Planning and Public Space – Questions on Notice Budget Estimates, October 31

| # | Hansard | Excerpt | Answer |
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| 1 | Pg. 2 | The Hon. ADAM SEARLE: Minister, can you explain why you and your agency Landcom and the planning department have not complied with the order of the Legislative Council to produce the original draft report of Wentworth Advantage into the allegations of bullying against the Landcom chair, Suzanne Jones? | I am advised: At the time of responding to the Order the Department did not have a copy of the original draft report of Wentworth Advantage. |
| | | Mr ROB STOKES: I will refer your question to the secretary. Mr BETTS: I will have to take that on notice as to the specific document. I understand that there was extensive discussion at the session with the Secretary of Treasury the other day. I am not aware of the department having been in receipt of that report at any point along the way, so that may be the reason why we have not disclosed. But I will have to take that on notice and get back to you. | |
| 2 | Pg. 3 | The Hon. ADAM SEARLE: In relation to the ministerial rulings issue, production has not been stalled as far as you know because other Ministers, like Minister Sidoti, might have had other property interests affected by planning decisions? Mr ROB STOKES: I cannot possibly answer that. I can only answer things that relate to myself and to my department. If there is anything further to add we will provide that on notice. | I am advised: This should be directed to Minister Sidoti or the Premier. |
| 3 | Pg. 9 - 10 | Mr DAVID SHOEBRIDGE: The Supreme Court supported Country Garden's challenge because there was not even any road access to that part of the development. How could you possibly have a development at the stage of North Wilton and not have sorted out something as basic as road access? How did you stuff it up so badly? Mr ROB STOKES: Firstly, I do not accept the premise of your question. There are several items, and I think it is probably better I take it on notice but I will happily refer to Mr Betts if he has anything further to add. | I am advised: The planning framework for the North Wilton precinct delivered, through the rezoning, provides for access to the Hume Motorway. The rezoning of the Wilton North Precinct for urban development includes the zoning of land to SP2 Infrastructure and Urban Development Zone to ensure that the construction of roads to facilitate access to the Hume Motorway on the western side of the motorway is permissible. On the eastern side of the motorway in the existing low density residential zoning in Bingara Gorge, the proposed roadworks |

| | | Mr BETTS: No. Mr DAVID SHOEBRIDGE: The Supreme Court agreed with Country Garden's challenge and a primary basis for it was because there was no road access to an 870 hectare development in North Wilton and you cannot respond in budget estimates? You have nothing to say? Mr ROB STOKES: No, I am saying that there are some specifics to your question that I think it is probably appropriate that I take on notice so that I can consider, rather than trying to provide you an answer— Mr DAVID SHOEBRIDGE: Is there or is there not road access to an 870 hectare development that has been a cause of major local and metropolitan concern for years? Is there road access to the site? It is a simple question. Mr ROB STOKES: The best way to answer, as I have suggested— Mr DAVID SHOEBRIDGE: Respectfully Minister, have you closed your eyes and ears for the past two days and avoided getting advice on road access? | would be permissible (namely, construction of a new off-ramp from the Hume Motorway and the upgrading of the Niloc Bridge across the motorway.) The funding mechanism to ensure the road can be constructed is through a Voluntary Planning Agreement (VPA) between Bradcorp and NSW Government to provide for the delivery of identified State Infrastructure items, including both land and works in kind. The VPA provides for acquisition of land and construction of arterial road improvements by Bradcorp to provide access to Wilton North from the Hume Motorway. Development of the Wilton North is limited by the VPA to 300 lots until the upgraded access to the Hume Motorway is provided. Under the VPA, Bradcorp has undertaken to use all reasonable endeavours to acquire development rights for the land required for the Hume Motorway off-ramps and Motorway over-bridge, to provide long-term access to Wilton North. Development rights for this land on the eastern side of the Hume Motorway are owned by Lend Lease. The VPA provides that if requested by Bradcorp within 12 months of the VPA being executed (August 2018), the Minister must give consideration to acquiring the land required. However, no request |
