

# **PORTFOLIO COMMITTEE NO. 6 – PLANNING AND ENVIRONMENT**

**Friday, 8 September 2017**

**Examination of proposed expenditure for the portfolio area**

## **PLANNING, HOUSING, AND SPECIAL MINISTER OF STATE**

### **CORRECTED PROOF**

**The Committee met at 9.00 a.m.**

### **MEMBERS**

The Hon. P. Green (Chair)

The Hon. J. Graham

The Hon. T. Khan

The Hon. N. Maclaren-Jones

The Hon. Dr P. Phelps

The Hon. P. Primrose

Mr D. Shoebridge

### **PRESENT**

**The Hon. A. Roberts, *Minister for Planning, Minister for Housing, and Special Minister of State***

## **CORRECTIONS TO TRANSCRIPT OF COMMITTEE PROCEEDINGS**

**Corrections should be marked on a photocopy of the proof and forwarded to:**

**Budget Estimates secretariat  
Room 812  
Parliament House  
Macquarie Street  
SYDNEY NSW 2000**



**The CHAIR:** Welcome to the public hearing for the inquiry into the budget estimates 2017-18. Before I commence I acknowledge the Gadigal people, who are the traditional custodians of this land. I also pay respect to the elders, past and present, of the Eora nation, and extend that respect to other Aborigines present. I welcome Minister Roberts and accompanying officials to this hearing. Today the Committee will examine the proposed expenditure for the portfolios of Planning and Housing and Special Minister for State.

Today's hearing is open to the public and is being broadcast live by the Parliament's website. In accordance with the broadcasting guidelines, while members of the media may film or record Committee members and witnesses, people in the public gallery should not be the primary focus of any filming or photography. I remind media representatives that you must take responsibility for what you may publish about the Committee's proceedings. The guidelines for the broadcast of proceedings are available from the secretariat.

There may be some questions that a witness or the Minister could answer if only they had more time, or with certain documents to hand. In these circumstances witnesses are advised that they can take a question on notice and provide an answer within 21 days. Any messages from advisers or members of staff seated in the public gallery should be delivered through the Committee secretariat. Minister, I remind you and the officers accompanying you that you are free to pass notes and to refer directly to your advisers seated at the table directly behind you.

Transcripts of this hearing will be available on the web from tomorrow morning. Finally, would everyone please turn their mobile phones to silent for the duration of the hearing. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. Minister, I remind you that you do not need to be sworn as you have already sworn an oath to your office as a member of Parliament. Ms Carolyn McNally, from the Department of Planning and Environment, does not need to be sworn in as she has given evidence earlier.

**BARRY MANN**, Acting Chief Executive Officer, UrbanGrowth NSW, sworn and examined

**SIMON OFFICER**, Chief Financial and Operating Officer, Department of Planning and Environment, sworn and examined

**SARAH HILL**, Chief Executive Officer, Greater Sydney Commission, sworn and examined

**ALISON FRAME**, Deputy Secretary, Planning Policy, Strategy and Governance, Department of Planning and Environment, sworn and examined

**CAROLYN MCNALLY**, Secretary, Department of Planning and Environment, on former oath

**MARCUS RAY**, Deputy Secretary, Planning Services, Department of Planning and Environment, affirmed and examined

**BRENDAN NELSON**, Deputy Secretary, Growth, Design and Programs, Department of Planning and Environment, sworn and examined

**MICHAEL CASSEL**, Chief Executive Officer, Hunter Development Corporation, sworn and examined

**The CHAIR:** I declare the proposed expenditure for the portfolios of Planning and Housing, and Special Minister for State open for examination. As there is no provision for a Minister to make an opening statement before the Committee commences questioning, we will begin with questions from the Opposition.

**The Hon. JOHN GRAHAM:** Minister we have trawled through the diary. There is one thing missing. How often would you meet with Michael Photios and developers?

**The Hon. Dr PETER PHELPS:** Do you know anything about Liberal Party factionalism?

**The Hon. JOHN GRAHAM:** He is a key individual. How often would you meet with him?

**Mr DAVID SHOEBRIDGE:** They do not go to dinner with each other these days!

**Mr ANTHONY ROBERTS:** Diary disclosures are made public. I ask you to look at those for all reported meetings. I take this opportunity, once again, to invite the shadow Ministers to declare their diaries.

