of the new strategy and scheme.

In the short-term, as a proactive measure to ensure the local planning framework addresses the CKI's vulnerability to coastal hazards (namely coastal inundation and erosion), the Shire will work closely with the CKI community and government stakeholders to undertake a Coastal Hazard Risk Management and Adaptation Planning (CHMAP) that is consistent with the objectives, policy measures, and guidelines of State Planning Policy 2.6 - State Coastal Planning Policy (Western Australian Planning Commission, 2013; SPP 2.6)¹¹.

Recommendation

That the Shire of Cocos (Keeling Islands) resolves:

- pursuant to Regulation 66(3)(a)(iii) of the *Planning and Development (Local Planning Schemes) Regulations 2015 (WA)(CKI)* make a recommendation to the Western Australian Planning Commission that the Shire of Cocos (Keeling) Islands' Local Planning Scheme No. 1 be repealed and a new scheme be prepared in its place; and
- pursuant to Regulation 66(3)(b)(iii) of the *Planning and Development (Local Planning Schemes) Regulations 2015 (WA)(CKI)* make a recommendation to the Western Australian

⁸ <https://www.wa.gov.au/organisation/departments-of-planning-lands-and-heritage/state-planning-framework>

⁹ <https://www.wa.gov.au/system/files/2021-10/Local-Planning-Strategy-guidelines.pdf>

¹⁰ <https://www.dlgsc.wa.gov.au/local-government/strengthening-local-government/intergrated-planning-and-reporting>

¹¹ <https://www.wa.gov.au/government/publications/state-planning-policy-26-coastal-planning>

Planning Commission that a new local planning strategy should be prepared for the new scheme.