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| | | Mr ROB STOKES: No, I have not. What I will say is because these issues involve a degree of complexity, and I am very mindful that they have been the subject of litigation, the most appropriate way for me to answer your question is in a considered way by providing you an answer on notice. | has been forthcoming from Bradcorp. The VPA provides an alternative pathway to ensuring the arterial road access as planned will be delivered in a timely manner to support development of Wilton North. The Department is reviewing the Court's decision, however it is a contractual dispute between the two parties (Bradcorp and Country Garden). It is not strictly a question of planning law. |
| 4 | Pg. 12 | In relation to Sydney Water business case for Wilton. | I am advised: |
| | - | Mr DAVID SHOEBRIDGE: How do you price something without a business case? Mr ROB STOKES: In relation to the specifics about Sydney Water's business case I am very happy to find answers for you | Sydney Water has determined the infrastructure (water supply, wastewater, recycled water) required to service the Wilton growth area, which will be staged to keep pace with growth to 2046. Sydney Water identified water supply from the Macarthur water filtration plant as the preferred drinking water supply option to service the Wilton growth area and over time the region will be |

| | | but, again, Sydney Water is not one of my agencies. However, I am more than happy to see what information we can provide. | integrated into the Greater Sydney System as development continues. |
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| | | | In accordance with Sydney Water's Precinct Acceleration Protocol Funding policy, developers must forward fund infrastructure to service their development through commercial-in-confidence arrangements with Sydney Water. Business cases to progress the servicing of Wilton will rely on funding in these developer agreements. |
| | | | Sydney Water is also accelerating one of its planned growth projects, the Prospect South to Macarthur Link, to build more flexibility and resilience into the water distribution system and meet the demands of a rapidly expanding South West Sydney community. The project will allow for the movement of treated drinking water between the Prospect South to Macarthur water distribution systems through investment in pipes, pumping stations and reservoirs. The project is currently going through the NSW investor assurance process. |
| 5 | Pg. 13 | In relation to Westconnex residual land in addition to Ismay | I am advised: |
| | | Reserve. | I have made the commitment that the residual land at Ismay Reserve should be handed to Strathfield Council to ultimately be |
| | | The Hon. JOHN GRAHAM: I think you are developing a policy for that residual land in this role, is that correct? | incorporated into the Reserve. The Department has received the draft Residual Land Management Plan from Transport for NSW (RMS) for the vacant blocks near Reserve. The Department is |
| | | Mr ROB STOKES: That is right. | currently working closely with Council to understand its planning |
| | | The Hon. JOHN GRAHAM: What is the timing of that policy? | for this area and the benefits of incorporation into the Reserve. |
| | | Mr ROB STOKES: We will get some details back to you on that. | |
| 6 | Pg. 13 | In relation to Question 4. | I am advised: |
| | | The Hon. JOHN GRAHAM: In relation to decisions that are made, will these be decisions for another Minister or will you have concurrence in relation to decisions about disposal of this land? Mr ROB STOKES: That involves a little specificity. It is probably | In consultation with the Minister, the Planning Secretary determines the final outcomes of this land. |
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| 7 | Pg. 15 | Regarding Sydney Zoo regional tourism report. | I am advised: |
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| | | Mr RAY: If I could add, the department has the report. I might have to take on notice whether the department has approved the report—I know that the department has had the report for some | On 31 May 2019, Sydney Zoo submitted a 'Report on Initiatives to Enhance Regional Tourism' (the 'C9 Report') to the Department for approval by the Secretary in accordance with Condition C9 of the consent. |
| | time and has been dealing with the issues raised by Calmsley Hill with the zoo—just in case we have actually made a decision on that. I am not aware of it but I take that on notice. | The C9 Report demonstrates that Sydney Zoo has actively engaged with a range of local recreational facilities and businesses to develop a range of joint initiatives with the aim of growing the Western Sydney visitor economy. | |
| | | | The Department approved the report on 18 October 2019. |
| 8 | Pg. 16 | Regarding the zoo. | I am advised: |
| | | The Hon. ADAM SEARLE: Before it has opened it has already made an application to extend its operating hours. There are signs that it is trying to acquire both farm animals—which is what Calmsley Hill does—and also some native species—which again is Featherdale's business—which seems to be quite a lot different to what it is supposed to be doing, which is the exotic species experience. Is that consistent with the current planning approval that it has? | Sydney Zoo has approval to display to the public both exotic and native species, including a 'farm experience'. |
