

**Submission  
No 67  
Item C, Tab 4**

**INQUIRY INTO ENROLMENT CAPACITY IN INNER CITY  
PUBLIC PRIMARY SCHOOLS**

**Name:** NSW Department of Education

**Date received:** 27 September 2016

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THE LORD MAYOR OF SYDNEY  
CLOVER MOORE

05 NOV 2014

Adrian Piccoli  
Minister for Education  
Level 34, Governor Macquarie Tower  
1 Farrer Place  
SYDNEY NSW 2000

By email office@piccoli.minister.nsw.gov.au

Dear Minister

**New Inner City School**

Thank you for meeting with me next Thursday to resolve the issues relating to the new school in Ultimo.

This week, Council resolved to approve the sale of the City's former depot site to the Department of Education and Communities, subject to fair and reasonable conditions.

I enclose a copy of my Lord Mayoral Minute, including Council's resolution and the confidential attachment outlining the City's proposed terms and conditions of sale.

I look forward to resolving the outstanding matters and to finalise the agreement so we can urgently progress this important project.

Yours sincerely

Clover Moore  
Lord Mayor of Sydney  
Encl.

Released by NSW Department of Education under the GIPA Act 2009. Ref: GIPA-15-155

## Resolution of Council

3 NOVEMBER 2014

**ITEM 3.3 SALE OF PROPERTY FOR NEW INNER CITY SCHOOL**

**FILE NO: S051491**

**MINUTE BY THE LORD MAYOR**

To Council:

I welcome State Government commitment to new school infrastructure in response to the significant population growth in the inner city and the growing trend for parents to stay in the area and bring up their children.

To assist the State Government, the City is willing to sell available property to the NSW Department of Education and Communities, subject to reasonable conditions.

To this end, City staff worked collaboratively and in good faith with the Department throughout 2014, and reached substantial agreement.

The City and the Department have **agreed on the value for the land**, in line with standard government practice for valuing property.

The City and the Department have also agreed that, rather than requiring full payment for the land, the City will **accept in-kind provision of an 80 place child care facility**.

The City has told the Department that it would accept additional child care or further community facilities within the redevelopment, but has been told by the Department that only a single child care facility can be accommodated.

As the final step in reaching agreement, the City and the Department undertook **an agreed process of independent, expert advice on the remediation need for the site**.

With the assistance of environmental and technical consultants, the City and the Department have done a detailed review of remediation strategies, scope and costs. We have agreed on a scope of work that meets Environmental Protection Authority (EPA) guidelines for use of the site as an education facility.

The City has agreed to additional remediation that our experts consider would be beneficial and *that goes beyond the scope of works required to meet EPA guidelines.*

In order to help reach agreement, the City applied its independent quantity surveyor dollar rates to that scope of works beyond EPA guidelines to identify a cost of \$9.5 million, which includes a generous contingency.

However, the Department has proposed work significantly in excess of the EPA guidelines and identified a remediation cost of \$18 million - resulting in an \$8.5 million variation between the City's and the Department's estimates that needs to be resolved.

### City Offer of Sale

The City's Acting CEO wrote to the Department on 19 September 2014 with an *in principle* offer to sell our former depot at 14-26 Wattle Street Ultimo, subject to Council endorsement. Staff have been in contact seeking to progress the offer.

The Acting CEO's letter stated our hope that the City would receive a response in time to seek Council endorsement at its meeting on 3 November - tonight.

I wrote to the Minister for Education on 19 September and 24 October 2014 seeking a meeting to help reach agreement. Last Friday, the Minister confirmed a meeting for 13 November.

In order to help urgently progress this important project, I seek Council's endorsement for the sale of the City's former Fig and Wattle Street Depot to the State Government on terms consistent with agreements reached with the Department and in line with State Government guidelines for sale of surplus property.

### RECOMMENDATION

It is resolved that Council:

- (A) approve the immediate sale of the City's former Fig and Wattle Depot site at 14-26 Wattle Street, Ultimo to the Department of Education and Communities on terms and conditions outlined in Attachment B to this Minute; and
- (B) should further negotiation be required to resolve the outstanding issues:
  - (i) authorise the Lord Mayor to negotiate with the Minister on the allowance for remediation and/or community facilities provided by the Department of Education and Communities under the terms and conditions of the sale; and
  - (ii) request the Chief Executive Officer report back to Council on any substantial variation in the terms and conditions of the sale outlined in Attachment B.

COUNCILLOR CLOVER MOORE  
Lord Mayor

Moved by the Chair (the Lord Mayor), seconded by Councillor Forster –

That the Minute by the Lord Mayor be endorsed and adopted.

Carried unanimously.