

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

Name: Mr Kevin Langdon

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Partially
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INQUIRY INTO ENROLMENT CAPACITY IN INNER CITY PUBLIC PRIMARY SCHOOLS

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Date: 12/09/2016

As a concerned member of the Pymont/Ultimo community, and father of two school-aged children attending Ultimo Public School, I was disturbed by, and concerned about the Department's obtuse nature with which they have consistently treated the community. After promising to work **WITH** the community to arrive at the best possible outcome for the school and community, the Department of Education routinely ignored communications from both the community at-large and the City of Sydney. This blatant disregard for the improvement in schooling and community led me to become more involved with the school (P&C committees) and engage in extensive research into what happened with negotiations between the Department of Education and the City of Sydney. From my early research, it became evident that the Department had no good intention of purchasing the Fig & Wattle site from the City, and stonewalled at every opportunity. The City of Sydney implored the Department, on six separate occasions, to regather at the negotiating table so as to find a price amenable to both parties. The Department routinely ignored such requests, along with attempts by the community.

Below are several important points I wish the committee to examine which I believe demonstrate how the department failed to act in good faith negotiations, and cares more about finances than sound future-proof planning for a school and community that is already the most densely populated in all of Australia:

1) [relates to term of reference f] Minister Piccoli reneged on the purchase of Fig & Wattle site deal when no new information, either contamination-related or cost-related, was introduced between the time of agreement, and the renege.

- The Department of Education released via its website on June 25, 2015 the fact that no further testing had been conducted since July 2014, well before the Minister agreed to the purchase price in December 2014
- Also on June 25, 2015, Minister Piccoli went on air of the Alan Jones radio show and confirmed that no one from the Department or any contamination expert has set foot on the Fig & Wattle Street site.
- The Department planned a concerted effort to portray this renege of the purchase agreement as a cost of decontamination issue using inflated, and inaccurate numbers (see screenshot from Minister Piccoli's May 26, 2015 Briefing.

With respect to a possible campaign by Council the Department recommends any response focuses on the very high levels of contamination; how the extent of the required decontamination works is now so high as to make the development of a school on the site, to a safety level appropriate for a school and the wider community, unviable. The estimated total cost of the school could exceed \$170 million, which is the cost of providing three schools in greater western Sydney, including land cost.

2) [relates to term of reference c] The Department of Education has artificially inflated the cost of the project to make the decision to renege inaccurately appear to be based on costs.

- The Department's consultant, McLachlan Lister, has assumed that all of the material requires offsite disposal, when it is clear that this would not be required and large amounts of the existing material would be suitable to stay on site – this fact decreases the cost of remediation which Piccoli has consistently over-inflated.
- On two separate occasions, the Department's own consultant, Douglas Partners, cited remediation costs of \$25 million. First, the cost was provided in its initial report May 2014, then in an August 29 meeting with City of Sydney, the Department presented an Executive summary update of the July 21, 2014 Douglas Partners report, which included a detailed schedule of works and cost breakdown for its previously stated estimate of \$23.27 million (since revised to \$22.54 million).

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3.0 Estimate of Costs for Site Remediation

The Governments Architects Office (GAO) has prepared two estimates of cost for the proposed site remediation works.

The initial estimate of for \$ 9,441,000 (excluding GST), was for the implementation of option 2 over a limited area of the site (ie three "hot spots").

The most recent estimate of \$ 23,270,000 (excluding GST), was for the implementation of option 2 over a more extensive area of the site (refer to Drawing 2 Revision B within the GP report Appendix A)

- Kim Woodbury (City of Sydney) noted that inflated \$14.6 million cost for additional soil removal was the contributing difference between the Department and the City's estimate of costs. Kim Woodbury noted that this work would NOT provide any greater safety benefit.
- Minister Piccoli's inflated cost of \$177 million does not take into account the offset of the proceeds from the sale of the school, which was valued at \$49 million in a letter dated June 13, 2014 from Anthony Perrau [Executive Director Asset Management Directorate] to Monica Barone (see screenshot of letter below).

The Department has had the existing Ultimo Public School site valued, for highest and best use, and as a school. The value for highest and best use is \$49 million and as a school the value is reduced to \$13 million, a discount of 73%. In light of this, the Department requests that Council consider applying a similar discount factor to its site and agree to a sale price of \$27 million. The Department would be responsible for the cost of decontamination, which Council's officers have advised could be as high as \$25 million, and the construction of a child care centre on the site, the cost of which is estimated at \$8 million.

3) [relates to term of reference f] The Department of Education is looking to quell any community uprising over his renege on his Fig & Wattle agreement by rushing into the rebuild of Ultimo Public School on its existing site.

- As per the highlighted section from page 12 of 55 of GIPA documents authored by Anthony Perrau and dated May 20, 2015, the DET investigated this rebuild option before deciding to go with a new site, and this rebuild investigation determined a need of expanding other area schools **AT THE SAME TIME** as a UPS existing site rebuild (see screenshot of document below).
- This in fact is **not happening**, which makes this rebuild a waste of money since the new school will be quickly outgrown and we find ourselves in this very same predicament (i.e. needing more classrooms) in just a few years' time.

Context

Ultimo Public School is on a 0.54 hectare site. In 2015 the school has 311 student enrolments which are projected to rise to 352 enrolments by 2020. The school currently has 14 permanent and one demountable classroom on site.