| | | Mr ROB STOKES: Again I will take that on notice. What I will say though is that, again, my read of the condition that has been provided—their quote again, "a report detailing initiatives and consultation undertaking with nearby businesses to enhance regional tourism in western Sydney"—is the spirit of that condition and would appear to be "Let us figure out how we can work together to provide a regional offering". | |
| 9 | Pg. 17 | Regarding shareholders of the Sydney Zoo. | My Ministerial diary disclosures are made public on the Department of Premier and Cabinet website in accordance with the Ministerial Code of Conduct. |
| | | The Hon. ADAM SEARLE: You are not aware of that. Okay. What meetings did you have with Mr Ivany? | |
| | | Mr ROB STOKES: I recall one meeting some years ago. I am not sure whether it was before or after the provisions relating to | |

| | | disclosure of ministerial diaries. If it was after, the details are there. If not, I am happy to answer whatever questions | |
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| 10 | Pg. 17 | The Hon. ADAM SEARLE: All right. Mr Betts, you are aware of the complaints from Calmsley Hill. I do not believe they have been responded to. Do you have a time frame by which you might respond to those concerns that have been raised with your department about this matter—about the mission creep from the other entities? Mr ROB STOKES: Again, I am happy— The Hon. ADAM SEARLE: Mr Ray might have some answers. Mr RAY: The department is acting on the information from Calmsley Hill. I would have to take it on notice. The Hon. ADAM SEARLE: I am happy for you to do so. | I am advised: Mr Carl Small, the Director of Calmsley Hill City Farm, wrote to the Department on 2 October 2019 raising concerns relating to issues associated with Sydney Zoo's compliance with the conditions of consent and the design and operation of the Zoo. The Department responded to Mr Small's letter on 16 October 2019. |
| 11 | Pg. 17 | The Hon. PENNY SHARPE: You will be able to provide the Committee with the exact number of outstanding plans of management – Mr RAY: I think it is seven. The Hon. PENNY SHARPE: That sounds about right. If you can provide which councils— Mr ROB STOKES: Sure. | I am advised: There are seven plans of management before the Department. |
| 12 | Pg. 19 | Mr ROB STOKES: We would not be making decisions; that is correct. We would not be making decisions until we were satisfied that those biodiversity issues relating to koalas have been resolved to the satisfaction of the department and to my satisfaction. But in relation to the timing of when Lendlease might submit a proposal— The Hon. PENNY SHARPE: No, I get that. Mr ROB STOKES: I am very happy to provide the Committee with a commitment that we would not be signing off on any planning proposal that has not yet been submitted. We certainly would not be determining it until we were satisfied that biodiversity concerns, particularly securing the rehabilitation corridor, for example, were properly addressed. | I am advised: If a planning proposal is submitted to rezone the remainder of Gilead, Council would need to consider the requirements of all applicable State Environmental Planning Policies, including SEPP 44. The Department will also address the assessment of the planning proposal against the requirements of SEPP 44 as part of the Gateway process. If the land meets the requirements of SEPP 44, an individual Koala Plan of Management is required at the development application stage if no comprehensive report is already in place. The Department is preparing the Cumberland Plain Conservation Plan (CPCP) to meet the future needs of the community and protect threatened plants and animals in Western Sydney for the |

| | | The Hon. PENNY SHARPE: That would also include getting the sign-off on the koala plan? Mr ROB STOKES: I will take advice on that. I will take that question on notice. | long term. The Plan encompasses the Greater Macarthur Growth Area and is informing the identification of urban capable land for future development. Through the draft <i>Greater Macarthur 2040</i> Plan the NSW Government has already determined the land supporting the most significant koala habitat corridor, located east of Appin Rd, is to be protected from urban development. The draft <i>Greater Macarthur 2040</i> also indicates the potential for an east- west koala corridor along Ousedale Creek, provided the feasibility of crossing Appin Road and expanding the vegetation in the corridor can be resolved. |
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| 13 | Pg. 19 | Mr ROB STOKES: Biobanking is an interesting process. I do not say this in a partisan way but it was introduced by the Labor Government as a means of facilitating development where it would not otherwise be allowed in return for securing benefits elsewhere. It would certainly go against the spirit of biobanking arrangements We need to work hard to ensure it works even better. In relation to specifics, I am more than happy to provide further detail on notice. | I am advised: There is no further detail needed. |
