

The Hon Brad Hazzard MP

Minister for Planning and Infrastructure Minister Assisting the Premier on Infrastructure NSW

The Hon Fred Nile MLC Chair GPSC 1 Parliament House **Macquarie Street** SYDNEY NSW 2000

Dear Chair,

I refer to the GPSC Budget Estimates inquiry into the portfolios of planning and infrastructure on 24 October 2011.

For the Committee's reference I attach a copy of answers to questions taken on notice during that hearing.

Yours sincerely,

The Hon Brad Hazzard MP **NSW Minister for Planning & Infrastructure** Minister assisting the Premier on Infrastructure NSW

BUDGET ESTIMATES 2011- 2012 Minister for Planning and Infrastructure Minister Assisting the Premier on Infrastructure NSW

1. NORTH WEST RAIL LINK

Mr BRAD HAZZARD: If I could just explain it to you. Having reached that stage, what do we do with them? We could not tell them to go back to local government but what we could say to them was, "We are not going to process your application because we are drawing a line under yours." Those particular applications had the choice of going back to local government. At the time I indicated to the director general that the fair, equitable and open thing to do would be to say to each of those people that we would refund their application fees, and to my knowledge that was done. I am not sure how far we have got, but I can find that out for you, if you are particularly interested.

The Hon. PENNY SHARPE: Thank you.

The Hon. PENNY SHARPE: But in relation to the North West Rail Link, Strategic Lands will be dealing with all the land acquisition for that?

Mr BRAD HAZZARD: It would be principally involved. I cannot think—I am happy to take that question on notice and let you know whether there is anybody else—but my understanding is that that would be principally the way in which it would be dealt with.

The Hon. PENNY SHARPE: If it is doing that are you able to provide the Committee with a list of the land to be acquired? Recently it was announced that 70 per cent of the land has yet to be acquired for the North West Rail Link. Are you able to provide us with a list of that land?

Mr BRAD HAZZARD: I can take that question on notice. The issue is that you would have to refer this to the Minister for Transport—

The Hon. PENNY SHARPE: She refers it back to the Office of Strategic Lands, so I am asking you.

Mr BRAD HAZZARD: You have spoken to her already?

The Hon. PENNY SHARPE: Yes.

Mr BRAD HAZZARD: What did she say?

The Hon. PENNY SHARPE: She referred the issue of land acquisition back to the Office of Strategic Lands, which comes under your portfolio.

Mr BRAD HAZZARD: I will take that question on notice and try to get an answer for you.

ANSWER

The Office of Strategic Lands (OSL) has already acquired approximately 59 sites of the land required from the original alignment of the NWRL. The OSL acquisition role was, and

remains, limited to surface land, whilst Transport for NSW (TNSW) have been responsible for sub-surface (tunnel, etc) acquisition action.

TNSW and OSL both have a role to play in the acquisition of land for the revised alignment and the respective roles will be finalised when the design and line alignment review is finalised. Both agencies are working together to ensure that this important project is delivered on time.

Based on advice from Transport for NSW, about 30% of the corridor for the curent rail alignment has been acquired. Transport for NSW is however finalising the alignment to be acquired following which advice could be provided of properties to be acquired.

2. LAND ACQUISITION

The Hon. PENNY SHARPE: Are you able to tell us which parcels of land were previously in public ownership prior to their acquisition?

Mr BRAD HAZZARD: I cannot tell you that now but I am happy to take that question on notice.

The Hon. PENNY SHARPE: Can you indicate on that list of the land to be acquired which lands, if any, are still in public ownership?

Mr BRAD HAZZARD: I will try to find out exactly what you are asking and get some details for you. The detail of individual parcels, except when it becomes a problem, like the one that was occurring in the south-west, was not something with which I would normally deal. The office would be dealing with that at arms length.

ANSWER

The Office of Strategic Lands has not acquired any land for the original North West Rail alignment that was public land prior to purchase.

3. PLANNING ASSESSMENT COMMISSION

Mr PEARSON: Well, in the tail includes both infrastructure projects and private sector development projects and, as the Minister has outlined and I think the question reflected, the vast majority of development projects will be determined by the Planning Assessment Commission, but the infrastructure projects, the North West Rail Link and those kinds of things, will be determined by the Minister.

The Hon. PENNY SHARPE: Can you tell us which ones are going to be dealt with by the Minister?

Mr PEARSON: We will have to give you a list.

Mr BRAD HAZZARD: We will take that on notice and I will get a list for you.

Mr DAVID SHOEBRIDGE: So there will be some from that tail that will come to the Minister?

Mr PEARSON: Of the infrastructure projects?