**The Hon. JOHN GRAHAM:** He is a key individual. How often would you talk to Michael Photios?

**Mr ANTHONY ROBERTS:** Diary entries are made public. I ask you to look there for all reported meetings.

**The Hon. PETER PRIMROSE:** I would like to ask you a few questions about local planning panels and the legislation that we recently passed. When you and your officers were briefing members of Parliament on your bill establishing the local planning panels you advised that, as a strong anti-corruption measure, the panel members would be rotating so that developers would not know who was going to determine any particular development application at any particular time. Is it not the case that, in the legislation, the panel members will not rotate—that they are fixed?

**Mr ANTHONY ROBERTS:** The independent hearing and assessment panels [IHAPs] will change the culture of councils and how they operate. IHAPs prevent some of the corrupt behaviour we have seen in the past. Corruption in the exercise of planning functions by local councils will always be a potential risk. As I stated before, the Independent Commission Against Corruption [ICAC] has conducted at least 20 corruption inquiries involving planning matters; 75 per cent of those investigations involved councils in the Greater Sydney region.

**Mr DAVID SHOEBRIDGE:** The rest were planning Ministers.

**Mr ANTHONY ROBERTS:** IHAPs have already been successfully operating in at least 16 councils in New South Wales, including my own council at Lane Cove, North Sydney, Parramatta, Strathfield, Wollongong, Mosman and Liverpool. Those councils with IHAPs know the great benefits that they bring. They improve the quality, transparency and credibility of planning decisions by using experts with demonstrated qualifications in areas such as architecture, economics, environment and heritage. Of course, these experts are best able to make technical decisions about individual development applications. So the panel model emphasises the councils' role as the strategic leaders for their communities and allows them to focus on setting the vision of policies and controls for the development of their local areas, which can be implemented by the panel. The Minister can make various determinations about what goes before the IHAPs. I wish to make quite clear—I put it on the table—the support of the New South Wales Labor Party in bringing these IHAPs in.

**Mr DAVID SHOEBRIDGE:** Shame on them.

**Mr ANTHONY ROBERTS:** It is shameful that The Greens decided to prevent this mechanism—

**Mr DAVID SHOEBRIDGE:** The Greens decided not to support the property industry making all the decisions about their own development applications. No doubt the Labor and Liberal parties will join together, as they do, to support the property industry.

**The CHAIR:** Order! Interjections are disorderly. The member will cease interjecting. He will wait for his turn to make a contribution.

**Mr ANTHONY ROBERTS:** I particularly want to put on the record the fact that this was something that brought both major, responsible political parties together to ensure that there is a culture change and that we do not see that badness, and that we do our best to stop it.

**The Hon. PETER PRIMROSE:** Thank you, Minister. We appreciated the Government agreeing to all the amendments that we proposed relating to the bill, which allowed us to at least indicate that we would not oppose it in the upper House.

**Mr ANTHONY ROBERTS:** And they were good amendments; we really appreciate them.

**The Hon. PETER PRIMROSE:** Could we move from the second reading speech to the question that I asked?

**Mr ANTHONY ROBERTS:** I will ask my deputy secretary Alison Frame to outline how we will land this in order to make these IHAPs successful.

**The Hon. PETER PRIMROSE:** Could you also ask your officers to focus on the question that I asked, which related to whether the panel members will rotate, as we were initially advised, or are they in fact fixed, as we have now been advised by Parliamentary Counsel.

**Ms FRAME:** The current model is that the IHAP will comprise four members: a chair, two other expert members and a community representative. The department will establish pools of independent qualified persons from which the chair and two other expert members must be drawn, and the fourth member will be a community representative chosen by the council. There would be alternatives for any of those members. The community member will obviously rotate according to the ward involved to which the development application pertains, and for those other members alternative members would be called up and would be required to preside on the panel if there were conflicts of interest by members of the panel ordinarily. The Act has strong controls around IHAP members being required to disclose any pecuniary interests and prevents them participating in decisions on matters in which they have an interest.

**The Hon. PETER PRIMROSE:** But will they automatically rotate?

**Ms FRAME:** No, the current model is that they would be contracted for three years and they will have alternative members who will be required to preside if they have an interest.

**The Hon. PETER PRIMROSE:** But they will not rotate?

**Ms FRAME:** That is correct. That is the current law.

**The Hon. PETER PRIMROSE:** I ask the Minister, or maybe his officers, why a decision has been taken not to implement what is regarded as a positive mechanism to prevent corruption, which is to allow rotation to take place?