| 14 | Pg. 19 | The Hon. PENNY SHARPE: Can you provide to the Committee an update on expenditure in relation to the planting of trees commitment, the number of trees that have been planted and whether you are on track for that in terms of that commitment? Mr ROB STOKES: The online register should give you a daily figure as to how many we are up to. | I am advised: The budget for the Five Million Trees Program is \$37.5 million over 4 years. An innovative street-tree demonstration project in Rosemeadow has been allocated \$650,000. Twenty councils have been awarded a total of \$5,378,407 in grants for 32 tree-planting projects across Greater Sydney. |
| | | The Hon. PENNY SHARPE: It does, but we are in drought. Trees are going in, but whether they are living is something that is of great interest to me, and whether if it has gone in and died, is it still counted as a tree that has been planted. I would also like an answer to that. Mr ROB STOKES: Sure. I will get you those figures but can I say, the issues you raise are very germane. | Councils were required to match funding on a dollar-for-dollar basis. This matched funding could include council personnel costs for staff that will maintain and monitor planted trees. Grant funding is being paid in instalments over 36 months as projects reach milestones. There is an 18-month establishment period after tree planting, to ensure trees survive before the final grant payment is made and ongoing monitoring is required. |
| | | | The budget for 2019-20 is \$16.7 million, which includes some funding already committed under the pilot grant round and the Rosemeadow demonstration project. As at 11 November 2019, 178,683 trees have been registered on the Five Million Trees website. This includes 36,012 trees (a 20% |

| | | | increase) since the Premier's Priority was announced on 25 June 2019. |
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| 15 | Pg. 20 | Mr BETTS: I just add that as of two weeks ago, the tree planting register recorded that 166,753 trees have been planted. The Hon. PENNY SHARPE: When you say trees planted, that does not include the seeds that are in the milk cartons? Mr BETTS: I will have to check on that. | I am advised: The online tree registration process has been designed to easily enable all members of the community to contribute to greening Sydney. Seeds are not counted. |
| 16 | Pg. 22 | Regarding DRG jobs in Maitland. The Hon. ADAM SEARLE: So how many jobs is that? Mr BETTS: I would have to take that on notice—a few hundred. | I am advised: There were 302 departmental staff employed at the Maitland office during the 2018-19 financial year. |
| 17 | Pg. 23 | Regarding directors in office for Landcom. The Hon. ADAM SEARLE: I understand that but the constitution, I think, is permitted under the legislation but does not have the weight of legislation. My concern is—again, no reflection on any individuals—whether these multimillion-dollar transactions have been properly and lawfully signed off by the right number of directors. It is a pretty important issue. I am happy for you to come back. Mr ROB STOKES: Of course. My instinct is it is probably an appropriate one for Treasury but we can sort that out. | I am advised by Landcom: Refer to the response to question 29 of the Planning and Public Spaces Budget Estimates Questions on Notice from the 11 September 2019 hearing. In addition, Section 20Q(7) of the State Owned Corporations Act 1989 provides that "The constitution [<i>of a statutory SOC</i>] may contain other provisions, so long as they are not inconsistent with the provisions referred to in subsection (6) or any other provision of this Act. The Landcom constitution was approved by Landcom's Shareholder Ministers at the relevant time. Clause 6.4(3) of the Landcom constitution is not inconsistent with any of the provisions of the State Owned Corporations Act. |
| 18 | Pg. 24 | The Hon. ADAM SEARLE: I note in the answers to supplementary questions to the department and the Minister, that 0.6 of a staff member is a secondment from the Crown Solicitor's Office. Is that correct? Professor O'KANE: That is correct. | I am advised by the Independent Planning Commission: The following staff have been provided by the Crown Solicitor's Office: |

| | | The Hon. ADAM SEARLE: That is a correct assessment? Professor O'KANE: Yes, that is correct, and there is, just started the other day, the Crown Solicitor's Office has also given us—I will need to take it on notice—I think it is 0.8 of a more junior legal person; a paralegal. | "Paralegal officer, Clerks General Scale step 10", four days a week. The secondment is from 29 October 2019 until 31 December 2019. "Planning Officer (Prof 3), Year 3 Equivalent", a Principal Legal Officer three days a week. The secondment is from 16 September 2019 until 31 December 2019. |