Mr DAVID SHOEBRIDGE: The infrastructure projects.

Mr PEARSON: Of government infrastructure projects; not private sector infrastructure projects.

Mr BRAD HAZZARD: We will take it on board and we will give you a list.

ANSWER

The Minister is the consent authority for applications made by or on behalf of a public authority

However the Department has delegation to determine non contentious public authority projects, including PPP projects. Non contentious applications would be those that are not subject to a reportable political donation, have less than 25 public objections, and where there is no objection from the local council.

The Minister is able to seek advice from the Planning Assessment Commission (PAC) in relation to applications made by a public authority on a case by case basis as required. The Minister may also delegate his consent authority functions to the PAC on a case by case basis for Public/ Private Partnership (PPP) projects, for example where there is a reportable political donation.

All private sector infrastructure projects will be determined by the PAC or Department, not the Minister.

Until a project has been on public exhibition and all submissions have been received and counted, it is not possible to identify which projects the Minister will determine and which will be determined by the PAC or the Department. Those projects that have been on public exhibition and will be determined by the Minister include:

- University of Sydney, Abercrombie Street Precinct (Sydney University)
- Pacific Highway Upgrade, Oxley Highway to Kempsey (RTA)
- Port Terminal Facilities, Mayfield (Newcastle Ports Corporation)

4. PART 3A

Mr DAVID SHOEBRIDGE: There are some initial determinations under the part 3A, and I will give one example of a Landcom development at Forster-Tuncurry which I was advised that, although no director general requirements were issued, it was being retained by the department for an initial determination as to land use. Is that true or have they all been referred?

Mr BRAD HAZZARD: My understanding—but I will take that on notice too—is that they have all been referred to the Planning Assessment Commission. Even if it involves a rezoning it will still go to the Planning Assessment Commission for advice on the rezoning aspect as well.

Mr BRAD HAZZARD: I have a note here which is the one you are asking about.. I am happy to read it to you because it is the detail: The notes states:

On 28 February 2011 the former Minister agreed to consider North Tuncurry as a potential State significant site and the potential for it to be rezoned for environmental conservation, residential, commercial or recreational use. The site is identified for urban development in the Mid North Coast Regional Strategy 2006-2031 and its development is important in meeting the region's housing targets. Great Lakes Council has indicated they are supportive of appropriate urban development within this site and for the department to be involved in this process. Landcom is currently preparing studies to address the proposal. Once this material has been submitted to the department it will be reviewed before any decision is made to exhibit a draft plan for the site.

Does that help?

Mr DAVID SHOEBRIDGE: That is an example, as I understand it—correct me if I am wrong—of matters where no director general requirements have been issued but it is still being retained by the department for the purposes of determining change in land use.

Mr BRAD HAZZARD: My understanding—and if I am wrong I will ask one of the senior officers here to tell me—is this is one that I do not recollect seeing in the part 3A list. I assume if you are asking that question, you have probably looked at the part 3A list but I do not think it is on the part 3A list. I think it is a local government issue being dealt with through the normal rezoning processes with Landcom working with the council.

Mr DAVID SHOEBRIDGE: Perhaps Minister, if it is not clear from that—

Mr BRAD HAZZARD: Can I indicate there is another note here that says:

The former Minister had formed the opinion that the proposal—

Which I think is the issue you are looking for-

is a development to which Part 3A of the EP and A Act applies and endorsed the submission of the concept plan. In accordance with the repeal of Part 3A the Minister's opinion in this regard has been revoked.

So it has gone back to local government, in other words.

Mr DAVID SHOEBRIDGE: For abundant clarity, can you confirm on notice that that is no longer being assessed by the department?

Mr BRAD HAZZARD: There are a million and one issues in planning and they are all over the State. I could be wrong but I do not think I am. I will ask the acting director general to clarify what his understanding is.

Mr PEARSON: I will just clarify, it is not a part 3A project. That was revoked, as the Minister indicated. But it is being considered in the State's significant site rezoning category as a rezoning, not as a development application, and in consultation with the Great Lakes Council. So it is not a development application; it is a rezoning process that we are working through with the council.

ANSWER

The Part 3A declaration of the North Tuncurry project has been revoked, consistent with the transitional provisions for Part 3A. This means development applications for site works or subdivision will now be assessed at the local level by Great Lakes Council.

Rezoning of the site by way of a more strategic investigation is being pursued. Local council is participating with the DP&I and other agencies in progressing a State significant site zoning.

5. STATE SIGNIFICANT SITE REZONING

Mr DAVID SHOEBRIDGE: Thank you for that clarity, Mr Pearson. How many applications that were previously under the part 3A system have been retained by the Department for the State significant site rezoning determination? You could answer that now, or on notice.

