



Transport for NSW

Responses to Post-hearing questions

Portfolio Committee NO. 6 – Transport and
Customer Service

Inquiry into
Acquisition of Land in Relation to Major Transport
Projects

Hearing Date – Tuesday, 5 October 2021

QUESTIONS ON NOTICE

QUESTION:

1.

Ms McPHEE: I can answer that one. For Metro West Westmead to the Bays, there are 115 buildings that we are acquiring. In total that is 417 interests, freehold and leasehold.

The Hon. DANIEL MOOKHEY: Do you have the breakdown of those 417 interests by residential versus commercial or business?

Ms McPHEE: I will have to take that question on notice; I do not have that information with me.

ANSWER:

Metro West – ‘Westmead to The Bays’			
	Commercial	Residential	Total
Freehold	75	74	149
Leasehold	207	61	268
Total	282	135	417

QUESTION:

2.

The Hon. DANIEL MOOKHEY: Mr Regan, I invite you to take on notice if you can provide us with any particular time when you got that evidence point, because I just understood your answer to be that you always had evidence points and then you were talking to residents.

Ms McPHEE: I am also able to say that there were recent important pieces of information we were able to take into account in making those revised offers to the Orchard Hills owners. I can take on notice specifics around those recent data points, but we were open to negotiations and we did have multiple meetings with the owners through the process.

ANSWER:

Sydney Metro actively engaged with the landowners at Orchard Hills from the date of doorknock on 11 September.

Following Sydney Metro’s formal offers of compensation (Nov/Dec 2020), new market evidence became available that 240 Luddenham Road had transacted in May 2021. This transaction was considered by Sydney Metro’s independently appointed valuers and

supported an increase in Sydney Metro's initial offer of compensation. Reflecting this new market evidence, revised formal letters of offer were issued on 30 June.

Further attempts to exchange valuation reports and negotiate a mutual outcome were made. In the days and weeks before gazette, some landowners elected to exchange valuation reports and enter into negotiations. Some landowners elected not to engage in negotiations.

Without prejudice meetings followed and 40 per cent of the landowners negotiated agreements with Sydney Metro.

QUESTION:

3.

Mr REGAN: Firstly, yes, absolutely. Any contamination on the land or any construction impact will be addressed during construction, so there will not be contaminated land thereafter.

The CHAIR: Okay, so it is not that it is dangerous after that; it is just that it would not be returned in the same state in which it was—

Mr REGAN: Correct. I do not know whether I actually can table documents, but I am happy to provide it on notice—I have some various pictures and things of what it would look like during construction and what the layout of it would be. It is a very intense construction usage, so I will look at whether I can perhaps table those on notice or respond on notice with those.

ANSWER:

See Attachment A - Comparison table of Orchard Hills to Bella Vista

QUESTION:

4.

Mr REGAN: I do not have to hand how many people accepted the first offer, noting that it is quite an ongoing and iterative process.

The Hon. DANIEL MOOKHEY: Did anyone?

Mr REGAN: I do not have that number to hand; I am happy to take that on notice for you.

The Hon. MARK BANASIAK: And perhaps you will take most of this on notice. How many people accepted on the second or third offer?

Mr REGAN: I will take that on notice. As I said, it is an iterative process, so it is not just limited to those offers. Unless my colleague Ms McPhee has the answer to that, we are happy to come back to you with more detail on that.

The Hon. MARK BANASIAK: What was the maximum number of offers made to a landholder? What was the average number of offers made, as well?

Mr REGAN: Yes, I will come back to you on that. Are you referring—just so I make sure I come back with the right information—to the Western Sydney Airport line?

The Hon. MARK BANASIAK: Yes, specifically with the Orchard Hills residents.

ANSWER:

No landowners in Orchard Hills accepted the first or second offers of compensation provided by Sydney Metro.

Two formal offers of compensation were provided to the landowners at Orchard Hills.

QUESTION:

5.

The Hon. DANIEL MOOKHEY: Thank you. I have just a couple of quick questions. If you have the answers now, it will be great; but if you do not, feel free to take these on notice. Just how much has been spent on acquiring properties in Orchard Hills?

Mr REGAN: I do not have that to hand. Obviously we are still—

The Hon. DANIEL MOOKHEY: Ms McPhee—

Mr REGAN: —working through that process.

The Hon. DANIEL MOOKHEY: —do you have a number or estimate? How much are we talking about?

Ms McPHEE: I do not have those numbers.