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| 19 | Pg. 25 | The Hon. ADAM SEARLE: Fair enough. In relation to your budgeting—and Mr Betts I am happy for you to contribute—does the Minister approve the final budget allocation for the IPC before it is set down? Professor O'KANE: I think that is a question for Mr Betts. Mr BETTS: I am not sure actually. The Hon. ADAM SEARLE: I am happy for you to take it on notice. It is not a trick question. | I am advised: The IPC is considered in the overall setting of the Department's Budget, which is set by the Minister with the assistance of the Secretary. |
| 20 | Pg. 27 | The Hon. ADAM SEARLE: Again I ask a specific question. Are both of your male group deputy secretaries paid more than the both of your female group deputy secretaries? Mr BETTS: I will provide you with that information on notice. I would be grateful if— The Hon. ADAM SEARLE: I am not asking for the dollar figures; I do not want that. Mr BETTS: I completely accept and appreciate that. However, given that the selection of witnesses is not necessarily reflective of the wider sample of the leadership team within the department and the broader span of deputy secretaries, I might also provide you with information about pay equity more broadly within that group of 12 members. | I am advised: Our three group deputy secretaries are paid the same for their roles. More broadly, excluding the Secretary, there are 12 members of the departmental Leadership Team with an even gender balance of six men and six women. Across the leadership team, we have parity of remuneration. One member of the leadership team is employed by another government agency, creating an uneven number for financial reporting purposes (6 men to five women) and an imbalance of 0.8% in favour of men. This imbalance is a statistical anomaly: where men and women hold the same title, the women are paid marginally more than the men. |
| 20 | Pg. 29 | The CHAIR: Maybe talk me through it in a little bit more detail. You have a draft koala plan of management, it comes into the department. Where does it go—which section of the department? We have just heard so much about delays so I am just trying to get a sense of what the internal process is. | I am advised: SEPP 44 identifies 10 koala feed tree species. In November 2016, the Department's review of SEPP 44 proposed an update of the tree species list to include 64 tree species as identified in former OEH's <i>Recovery plan for the koala</i> |

| Mr RAY: If I might answer it in this way. In relation to the draft koala plans of management that are yet to be approved, which I think is the main question of delay, the issue there is that the definitions of core koala habitat and the tree species in which | <i>(Phascolarctos cinereus) 2008.</i> Council prepared the original draft KPOM to reflect the proposed amendments to the review of SEPP 44. The review of SEPP 44 was delayed due to a commitment of the former OEH to prepare a Koala Strategy for NSW. |
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| koalas are found need to be updated. At the moment the SEPP 44 does not align with the latest information from the former OEH, NSW Environment, Energy and Science. There has been an examination within the department, with the planning part of the department and the environment part of the department working closely together to make those assessments. It has been identified for some time that SEPP 44 needs to be updated, so the list of feed trees which now, provided with the best science, are where koalas are likely to be found or could be found. That is the SEPP | As the additional tree species had not been finalised and the SEPP amended, Campbelltown Council was advised that the identification of core and potential koala habitat under the draft KPOM could only be assessed against the existing requirements of SEPP 44 and the additional tree species could not be considered. Furthermore, Council identified urban areas in its core koala habitat, inconsistent with the requirements of the SEPP. Council resubmitted the draft KPOM in early 2019. DPIE is |
| amendment that the Minister has committed to having made before the end of the year. | assessing the draft KPOM. It has been referred internally to seek expert advice on biodiversity considerations including the |
| The CHAIR: So the number of koala feed trees has changed and that has now been agreed to between the planning department and EES? | Cumberland Plain Conservation Plan, the Biodiversity Act and SEPP 44. DPIE will work with Council to ensure consistency with the |
| Mr RAY: Yes. So in the recently published koala database there is now a list of feed trees broken up into seven or eight regions of— | Biodiversity Act. A total of 123 feed tree species are listed in the updated Koala |
| The CHAIR: Do you know how many feed trees in total? | Tree Species Index developed by Environment Energy and Science division of the Department. |