Mr PEARSON: We will have to take it on notice, yes.

Mr DAVID SHOEBRIDGE: Are you aware of any others?

Mr PEARSON: I would not think that there are many, but we will take that on notice.

<u>ANSWER</u>

Two – North Tuncurry and North Ryde Station Precinct.

Given the scale and genuine State significance of these proposals in proximity to major infrastructure facilities, I have endorsed the continuation of the strategic investigations into potential changes to the existing land use zones and development controls for these sites. Working groups, including representatives from the local councils and relevant agencies, have been established for each of these proposals to oversee the relevant investigations.

6. HOUSING APPROVALS

The Hon. LYNDA VOLTZ: What is the current figure for housing approvals?

Mr BRAD HAZZARD: It is the lowest it has been in 50 years.

The Hon. LYNDA VOLTZ: At the moment it is the lowest it has been in 50 years?

Mr BRAD HAZZARD: Actually, the good news is that under the new Government the August figures saw an improvement, as it is the highest it has been for years. One can only think that is because of the new Government, of course.

The Hon. LYNDA VOLTZ: Where were those sites?

The Hon. PENNY SHARPE: Take all the credit but none of the blame.

Mr BRAD HAZZARD: It is a bit hard to take the blame when I was not in Government for 16 years.

The Hon. PENNY SHARPE: Minister, you talked about probity in your responses today.

Mr BRAD HAZZARD: I would like to answer your question fulsomely. I do not mind if you want to move on. If you do not want to hear the answer I am happy too—whatever you want.

The Hon. PENNY SHARPE: Will you provide the answer to us on notice?

Mr BRAD HAZZARD: I am happy to do that. I will take it on notice and give it to you—whatever you want. We are here to help.

ANSWER

The Australian Bureau of Statistics (ABS) Building Approvals data for August 2011 for the Sydney Statistical Division (Metropolitan Sydney and the Central Coast) shows that 3,011 dwellings were approved in that month. This compares to 1,398 in June and 1,968 in July 2011. The ABS data series only reports on activity by States and Capital City Statistical Divisions. It is therefore not possible at this stage to give locations for the approvals.

7. TRANSITIONAL ARRANGMENTS FOR PART 3A APPLICATIONS

The Hon. PENNY SHARPE: I am talking about the transitional arrangements. How many development applications—

Mr BRAD HAZZARD: Are you talking about the old part 3As?

Mr DAVID SHOEBRIDGE: The transitional part 3As.

The Hon. PENNY SHARPE: Yes.

Mr BRAD HAZZARD: Not the new system?

The Hon. PENNY SHARPE: Yes.

Mr BRAD HAZZARD: According to the department, 310.

The Hon. PENNY SHARPE: In dollar terms, how much does that represent?

Mr BRAD HAZZARD: I have no idea.

The Hon. PENNY SHARPE: Can you take that question on notice?

Mr BRAD HAZZARD: Yes. There should be some; there would have to be because there would be a figure on the application lodged under the former Government, to which you were a most wonderful contributor. They had to have a certain figure before they got into the part 3A system. I think I can probably work that out. I am glad you are interested, because many of them were there for up to four years under your Government. We have had only about seven months in government—

ANSWER

As at 1 October 2011 there were 321 undetermined Part 3A projects which will be assessed and determined under the Part 3A assessment regime. The estimated combined capital investment value of these projects is approximately \$51 billion.

8. PUBLIC PRIVATE PARTNERSHIPS

The Hon. PENNY SHARPE: No. Many of your colleagues are talking about the delivery of infrastructure being based on public-private partnerships. I want to understand how they will be assessed under the two-track system.

Mr BRAD HAZZARD: I will provide a written answer so that you understand what is happening.

ANSWER

- I am the consent authority for applications made by a public authority, including those made on behalf of a public authority, for example applications which involve a PPP.
- I am able to seek advice from the PAC in relation to such applications on a case by case basis as required. I could also on a case by case basis delegate my consent role to the PAC for PPP projects, for example where there is a reportable political donation. The Department has delegation to determine non contentious public authority projects, including PPP projects. Non contentious applications would be those that are not subject to a reportable political donation, have less than 25 public objections, and where there is no objection from the local council.

9. LOWER HUNTER REGIONAL STRATEGY

Mr DAVID SHOEBRIDGE: Given the widespread concerns about the development of the Lower Hunter Regional Strategy—which I think you shared at the time—what is your proposal for the review of the Lower Hunter Regional Strategy and when will it be completed?