ANSWER:

Sydney Metro acquired six of the 15 freehold properties at Orchard Hills, by agreement. The remaining nine properties have been referred to the Valuer General for determination.

The amount of compensation for all properties will not be known until such time as the NSW Valuer General completes his independent compensation determination and any Land and Environment Court proceedings are complete.

The Valuer General's determinations of compensation are independent to any budget that Sydney Metro may have in relation to the compulsory acquisition of properties or the Sydney Metro project.

QUESTION:

6.

The Hon. DANIEL MOOKHEY: Yes, sure. On notice, then, can you tell us what the cost has been of acquiring the 72 per cent by agreement for Orchard Hills; equally, the value of the remaining 28 per cent, if it was to be paid at Sydney Metro prices? Can you do the same for the Metro Westmead-Bays precinct? Of the 72 per cent acquired of the 417 interests, what has the cost has been? If you do not mind taking that on notice, that would be great.

The Hon. DANIEL MOOKHEY: Sure, fine. So maybe give us the data for what you have paid by agreement, then?

Mr REGAN: We will see what we can provide

ANSWER:

Sydney Metro Western Sydney Airport: Orchard Hills

40 per cent of the properties were acquired by agreement.

Overall, 71 per cent of the properties acquired for the Sydney Metro Western Sydney Airport project were acquired by agreement.

The Valuer General is undertaking determinations to assess compensation for the properties not acquired via agreement by Sydney Metro. The amount of compensation for all properties will not be known until such time as the NSW Valuer General completes his independent compensation determination and any Land and Environment Courts proceedings are complete.

Sydney Metro West: Westmead-Bays precinct

72 per cent of 417 acquisitions were acquired by agreement.

The amount of compensation for all properties will not be known until such time as the NSW Valuer General completes his independent compensation determination and any Land and Environment Court proceedings are complete.

QUESTION:

7.

The Hon. DANIEL MOOKHEY: Mr Regan, can I ask you this: Have you acquired 43a London Road, Orchard Hills?

Mr REGAN: Um—

The Hon. DANIEL MOOKHEY: Did you hear that, Mr Regan, or—

Mr REGAN: Yes. Sorry. I am just checking my notes. I just want to make sure I comment on the correct property. I will just see whether Ms McPhee knows whether that site has been finalised.

Ms McPHEE: All of the Orchard Hills sites did gazette last Friday, on 1 October. So from a legal perspective, yes, we do own the land.

The Hon. DANIEL MOOKHEY: So 43a—

Ms McPHEE: But in terms of whether we were able to reach commercial agreement, I do not actually have that here [disorder].

The Hon. DANIEL MOOKHEY: Can you take that on notice? Can you, on notice, tell us just how much you paid for 43a London Road, Orchard Hills? That would be good.

Mr REGAN: We will see what we can provide.

ANSWER:

Transport for NSW acquired the property at 43a Luddenham Road, Orchard Hills.

Sydney Metro will be acquiring a portion of the property from Transport for NSW, subject to final land survey.

QUESTION:

8.

The Hon. DANIEL MOOKHEY: I accept, Mr Regan, that it is not intent; you would not be using this plan as an intended effort to reduce the value of compensation that is payable. But at any point did you make inquiries of your valuers as to whether or not they were using that plan?

Mr REGAN: I am not aware of the specific details of the case you were talking about.

The Hon. DANIEL MOOKHEY: Well, I mean, look, if multiple residents have made the same point across the Orchard Hills matters—

Mr REGAN: I am happy to take that on notice. I do not know on that very specific point.

The Hon. DANIEL MOOKHEY: Does Ms McPhee know? Clearly, it is not a small part of how they perceive these negotiations have gone. I am wondering whether or not we have any further information about whether or not Metro—Ms McPhee is nodding. You have to answer affirmatively or negatively, Ms McPhee.

Ms McPHEE: No. I am happy to take that on notice.

ANSWER:

Sydney Metro engaged independent valuers who have a minimum 10 years' experience in valuations of this asset class.

Sydney Metro's external valuers have taken into consideration all relevant aspects (including zoning) to assess the market value of the individual properties in accordance with the *Land Acquisition (Just Terms Compensation) Act*.

Sydney Metro's external valuers took into consideration any publicly exhibited and publicly available information, including the planning policies regarding the Cumberland Woodland Plain Conservation.

This approach was consistent with how the valuers representing the landowners approached market value assessments.