**Mr ANTHONY ROBERTS:** My consideration is with respect to rotation. For example, councils would have a number of people from whom they would draw from the pool. If there is a conflict, depending on the circumstances, rather than just a declaration of a conflict you would have that person not sitting on the IHAP and another person rotating through. When it comes to an item of heritage significance, for example, a council would be able to draw down from its pool of chosen people—people with some expertise in that heritage area.

**Ms FRAME:** That is correct. Can I add also that the model draws extensively on feedback we have had from councils about what they think would work for them in the panel's operation. We are strongly shifting in this model to elevating the role of elected councillors to focus on strategic planning in order for the panel to function most effectively in that context and apply the strategic planning framework set by elected councillors. We have had a lot of feedback from councils that the presence of some members who are predominantly on those panels and know well the intentions and the strategic settings of the councillors will give them the framework for making the development application decisions that emanate from the strategic framework set by the council.

**Mr ANTHONY ROBERTS:** Basically, there will be natural rotation and the conflicts of interest provisions will be outlined by the deputy secretary. There will be natural rotation anyway by people who may or may not have a conflict. The chairs may also be rotated; I am still examining that. It is my intention to reach out to all parties in this House to have a discussion about whether we rotate the chairs. So you could have the secretariat rotating chairs or have a fixed chair for council.

**The Hon. PETER PRIMROSE:** I have one final point to make on the rotation issue. As you continue to deliberate on this matter have you sought, or will you seek, the advice of the ICAC?

**Mr ANTHONY ROBERTS:** Absolutely.

**Ms FRAME:** We have already sought advice from the ICAC in devising this model. It is supportive of a panel approach and has instructed us on some design features that it thinks will improve the operation of those panels that we have incorporated into the model—things like the meetings occurring in public and clear referral criteria for what goes to those panels. We have already consulted with it and we will continue to do so. As the Minister outlined, in our recruitment processes we are looking for chairs who could plausibly preside over a few panels. We would like to have chairs who potentially have the capacity to do more than one panel. That would enable us to rotate chairs or have more flexibility in panel chairs. That is something we are currently exploring and that is part of the recruitment process that is currently underway.

**The Hon. PETER PRIMROSE:** Who is going to pay for this? There was a bit of an issue when we had initial discussions about this. Prior to the passage of the bill we were advised that the Department of Planning and Environment would be paying panel members. Is that the case?

**Mr ANTHONY ROBERTS:** There was a request from the Opposition that the department should pay for it. On discussion with local government, and certainly the representatives to whom I have spoken, local government is happy to bear the cost.

**Mr DAVID SHOEBRIDGE:** Happy?

**Mr ANTHONY ROBERTS:** Local government welcomes this. I do not know who you talk to. Anyway, you can ask your questions later. I will hand over to the deputy secretary.

**Ms FRAME:** The Department of Planning and Environment will meet the costs of recruiting and maintaining the pool of experts for the panels and the costs of running the IHAP will be met by the councils. I explained earlier that we were looking for chairs and potentially members who might sit on a range of IHAPs. In that way councils can share a panel if they consider that would be cost-efficient or cost-effective. It is also important to note that 15 councils in Sydney already have IHAPs in place and they currently fund those IHAPs. In fact, we hear from them anecdotally about where they make savings as a result of the IHAP being in place.

**The Hon. PETER PRIMROSE:** I make it clear that we did not ask who paid for it; that information was volunteered to us by officers.

**Mr ANTHONY ROBERTS:** I am sorry, Mr Primrose. I withdraw that.

**The Hon. PETER PRIMROSE:** Do you have any estimation yet about the level of payment that various people on these panels will receive?

**Ms FRAME:** We think it would be similar to the remuneration currently received by members of the Sydney planning panels and joint regional planning panels across New South Wales. The Remuneration Tribunal's advice will be sought on appropriate sitting fees for panel members. I do not have full knowledge of that, but we have some comparisons, and the Remuneration Tribunal will make those decisions.

**The Hon. PETER PRIMROSE:** Minister, could you take that on notice and give us some idea? I am obviously interested in the amount of cost-shifting that is going on. I ask about transparency of consent authorities acting on your delegation? You will recall that amendments were made by Parliament to the bill, as we discussed previously. They are now required to advertise the times, dates and places for their meetings; to hold the meetings with the public being able to attend; to issue written reports giving reasons for their deliberations, and those sorts of things. Why is it that the Sydney planning panels and the Planning Assessment Commission do not have these transparency-related measures applying to them?