| Mr RAY: I would have to take that on notice. There are quite a number of feed trees and they vary in likelihood and probability depending on the region. | |
| The CHAIR: If the delay was because the feed trees were being updated, if you like, in terms of SEPP 44, what were the reasons then that the planning department asked Campbelltown City Council to revise its draft koala plan of management last year? I understand it was based on koala feed trees. But if you are telling me now that the delay was because there was uncertainty, why would the department have asked the council to change it, considering theirs was based on the best available science and the more current available science? | |
| Mr RAY: I would have to take that on notice. But I can offer a few comments about the process. | |

| 21 | Pg. 30 | The CHAIR: You are aware of the draft koala plan of management for Campbelltown City Council, I am assuming? Mr RAY: I am aware that they lodged a draft plan of management and there have been discussions between the department and Campbelltown City Council. The CHAIR: Have you had any involvement in that particular draft koala plan of management personally? Mr RAY: No, I have not. But what I can say is as scientific knowledge has improved over a period there have been a series of updates, if you like, to the list of koala feed trees. It is not just that the recent koala database is the only update. There have been a series of updates. The CHAIR: Thank you, I am aware of that because that was similar to your previous answer. Are you inferring then that the department suggested to Campbelltown City Council to update their draft koala plan of management because the feed trees were not—was it based on the old SEPP 44 feed trees? Mr RAY: For accuracy I would have to take that on notice. I do not have that information in front of me. | Refer to answer 19. |
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| 22 | Pg. 30 | The CHAIR: Your response before was that the koala plans of management have been delayed because of this change in relation to koala feed trees and SEPP 44. A different question but similar: How then has the department been able to approve individual koala plans of management? I understand there are something like 40 koala habitat assessments, including 12 individual koala plans of management for Campbelltown City Council, and that they require the concurrence of the planning department. What feed trees are used in determining and giving all of those individual koala habitat assessments concurrence then? Mr RAY: There are two processes. There are processes that can be based on individual applications, and there is a process that is based on a local government area-wide, or areas within an LGA-wide, which is the koala plan of management process. I do not have the particular details of the individual matters that have been approved in Campbelltown. What I can say is doing the koala plan of management is about the identification of the feed trees. | I am advised: An Individual Koala Plan of Management (IKPOM) is required at development application stage under SEPP 44 if a comprehensive Koala Plan of Management (KPMO) has not been approved by the Department. There are two elements necessary to determine with a comprehensive or individual KPMO is needed: 1. Does the area contain identified core koala habitat based on potential koala habitat, based on the 10 listed koala feed tree species under SEPP 44. The Department then considers whether the land has a resident population of koalas, evidenced by attributes such as breeding females (that is, females with young) and recent sightings of and historical records of a population. |

| | | The CHAIR: Are the individual koala habitat assessments also assessed against koala feed trees as well? Mr RAY: Well, yes, but also more detailed information in relation to actual surveys of whether koalas have been found. The koala plan of management is an overarching database, if you like, and a regulatory instrument and then more work has to flow with individual applications. There would be more detailed work individually identifying the feed trees done on an individual basis, then moving to surveys and then decisions were made on the basis of more detailed information. That is my understanding of the process but I do not have the details here. I am happy to get them on notice—as to each of the particular cases of individual applications that were approved what that process was. | From 2010, the Department approved 12 IKPOM's submitted by Council on behalf of proponents. |
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| 23 | Pg. 31 | Mr RAY: The announcement of the Koala Strategy last year, which involved \$44 million of government funding to a number of initiatives, included the construction of nine kilometres of fencing along Picton Road and also protection of 7,000 hectares of koala habitat. So, yes, measures are being taken now and not waiting on the koala plan of management. Koala plans of management relate to individual development application decisions but the Government has through the Koala Strategy committed to a range of matters to protect koalas. The Hon. MARK PEARSON: Is there a time frame that we have for the implementation of those strategies? | I am advised: Implementation of the NSW Koala Strategy falls under the responsibility of Minister Kean. The advice from the Department of Planning, Industry and Environment is; the NSW Koala Strategy was released in May 2018. It sets out 24 actions to be delivered during the first three years. As at July 2019, 20 out of 24 actions were complete or in progress. |