The Wattle, Jones & Fig Street site is 1.2 hectares in size. The proposal is to build a new 40 classroom primary school on the site and sell the existing school site to part fund the new school.

In February 2014, the existing Ultimo Public School site was valued Item 1(f) & 4(a)

Previous investigations into rebuilding Ultimo Public School on the existing site also recommended that Glebe Public School be expanded at the same time from 13 to 23 permanent classrooms to allow for student enrolments to be better managed across the two schools.

The estimated cost of redeveloping the existing Ultimo Public School site, and Item 1(f) surrounding public schools, to accommodate future enrolment growth is Item 1(f) & 5(e) Estimates show that this work will provide an additional 30-40 classrooms, which will accommodate up to 1,000 Item 1(f) students.

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4) [relates to term of reference e] When determining the need for a bigger Ultimo Public School, the Department’s analysis into growth plans did not factor into account Darling Square (1500 apartments, due for completion in 2019) or Bays Precinct.

- If just 15% of Darling Square apartments are purchased by families with school-aged children, that adds 225 students to the catchment.
- We know that 15% projection is underestimating family growth, as evidenced by similar forecasts of Pymont’s Jacksons Landing having blown that out.
 - From 2006 to 2011, children’s age group 0-4 years increased 115%
 - From 2006 to 2011, children’s age group 5-9 years increased 28%
 - From 2006 to 2011, children’s age group 10-14 years increased 28%
 - The birth rate alone from 2010-2014 increased 13.5%.
- Data from Real Estate company LJ Hooker detailing property sales in Ultimo & Pymont from 2012 to 2016 confirms \$113 million would have been collected in stamp duty, of which funds should be allocated to schooling. What have these funds been used for regarding schooling for the two communities?

Suburb PYRMONT						
Year	Period		Land Use	Volume	# of Sales	Median
2012	Calendar	Year	SINGLE RES DWELLING	\$ 7,881,000	10	\$ 754,500
2012	Calendar	Year	RESIDENTIAL STRATA UNITS	\$ 381,535,754	456	\$ 678,000
2013	Calendar	Year	SINGLE RES DWELLING	\$ 17,468,500	15	\$ 1,080,000
2013	Calendar	Year	RESIDENTIAL STRATA UNITS	\$ 391,648,174	408	\$ 715,750
2014	Calendar	Year	SINGLE RES DWELLING	\$ 18,112,000	15	\$ 1,180,000
2014	Calendar	Year	RESIDENTIAL STRATA UNITS	\$ 409,905,311	400	\$ 820,000
2015	Calendar	Year	SINGLE RES DWELLING	\$ 19,642,000	16	\$ 1,189,250
2015	Calendar	Year	RESIDENTIAL STRATA UNITS	\$ 461,590,287	377	\$ 900,000
2016	Quarter	1	SINGLE RES DWELLING	\$ -	0	\$ -
2016	Quarter	1	RESIDENTIAL STRATA UNITS	\$ 194,036,250	65	\$ 1,165,000
2016	Quarter	2	SINGLE RES DWELLING	\$ 5,965,000	4	\$ 1,615,000
2016	Quarter	2	RESIDENTIAL STRATA UNITS	\$ 103,843,301	91	\$ 880,000
Suburb ULTIMO						
Year	Period		Land Use	Volume	# of Sales	Median
2012	Calendar	Year	SINGLE RES DWELLING	\$ 11,647,500	13	\$ 835,000.00
2012	Calendar	Year	RESIDENTIAL STRATA UNITS	\$ 120,599,450	260	\$ 497,500.00
2013	Calendar	Year	SINGLE RES DWELLING	\$ 15,778,000	13	\$ 1,228,000.00
2013	Calendar	Year	MULTI RES DWELLING	\$ 1,790,000	1	\$ 1,790,000.00
2013	Calendar	Year	RESIDENTIAL STRATA UNITS	\$ 179,958,549	339	\$ 545,000.00
2014	Calendar	Year	SINGLE RES DWELLING	\$ 7,443,000	6	\$ 1,127,500.00
2014	Calendar	Year	RESIDENTIAL STRATA UNITS	\$ 190,776,930	304	\$ 606,000.00
2015	Calendar	Year	SINGLE RES DWELLING	\$ 22,189,000	16	\$ 1,440,000.00
2015	Calendar	Year	MULTI RES DWELLING	\$ 162,605,794	236	\$ 722,000.00
2016	Quarter	1	SINGLE RES DWELLING	\$ 9,475,000	6	\$ 1,555,000.00
2016	Quarter	1	RESIDENTIAL STRATA UNITS	\$ 49,651,200	73	\$ 700,000.00
2016	Quarter	2	SINGLE RES DWELLING	\$ 805,000	1	\$ 805,000.00
2016	Quarter	2	RESIDENTIAL STRATA UNITS	\$ 37,451,420	57	\$ 718,000.00
				\$2,821,798,420	Total	
				\$112,871,937	Stamp Duty (@4%)	

5) [relates to term of reference d] The findings of contamination on the proposed temporary school site, Wentworth Park, will require the Department to fully remediate the site as has been laid out previously.

- If the Department were to adhere to this unneeded standard which they determined, than the cost of this current site rebuild plan blows out, likely outside of current budget.
- The Department is looking to only remediate the site to needed levels, and place the temporarily school on stilts so to further distance from contamination.
- Why the hypocrisy over different levels of contamination needed/required for the Fig & Wattle site versus Wentworth?