**Mr ANTHONY ROBERTS:** I will ask the secretary, Ms McNally, to respond to that.

**Ms McNALLY:** We have a number of planning panels, as you are aware, and the Planning Assessment Commission puts up a statement of how they have determined an application. The regional planning panels and the independent assessment panels draw on information that is provided to them by the councils. Assessment is undertaken by the department. We have a range of safeguards in place to ensure the independence

of those panel members. For example, we have rigorous codes of conduct. The codes outline standards of conduct that are expected to enhance public confidence and that includes acting honestly, ethically and responsibly with a reasonable degree of care and diligence. There are requirements to disclose pecuniary interests. A member of the panel must disclose the nature of any interest they have in a matter. They must not take part in the deliberations of the panel or the determination if they have a direct or indirect pecuniary interest in the matter. We put in place robust recruitment processes. We require political donations to be disclosed. There are a number of measures there to make sure that these matters are managed at the highest level of integrity that we can put in place.

**The Hon. PETER PRIMROSE:** Thank you, Minister. Can I put to you that there are actually two levels of transparency operating here? I do not seek your making an announcement today but can I ask that you consider looking at standardising the degree of transparency, hopefully on the side of making these all equally transparent?

**Mr ANTHONY ROBERTS:** Thank you, Mr Primrose. Could I also follow with my response to that because it is a very sensible request. It is something that I have looked at and I have spoken with departmental officers about this—that you do need consistency and you also need that transparency. It is important that the people of New South Wales have faith and trust in their planning system. I will ask Deputy Secretary Ray to elaborate further.

**Mr RAY:** In the case of the Joint Regional Planning Panels and the Sydney Planning Panels, when they are assessing development applications or making decisions on development applications, they do have public meetings and the public meetings are advertised. People are registered to speak. The assessment reports from the council are put on the website at least seven days before the panel meetings and those general procedures about holding meetings in relation to the determination of development applications for the Sydney Planning Panels and for the Joint Regional Planning Panels have been in since 2009.

**Mr ANTHONY ROBERTS:** Certainly there is an opportunity with some forthcoming legislative changes for us to have a look at that, Mr Primrose.

**The Hon. PETER PRIMROSE:** Thank you, Minister, I appreciate that. Do you know of Hollie Hughes?

**Mr ANTHONY ROBERTS:** Yes, I do.

**The Hon. PETER PRIMROSE:** Is it the case that she is a former Liberal staffer and was preselected for the Liberal Party for the Senate in 2016 and in June was appointed to the Administrative Appeals Tribunal [AAT] by the Commonwealth Attorney-General?

**Mr ANTHONY ROBERTS:** I was not aware of that.

**The Hon. PETER PRIMROSE:** I might also say that you probably need to be aware that, in addition to her seven-year term on the AAT—up to \$235,000-plus courtesy of the taxpayer—she has worked as a recruiter for the recruitment agency Salt and Shein, specialising in government departments. She is a nominated contact at Salt and Shein in respect of recent newspaper advertisements placed by the firm on behalf of your department, advertising three director-level positions. Is that the case?

**Mr ANTHONY ROBERTS:** I am not aware of that but I can seek clarification for you, if you like.

**Ms McNALLY:** That is correct.

**The Hon. PETER PRIMROSE:** Minister, what is the total value of contracts awarded to Salt and Shein this year?

**Ms McNALLY:** I would have to take that on notice.

**The Hon. PETER PRIMROSE:** Did any of the contracts not go out to tender?

**Ms McNALLY:** I would have to take that on notice.

**The Hon. PETER PRIMROSE:** And if you could please explain, as part of that being taken on notice, why they did not go out to tender, if any did not?

**Mr ANTHONY ROBERTS:** We are happy to.

**The Hon. PETER PRIMROSE:** Thank you. How is this not an indication of favour being given to a particular political party?



**Mr ANTHONY ROBERTS:** I place on the record here that there is no favouritism in appointments or contracts. We follow guidelines throughout the department to the very letter. Personally, with all appointments that are made with my department, it is always with a view to appointing people based on merit. I ask the secretary, there are obviously provisions.

**Ms McNALLY:** One of the things we try to do in the department is make sure that where we are using firms such as recruitment firms we use a range of firms, we do not just stick with one firm. There are people selected through our panel arrangements and we spread that workload across the sector, Salt and Shein being one of those firms which is part of our using a range of firms within the department. One of the things we do is we have fairly strong policies around how we undertake contracts and the processes that we go through. I am more than happy to provide that information on notice.