| | | Mr RAY: I would have to take that on notice. | |
| 24 | Pg. 33 | Ms FRAME: Then the next record, as you know, is the August | I am advised: |
| | | conflict of interest management plan. | Place Management NSW (PMNSW) has been unable to find records of when Tim Andrews declared to SHFA that he had a |
| | | The Hon. JOHN GRAHAM: When was the conflict declared? | conflict with Tallawoladah. PMNSW has information that SHFA |
| | | Ms FRAME: In August 2015 the conflict management plan was— | contacted Tress Cox Lawyers in May 2015 regarding the creation |
| | | The Hon. JOHN GRAHAM: When was the conflict declared? | of a conflict management plan for Mr Andrews. |
| | | Ms FRAME: I do not have that information. | |
| | | The Hon. JOHN GRAHAM: Could you take that on notice. | |

| | Ms FRAME: I would assume it was immediately prior to the conflict management plan being put in place, but I can take that on notice. | |
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| 25 Pg. 33- 34 | The Hon. JOHN GRAHAM: How much is this 55-year lease deal worth to the public? Ms FRAME: I can give you some figures about the value of the lease and also some more detail on the figures Minister Stokes provided about the investment to date. The Hon. JOHN GRAHAM: Yes. Ms FRAME: At the time of the practical completion of the structural repairs and the heritage restoration works in March this year. Tallawoladah had spent \$41 million on construction at Campbell's Stores building. That amount has been independently certified earlier this year. They have commenced paying, on the commencement of the lease, an annual rent of \$1.15 million indexed at 2.75 per cent annually. They also pay an annual licence fee for outdoor seating of \$252,000 with another 2.74 per cent indexation, and an annual capital works contribution of \$272,000, again with the 2.75 per cent indexation. The Hon. JOHN GRAHAM: Understood. So when you add all that up how much is this deal worth to the public? Ms FRAME: This is the value that the public has received to date in these figures. The Hon. JOHN GRAHAM: Yes. Over the course of the 55-year lease, what is the value of those things, taking into account indexation? Ms FRAME: The value to Tallawoladah or the value to the public? The Hon. JOHN GRAHAM: The value to the public. Ms FRAME: The value to the public will be the rent payments, the investment to date and all the payments that I have just outlined that will be indexed annually. The value obviously is that the— The Hon. JOHN GRAHAM: What is the total value? Ms FRAME: I do not have it. I would have to aggregate that for you. | I am advised: The total value of the lease to the public covers four elements: CONSTRUCTION: Certified construction work of \$41 Million has been completed on the Campbell's Stores building. RENT: Under the 55-year lease and licences signed with Tallawoladah, the government is scheduled to receive an aggregated total of rent, licence fees and annual contribution for maintenance of the heritage fabric of \$209.9 million. ASSET: The Campbell's Stores building is an asset that will be maintained over the life of the lease and is projected to be worth \$210.8 million at the end of the lease JOBS: The public also receives indirect value from the wider activation and economic impacts of jobs and spending in The Rocks precinct of Sydney. Modelling completed by JLL estimated that the Campbell's Stores development will result in 281 direct ongoing jobs on site and an additional 371 indirect ongoing jobs in the wider economy. |

| | | The Hon. JOHN GRAHAM: On notice. I would be very happy with that. What is the deal worth to the developer over the course of the lease? What information can you provide us about that? Ms FRAME: I cannot provide any information on that because I do not know what sub-lessees they may put in place going into the future. Obviously the value to Tallawoladah of the lease will depend on their successful leasing of the premises. | |
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| 26 | Pg. 34 | The Hon. JOHN GRAHAM: I understand. You would agree, though, that some of that advice to SHFA at the time recommended that this be not a direct deal, that it be sent out to tender. Do you agree that that was some advice? Ms FRAME: I will have to take that on notice. | I am advised: The entry into the direct deal with Tallawoladah fulfilled a Government policy in place at the time. A series of independent reports established that the Tallawoladah deal was value for the government as required under the ICAC guidelines. One report by BEM included modelling that found that SHFA would obtain a higher return if SHFA undertook the re-development itself however that outcome was conditional on SHFA having the funds available to complete the capital redevelopment works itself (which was not the case at the time). |
