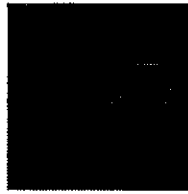


Tabled by M. Roser
3/2/06 (R)



Planning
Institute
Australia
New South Wales
Division

**Statement to the
Parliamentary Inquiry into the Cross City Tunnel
conducted by the Joint Select Committee on the Cross City Tunnel**

February 2006

1. Introduction

The Planning Institute of Australia (PIA) is the peak professional body representing professions involved in planning Australia's cities, towns, regions and places. PIA is a not-for-profit association delivering benefits to over 4,500 members nationally. Our members are drawn from a range of planning professions – urban and regional planning, social planning, urban design, environmental planning, economic development planning, transport planning and planning law. A large proportion of our membership is employed in local government.

The shared core interest of PIA, as stated in its Constitution is:

"the community, and the education, research and practices relating to the planned use of land, its associated systems, and of the natural and built environmental, social and economic impacts and implications of the use of land"

The following statement is made on behalf of the NSW Division of the PIA and focuses primarily on issues related to items (f) and (g) of the terms of reference (TOR), which are stated:

- (f) The role of Government agencies in entering into major public private partnership agreements, including public consultation processes and terms and conditions placed on such agreements; and
- (g) any other related matters.

2. TOR (f) – the role of Government agencies in entering into major public private partnerships

PIA NSW acknowledges the role of the NSW Government in entering into major public private partnerships (PPPs) for the delivery of much-needed infrastructure that will benefit the community. PIA NSW does not wish to comment specifically on the advantages and disadvantages of PPPs as a funding and delivery mechanism as we believe others are better qualified to do so.

However, PIA NSW is increasingly concerned that there is inadequate public consultation associated with PPPs, that the process of developing PPP contracts is not transparent, and that the terms and conditions placed on PPP contracts are generally not disclosed to the public prior to agreements being made.

Public participation is a fundamental element of decision-making processes in a democratic society. Individuals and groups affected by administrative decisions have a legitimate expectation that their

interests will be taken into account by Government. The importance of highly effective public participation in relation to PPPs is highlighted by:

- Public perception of a lack of transparency in decision-making and contractual agreements;
- Concern over the neutrality of Governments and private companies who stand to benefit from PPPs;
- Increasing community scepticism about PPPs, particularly in light of the Cross City Tunnel example;
- The impact of vocal and strong minority interest groups, compared with that of the “silent majority”; and
- The tendency to rely on compliance with statutory processes as sufficient consultation.

The Cross City Tunnel experience has demonstrated that a robust public consultation process is required not only for the planning approval phase of major projects funded through PPPs, but also for the contract negotiation phase. The direct and indirect impacts of contract conditions need to be thoroughly and clearly understood in the decision-making process, before project approval is granted.

The broader community has become cynical with the planning process, where decisions appear to shortcut mechanisms that would otherwise address their concerns. Accusations of “expediency” over “transparency” are often levelled at Governments when this occurs.

In its submissions to both the original Environmental Impact Statement in 2000 and the Supplementary Environmental Impact Statement in 2002, PIA NSW strongly advocated a Commission of Inquiry under the *Environmental Planning and Assessment Act 1979*, due to the significance of the project and the potential environmental impacts on a broad cross-section of the community. This clearly established Inquiry process could have provided an opportunity for the concerns raised in the over 1,000 submissions received in response to the Supplementary EIS. However, the request by PIA and other organisations was ignored, and project approval was granted with limited public scrutiny. In our view, this has heightened the community concern now being expressed.

PIA NSW recommends that major PPP projects should be subject to a rigorous, open and transparent approval process, through the use of Commissions of Inquiry and the like.

The results of the imposition of PPP contract conditions as evidenced by the Cross City Tunnel and discussed in Section 3 below, indicate that there is a need to fully consider the direct and indirect impacts of contract conditions.

PIA NSW is of the view that contract conditions in PPP agreements, particularly where they will result in tangible and significant impacts on the community, should be disclosed at an early stage of the approval process, firstly to ensure that the community is fully informed, and secondly to ensure that any direct and indirect environmental, economic and social impacts of those conditions are considered before project approval is granted.

Because of the inherent conflicts of interest that the commissioning Government agency and the PPP partner inevitably hold, and the significant potential impacts on the community, independent review of PPP contracts is essential. An independent body should be established for each PPP, comprising representatives of all relevant Government agencies and departments, Local Government, independent experts and community representatives.