**Mr ANTHONY ROBERTS:** Can I say this is the first time I have even heard of the firm Salt and Shein? I certainly had no idea that Mrs Hughes is employed or contracts formed.

**The Hon. PETER PRIMROSE:** Is there any prospect that Mrs Hughes might get a job on one of your local planning panels?

**The Hon. Dr PETER PHELPS:** Again, Peter, wrong faction.

**The Hon. PETER PRIMROSE:** I am unfamiliar with that concept.

**Mr ANTHONY ROBERTS:** Mr Primrose is correct; there are no factions in the Liberal Party.

**The Hon. Dr PETER PHELPS:** As the Prime Minister indicated.

**Mr ANTHONY ROBERTS:** What is a faction? With respect to the recruitment, as I said, it is critical that we get this right. The people of New South Wales deserve it and the planning system deserves it. I ask Deputy Secretary Frame to outline what the recruitment process will look like.

**Ms FRAME:** The process for recruiting the pool of experts will be very similar to the robust, merit-based process currently used for recruiting Joint Regional Planning Panel members and Sydney Planning Panel members. It includes a statewide expression of interest for applicants, based on the expertise requirements and the four general standards set out in the Public Service Commission in its appointment standards and specified role capabilities. We have advertised for the expert pool on 12 August 2017 in newspapers. We have also circulated it on the department's website, social media and professional channels. The department has also written to councils, inviting them to nominate suitable experts for consideration as part of the expression of interest [EOI] process.

The department will then form a selection panel to assess short-listed applicants against the expertise criteria, the appointment standards and the role description. The selection panel will likely include senior executives from the Department of Planning and Environment and independent persons of high professional standing. The recommendation report will then be provided to the Minister that will include the selection panel's assessment of each short-listed candidate and the panel's recommendations. This whole process is expected to take approximately 12 weeks. We will also be consulting with Local Government NSW throughout that process.

**The CHAIR:** I encourage the Minister not to mislead the budget estimates about the factions in the Liberal Party.

**Mr ANTHONY ROBERTS:** I withdraw my previous statements. It is more personality based.

**The CHAIR:** Minister, as you know, there is great concern in Western Sydney about the Eastern Creek incinerator development application. Given the fact that the Environment Protection Authority [EPA] has also made some very harsh criticism of this development, what is your position and will you and the Premier be overseeing this development application in the best interests of the communities out there?

**Mr ANTHONY ROBERTS:** Thank you for the question. The Next Generation Pty Ltd has delivered a State significant development application to build a large-scale energy-from-waste facility at Eastern Creek. The Planning Assessment Commission will determine the application under delegation. The environmental impact statement prepared by the proponent has been exhibited twice for public exhibition and the proponent is now required to respond to the issues raised during the most recent consultation process. It is my understanding that the applicant has indicated it wishes to modify the application to only proceed with stage one of that development.

The Department of Planning and Environment has written to the proponent advising that if the proponent only wishes to proceed with stage one of the development application, the proponent needs to provide a detailed description of what stage one actually encompasses, a revised technical report or reports that quantify

the impacts of stage one—including air quality, human health and noise impacts—and approval to amend the application in accordance with the Environmental Planning and Assessment Regulation. The letter was sent on 18 August of this year with a response due by the end of September. That is where we are up to with that.

**The CHAIR:** Thank you, Minister. Are you aware of the community's concern about the pollution and the effects of that particular development?

**Mr ANTHONY ROBERTS:** Certainly. I make it very clear that the application is still going through due process under the Environmental Planning and Assessment Act. As planning Minister, it would not be appropriate for me to speculate about that pack outcome. I could ask the Deputy Secretary Ray to provide or unpack any further information that might be beneficial to the community and the Committee.

**Mr RAY:** The department has been working very closely with the Environmental Protection Authority and NSW Health since the application was first brought forward. Due to the nature of the application being a facility that has not been proposed in Australia before, the department jointly with the Environmental Protection Authority engaged independent experts in the fields of human health risk and international best practice on the waste-to-energy engineering. The EPA and ourselves did that in 2014, before the application was first exhibited. Those independent experts have been working closely with the department, the EPA and NSW Health throughout the assessment process. On each occasion that the application has been advertised, the department has looked very closely at the submissions from the community as well as all of the technical information that has been provided. As the Minister has said, it was only recently in the applicant's response to submissions at the end of July, in relation to the second exhibition, that they confirmed that they wanted a two-stage approach where they would seek approval only for the first stage, which would have half the capacity of—

**The CHAIR:** Are you not concerned that it is the right thing in the wrong place?

**Mr RAY:** The department in the first instance is relying very heavily on the expert advice that it gets from the EPA and NSW Health as well as from the joint experts that we have retained. We have to assess the applications that come before us. We have had a late change in what the application proposed, because the applicant now is saying that the second stage would be subject to a second application.