| 27 | Pg. 35 | The Hon. JOHN GRAHAM: Are there 40 outdoor seats available for sub-lease at this location? Ms FRAME: I will have to take that on notice. | I am advised: There is no set number of outdoor seats available to sub-lease at Campbell's Cove. The total outdoor Licensed Area which is potentially available for outdoor seating is 1015 m ² and is complementary to the various leased areas. The number of chairs, tables and couches, and their layout and presentation are subject to both Landowner Consent and approval from the City of Sydney through a DA for the fit-out design. |
| 28 | Pg. 36 | The Hon. ADAM SEARLE: Mr Brogden, I asked you some questions about the financial liabilities of Landcom during the last budget estimates. At page 67 of your annual report the liabilities for 2017 were \$264 million but for 2018 were \$667 million, which was a significant increase. My question to you was what explained the difference. I think you referred to the financial notes on pages 84 and 85 of the report. I am not an expert in reading these but as | I am advised: There is a \$404m difference between current liabilities in FY17/18 \$264m and FY18/19 \$668m, comprised of the following: Landcom Current Liabilities analysis \$m |

| | | I looked at the numbers they did not add up to explain the \$500 million difference in total. Can you lead me through the different matters that led to the increase in liabilities? | Total Current liabilities FY17/18 | 264 |
|----|--------|--|--|---|
| | | Mr BROGDEN: Not in detail but I am happy to go through them in response to you if you lodge it as a question on notice or we take it from here. | Increase due to Dividend Declared in FY18/19 Increase in accruals and costs to complete projects Increase in Current Tax Liabilities Increase in deposits received from purchasers Increase in other trade payables, unearned income Total Current liabilities FY18/19 | 200 106 44 37 17 668 |
| 29 | Pg. 36 | Mr BETTS: I am advised that, on average, of the four Department of Primary Industry witnesses at the original estimates hearing the female executives are paid more than the male ones. The Hon. ADAM SEARLE: Both of them? Mr BETTS: I think that is both of them but I will clarify that on notice and I will provide the supplementary information that I promised. | I am advised: The Secretary referenced the Department of Primary Ind the response he provided relates to Mr Searle's previous regarding executive remuneration for the Department of Industry and Environment. Our three group deputy secretaries are paid the same for roles. More broadly, excluding the Secretary, there are 7 members of the departmental Leadership Team with an gender balance of six men and six women. Across the leadership team, we have parity of remunerar member of the leadership team is employed by another government agency, creating an uneven number for fina- reporting purposes (6 men to five women) and an imbala 0.8% in favour of men. This imbalance is a statistical anomaly: where men and hold the same title, the women are paid marginally more men. | dustries; s question ^c Planning, or their 12 even ation. One ancial ance of women |
| 30 | Pg. 36 | The Hon. ADAM SEARLE: Thank you for that. Going back to the Independent Planning Commission—and again I will provide this in | I am advised by the Independent Planning Commission: | |

| more detail in terms of supplementary questions—given what we now understand to be the budget position for the Independent Planning Commission, can you provide a detailed breakdown as to how that will be allocated in the current year, bearing in mind there is an element of uncertainty because of the review about staffing, salaries, legal expenses and the other breakdowns? | Expenses Type | 2018/19 Actuals | 2019/20 Budget Allocations | 2019/20 Actuals (July-Oct) |
|---|---------------------------------------|--------------------|-------------------------------|----------------------------------|
| Professor O'KANE: I will have to take that on notice. The 5.8, it | | \$'000 | \$'000 | \$'000 |
| was only confirmed yesterday. | Labour Expense Cap (LEC) | 2,371 | 2,181 | 750 |
| | TOTAL LEC | 2,371 | 2,181 | 750 |
| | Commissioner (Boards & Committees) | 2,028 | 1,408 | 442 |
| | Legal | 317 | 320 | 145 |
| | Consultants | 387 | 1,000 | 550 |
| | Transcription Services | 210 | 192 | 61 |
| | Advertising | 328 | 60 | 17 |
| | Office Rent, Rates & Outgoings | 327 | 343 | 114 |
| | Travel | 119 | 60 | 13 |
| | Events Management | 37 | 34 | 13 |
| | Other Expenses | 138 | 126 | 73 |
| | Maintenance Expenses | 26 | 24 | 1 |
| | Depreciations | 93 | 93 | 31 |
| | TOTAL OPERATING EXPENSES | 4,010 | 3,659 | 1,428 |
| | GRAND TOTAL | 6,381 | 5,840 | 2,178 |