Mr BRAD HAZZARD: As you would be aware, the priority for the Government, initially anyway, was to get the State Plan updated. There were also the various regional strategies, including the Lower Hunter Regional Strategy, which does need, and is undergoing, a review. There have also been some major issues just in the past few weeks that you would be very aware of. Obviously, the court decisions around Huntley-Sweetwater have potentially had a major impact on that. I know that the planning department is working on the review but I do not know the timeframe on it. I am happy to take that question on notice and come back to you as to what the timeframe might be. I will talk to the various officers involved and come back to you.

Answer:

The review of the Lower Hunter Regional Strategy has commenced.

Consultation and engagement with the community and key stakeholders such as local government will be central to the review process.

A Discussion Paper on the Lower Hunter Regional Strategy is currently being prepared. I expect that this will be released for public consultation early in 2012.

Following consideration of feedback on the Discussion Paper, a revised Lower Hunter Regional Strategy will be released in draft form for public consultation around the middle of the year.

Feedback on this draft Strategy will then inform a final, updated Lower Hunter Regional Strategy to be released by the end of 2012.

10. <u>SCIENCE HOUSE</u>

Mr BRAD HAZZARD: This Government has been pretty reasonable because, coming off the back of advice to me, I understand that there is still no business plan. I am happy to look at it again for you and see what is going on with it. In a personal sense, my first degree was in science, so I was very sympathetic to the view that the Royal Society should have an

occupation in Science House. However, the issue is that it must be balanced as to what it can afford to pay, if anything, and whether it is right that taxpayers should not get a reasonable return, which is nearly \$1 million a year.

Mr DAVID SHOEBRIDGE: Is that a matter that you will undertake to look at in the very near future, given the advanced levels of negotiations?

Mr BRAD HAZZARD: Sure.

Answer

I am advised that The Royal Society has still not provided a business case to support consideration of a lease for Science House. In the meantime the Government is nearing finalisation of negotiations with a prospective tenant for a commercial lease of the building's remaining floors.

I am also advised that Sydney Harbour Foreshore Authority has held positive discussions with The Royal Society in relation to leasing suitable alternative accommodation space at 40 Gloucester Street in The Rocks.

The Authority is awaiting a written response from the Society for this offer to proceed.

11. LANDCOM & PROXIMITY OF COAL SEAM GAS INFRASTRUCTURE

Mr DAVID SHOEBRIDGE: Does your department impose any requirements on Landcom, or does Landcom impose any requirements on itself, to advise purchasers of residential lots released by Landcom or through your department about the proximity or the presence of coal seam gas infrastructure?

Mr BRAD HAZZARD: This issue has come into stark contrast down in Camden, with the Camden ADL proposal. Generally, Landcom—

Mr DAVID SHOEBRIDGE: But it also has a potential impact on those other land release areas that you were speaking about with the Premier, given they are all the subject of exploration licences.

Mr BRAD HAZZARD: Yes. While I understand the concerns, Landcom has been very responsible in making sure that there is some distance—I think it is about 300 metres away from the nearest well head. You would know, as a lawyer, that when you buy a property, generally you search the title upon which you are buying. You do not find out—

Mr DAVID SHOEBRIDGE: I had the great pleasure of never doing conveyancing.

Mr BRAD HAZZARD: I do not share that pleasure. I actually did do conveyancing. You do not generally do a search on adjacent properties.

Mr DAVID SHOEBRIDGE: Correct, and nor does a 149 certificate bring up the presence of coal seam gas.

Mr BRAD HAZZARD: A 149 certificate does not show the adjacent areas—that is the whole point.

Mr DAVID SHOEBRIDGE: Correct, which is why the obligation should lie with Landcom to advise landowners, which is what I am asking about.

Mr BRAD HAZZARD: There are some issues around whether a government should have a higher duty of disclosure in some of these issues, particularly when it is a community concern. I have indicated to Landcom and I think Landcom is happy to do it, but we are looking at the legal aspects of it. I will let you know. I will take it as a question on notice and I will let you know in the next few weeks.

<u>Answer</u>

The department does not impose any requirements on Landcom.

Landcom's internal requirements are that:

- the location of the coal seam gas wells be shown on masterplan
- a special condition is included in the contract of sale advising purchasers of the presence of gas wells.
- the location of coal seam gas wells be shown on the Sales Plan where the well head is within 50 metres of a lot for sale.

12. CHIEF OF STAFF SALARY

The Hon. LYNDA VOLTZ: How much do you pay your chief of staff?

Mr BRAD HAZZARD: I will take that on notice and give you the details.

Answer

This information is publicly available on the Department of Premier and Cabinet website.