**The CHAIR:** Yes, but the first stage, with all due respect, is probably the biggest thing that we have ever seen in Australia and matches similar developments around the world. That is just the first stage.

**Mr RAY:** The first stage, obviously, involves new technology. All State Government agencies—ourselves, the EPA, NSW Health—with their experts are concerned to ensure that there is a full assessment of what is proposed.

**The CHAIR:** Lord knows, we could use the energy, but maybe it is the right thing in the wrong place. I will move on.

**Mr DAVID SHOEBRIDGE:** We think Lane Cove is the place.

**The CHAIR:** Minister, the Total Environment Centre has written to me raising concerns about the chlamydia-free koala populations that can be found in Campbelltown. The Total Environment Centre is concerned that the level and speed of the urbanisation projects at Campbelltown and the greater Macarthur area may impact on the long-term survival of the koalas. Minister, can you outline how planning and development decisions are made with respect to this community concern?

**Mr ANTHONY ROBERTS:** Absolutely. I put on the record again that this Government is committed to protecting the habitat of threatened species, including koala habitats. The Chief Scientist and Engineer delivered a report on the independent review into the decline of koala populations in key areas of New South Wales in December 2016. In response to the recommendations of the Chief Scientist and Engineer, the Government is working towards a whole-of-government koala strategy led by the Office of Environment and Heritage. OEH invited input from the public and other stakeholders on how to develop this strategy from 4 December 2016 to 3 March this year. State Environmental Planning Policy [SEPP] No. 44 is also being updated as part of a comprehensive program to update and simplify the State environmental planning policies and delivering an improved planning system. The department will align any changes to SEPP 44 with recommendations that result from the whole-of-government koala strategy, which is currently being developed. An explanation of intended effect for the amendment to the policy was exhibited from 18 November 2016 to 3 March this year.

The explanation of intended effect proposed to amend SEPP 44 was to support councils to prepare comprehensive plans of management, to update the list of tree species and the definitions of koala habitat, to update the list of councils to which the SEPP applies, to update the development assessment process and to transfer strategic planning instructions in the SEPP to a local planning direction. One hundred and fifteen Portfolio Committee No. 6

Planning, Housing, and Special Minister of State

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submissions were received, of which 20 supported the proposed amendment, 32 partially supported the changes, 15 opposed the amendment and 48 did not clearly state whether they supported the proposed changes or not. Most submissions voiced strong support for the need to protect koala habitat. Councils were generally supportive of the proposals. Some commented on the definitions of koala habitat and streamlined assessment processes and guidelines. Environmental groups and consultants partially supported the changes and raised forestry regulation as a key concern. The Department of Planning and Environment is currently working through outstanding issues with key government agencies. I ask Deputy Secretary Ray to provide further information specifically related to the development proposals in south-west Sydney. He is probably the most knowledgeable person on this matter that I know.

**Mr RAY:** In relation to the Mount Gilead proposal, a proposal by Campbelltown City Council, I note that it is a matter that the department has been very carefully looking at in its final stages. The department has made the determination that the proposal could proceed provided there were some strict protections in place in relation to the matters you have raised, koalas and other flora and fauna. The site is about 210 hectares, and about 138 hectares of the site is already cleared farmland. The proposal would then mean that 58 hectares would be retained as open space, riparian areas, rural land and vegetation, and would include biodiversity corridors. There will be a significant amount of open space, riparian corridor and biodiversity corridor put into public ownership to be owned by Campbelltown council. The corridor will connect the vegetation to the existing Noorumba Reserve in the north and the Beulah Biobank area in the south. The corridor will also enable the koalas, if they are there, and other fauna to move through the site. In addition, the corridor will enable wildlife movement between the Nepean and Georges rivers through the biodiversity and riparian corridors. As I said, they will connect the biobanking sites and the refuges.