3. TOR (g) – any other related matters

Opportunities presented by the Cross City Tunnel

The City’s amenity has been reduced in recent years because of worsening traffic levels and resulting increases in vehicle noise and air pollution to which cross-city movements have contributed. The

Cross City Tunnel provided a once in a generation opportunity to improve the City's streets to benefit road users, pedestrians and public transport users alike.

The anticipated reduction in traffic along Park and William Streets provided opportunities for these thoroughfares to become green boulevards with increased bus lanes, bicycle lanes, and widened landscaped footpaths and median strips. Such treatments would provide a fitting entrance to the City from the east and, at the same time, would complement the Sydney City Council's efforts to upgrade the amenity of Kings Cross.

The anticipated freeing up of surface road space meant that there was a one-off opportunity to do something significant about the City centre's urgent need for better public transport. PIA NSW called for the planning and construction of a light rail line to the eastern suburbs along Oxford Street to be expedited, integrated with a north-south light rail line from Central to Circular Quay linking to the existing inner west light rail line, to produce a genuinely competitive public transport alternative in the city that is sustainable and attractive to users. As an interim measure, PIA NSW called for the reinstatement of a free CBD loop-bus as an immediate priority.

To maximise light rail and bus patronage and pedestrian amenity, PIA NSW also called for traffic speed in the city centre to be restricted to a maximum 40 kph, and the existing traffic light priority given to cross-city cars in King Street and Bathurst Street to be changed to give priority to pedestrians.

PIA NSW advocated a firm timetable plus funding commitment for these improvements by the State Government and the City Council, and is of the view that these are essential if the chance to produce a better, less car dominated city centre was to be achieved.

Actual impacts of the Cross City Tunnel

However, in agreeing to the contract conditions for the Cross City Tunnel and failing to provide adequate public transport alternatives, the Government has lost any opportunity to reduce traffic in City centre.

The design of the tunnel, including location of entrances and exits, pricing structure and sole use of electronic tolling, and the implementation of contract conditions have had an enormous impact on the City's streets. The reduction in traffic lanes on William Street, closure of streets in Woolloomooloo and East Sydney, local traffic diversions (particularly to access the Harbour crossings) and rephasing of traffic lights have added to traffic congestion, and the anticipated reduction in traffic has not been realised.

An effective transport strategy in a city as complex as Sydney requires consideration and integration of all forms of transport. Designing the Cross City Tunnel and applying the contract conditions in isolation from public transport improvements, along with other ad hoc transport planning decisions, has resulted in an unsatisfactory situation in the City.

To ensure that transport planning is properly coordinated, PIA NSW calls for integrated strategic planning of roads and public transport in the metropolitan area by a sole agency, the Department of Planning. Agencies such as the Roads and Traffic Authority, RailCorp, and the State Transit Authority should be responsible only for the implementation of transport projects.

4. Recommendations

PIA NSW makes the following recommendations:

- Major PPP projects should be subject to a rigorous, open and transparent approval process, through the use of Commissions of Inquiry and the like.
- Contract conditions in PPP agreements, particularly where they will result in tangible and significant impacts on the community, should be disclosed at an early stage of the approval process, and any direct and indirect impacts of those conditions must be considered in the environmental, economic and social assessment of the project.

- An independent body should be established to review contract conditions for each PPP project, comprising representatives of all relevant Government agencies and departments, Local Government, independent experts and community representatives.
- The planning and construction of a light rail line to the eastern suburbs along Oxford Street should be expedited, integrated with a north-south light rail line from Central to Circular Quay linking to the existing inner west light rail line, to produce a genuinely competitive public transport alternative in the city that is sustainable and attractive to users.
- A free CBD loop-bus should be reinstated as an immediate priority.
- Traffic speed in the city centre to be restricted to a maximum 40 kph, and the existing traffic light priority given to cross-city cars in King Street and Bathurst Street to be changed to give priority to pedestrians.
- The integrated strategic planning of roads and public transport in the metropolitan area should be conducted by a single agency, the Department of Planning. Agencies such as the Roads and Traffic Authority, RailCorp, and the State Transit Authority should be responsible only for the implementation of transport projects.

Monique Roser
President, NSW Division
Planning Institute of Australia

3 February 2006