There was an ecological assessment of the koalas on the site. While the site contains two species of koala feed trees, there were no sightings of koalas on the site and there were no historical records of koala sightings. The ecologist, who I understand has about 20 years experience, made those findings. The vegetation plan of management that has been put in place with the rezoning will ensure that koala feed trees will be retained where possible. The plan also requires there to be guidelines and a strategy to address the impact of domestic pets on koalas.

**Mr DAVID SHOEBRIDGE:** Minister, do you believe that private development, particularly large subdivisions, should provide the necessary infrastructure so that communities can thrive?

**Mr ANTHONY ROBERTS:** I welcome your question. In answering it, I turn briefly to the success that this Government has had. We have had record building approvals and record building commencements. We have record construction and completions in Sydney. We are developing new and vibrant suburbs—

**Mr DAVID SHOEBRIDGE:** Minister, I am asking you about the infrastructure, not the numbers. Do you believe developers should provide the necessary infrastructure for communities to thrive?

**Mr ANTHONY ROBERTS:** Yes, I do, together with government. This Government has a very strong position on the amount of money that we are spending on infrastructure and upgrading the city through strategic consultation and collaboration. We are ensuring that we keep local amenities and local character—

**Mr DAVID SHOEBRIDGE:** Lots of collaboration with developers, Minister.

**Mr ANTHONY ROBERTS:** —including through community engagement. I want to assure everyone here that the planning and development occurs from an evidence-based approach, because it is important to promote all the new development by integrating social, economic and environmental considerations with regards to the principles of ecologically sustainable development. We will continue to consider advice from independent organisations, because as a government we consider proposals and policies that seek to enhance our urban realm, particularly those that enhance connectivity and contribute to resilient communities. Whether we are looking at vertical villages or optimised communities, priority precincts or priority growth areas, or housing for key workers, we are committed—and as a Minister I am committed—to addressing the housing affordability challenge in Sydney and regional New South Wales to ensure that infrastructure goes in either before or concurrently as we develop these new communities.

**Mr DAVID SHOEBRIDGE:** Minister, that is perhaps the greatest collection of planning jargon I have yet heard in a single contribution, congratulations. Minister, do you know a property developer called Keith Johnson?

**Mr ANTHONY ROBERTS:** I have heard of Keith Johnson.

**Mr DAVID SHOEBRIDGE:** Have you ever met with him or representatives of the Johnson property group?

**Mr ANTHONY ROBERTS:** My diary is made public, I ask you to look there for all recorded meetings.

**Mr DAVID SHOEBRIDGE:** It is a simple question, have you met with Keith Johnson or representatives of the Johnson property group?

**Mr ANTHONY ROBERTS:** My diary disclosures are made public and I ask you to look there for all recorded meetings. If you want to know about the contributions we take from developers to provide that key infrastructure for these new communities to ensure there is local amenity and character, I will ask Deputy Secretary Nelson to unpack that further.

**Mr DAVID SHOEBRIDGE:** Minister, my question was about meetings with Keith Johnson.

**Mr ANTHONY ROBERTS:** I have answered that question.

**Mr DAVID SHOEBRIDGE:** Minister, are you aware—

**Mr ANTHONY ROBERTS:** Your question was about actual contributions.

**Mr DAVID SHOEBRIDGE:** Have you met with Keith Johnson or his representatives?

**Mr ANTHONY ROBERTS:** No.

**Mr DAVID SHOEBRIDGE:** Minister, you are talking of an earlier question and we have moved on.

**Mr ANTHONY ROBERTS:** Are you saying I have answered that first question?

**Mr DAVID SHOEBRIDGE:** That was the jargon answer.

**Mr ANTHONY ROBERTS:** I am surprised you accept that.

**Mr DAVID SHOEBRIDGE:** Minister, are you aware that in October 2006 a planning agreement for land developed at Pitt Town was entered into with the then planning Minister Frank Sartor which contained a requirement for the developers, Keith Johnson and the like, to provide, in 2006 dollars, \$16 million in infrastructure?

**The Hon. TREVOR KHAN:** You are going back a fair way.

**Mr ANTHONY ROBERTS:** In 2006 I was shadow Minister for multiculturalism or arts.

**The Hon. TREVOR KHAN:** That was a high point.

**Mr ANTHONY ROBERTS:** That was a high point. Those were heady days.

**Mr DAVID SHOEBRIDGE:** Infrastructure in Western Sydney is not a laughing matter. Are you aware of the planning deed?

**The CHAIR:** Order! The member will allow the witness to answer the question through the chair.

**Mr ANTHONY ROBERTS:** It would be lovely to be able to answer the question. Are you happy for me to seek advice and answer the question?

**Mr DAVID SHOEBRIDGE:** You answer the question as you see fit. Are you aware of the agreement which required the developers to provide \$16 million in essential infrastructure so Pitt Town could work?

**Mr ANTHONY ROBERTS:** I will ask Deputy Secretary Nelson to answer as he has more information with respect to this. It was before my time as Minister and before our time in government.

**Mr NELSON:** There was a voluntary planning agreement [VPA] entered into at that stage, like many VPAs across the region. Soon after there was a global financial crisis and the then Government made a decision to review the charges applicable in relation to all development contributions across the region to incentivise development to keep things moving and keep housing supply on track. The decision was made some eight years ago for that VPA to be offset by 50 per cent and that was a standing policy decision that the State made in relation to VPA agreements. Mr Johnson's contribution was reduced to somewhere in the vicinity of \$8 million, which he has completed full payment of recently, including the dedication of land for a new school.

**Mr DAVID SHOEBRIDGE:** Under that VPA, Mr Johnson and the companies associated with him, instead of paying \$16.5 million as they were legally obliged to, made the grand total payment of \$375,000 to the Office of Environment and Heritage and a \$2 million in-kind contribution for school land, is that right?

**Mr NELSON:** That has since been updated. Mr Johnson has completed the obligations under the voluntary planning agreement [VPA] earlier this year. His contribution was the equivalent of 50 per cent of the Portfolio Committee No. 6

Planning, Housing, and Special Minister of State

CORRECTED

original VPA amount. That was consistent with all the decisions the Government had made in relation to encouraging development some eight years ago at the time of the global financial crisis.

**Mr DAVID SHOEBRIDGE:** Minister, are you aware that Pitt Town residents, when they bought the approximately 500 lots that were developed by Mr Johnson and companies associated with them, thought that they were contributing \$42,000 in developer contributions for essential infrastructure under the original VPA?

**Mr ANTHONY ROBERTS:** Mr Deputy Secretary.

**Mr NELSON:** I understand the residents of Pitt Town felt that was their obligation.

**Mr DAVID SHOEBRIDGE:** There was a legally binding VPA requiring Mr Johnson to pay the \$16 million?

**Mr NELSON:** Can I finish? We have had the contracts those residents entered into reviewed legally and there was no provision in those contracts that specified the amount you referred to. The contracts made reference to the contribution that was applicable at the time payment was made.

**Mr DAVID SHOEBRIDGE:** Which was \$42,000.

**Mr NELSON:** No, that was reviewed.

**The Hon. TREVOR KHAN:** Point of order: The Minister is being asked about arrangements made eight years ago when then Minister Sartor or then Minister Keneally was the relevant Minister. I know that budget estimates are broad ranging but I have not seen budget estimates used for the purposes of cross-examining a current Minister over the performance of a Minister of another colour.

**Mr DAVID SHOEBRIDGE:** I will make it current very soon.

**The Hon. TREVOR KHAN:** You have not got there yet.

**Mr DAVID SHOEBRIDGE:** Stop chewing up my time.

**The Hon. TREVOR KHAN:** I do my best.

**Mr ANTHONY ROBERTS:** Did you see the *Four Corners* episode about The Greens?

**The CHAIR:** Order! Members will focus on this inquiry.

**Mr ANTHONY ROBERTS:** This is not the unicorn Greens.

**Mr DAVID SHOEBRIDGE:** Minister, do you recall signing an amended deed in relation to the planning arrangements and the voluntary planning arrangements for Mr Johnson and his associated companies around Pitt Town?

**Mr NELSON:** The Minister has delegated those powers through to my office and those arrangements have been entered into.

**Mr DAVID SHOEBRIDGE:** Is it true that not in ancient history but on 5 April this year, under a delegation signed by you, Mr Johnson received a \$10 million gift through an amended VPA that cut his contribution requirements from \$16 million to \$6 million? Why do you give a developer a \$10 million gift under delegation?

**Mr ANTHONY ROBERTS:** I reject the premise of the question. I think it is unreasonable. You are better than that.

**Mr NELSON:** There was no deal done this year that was not agreed to 10 years ago.

**Mr DAVID SHOEBRIDGE:** Was there not a deed signed in April that gave a \$10 million cut to this developer?

**Mr NELSON:** There was. It reflected an agreed position taken a decade ago, at which time the then Government made a decision across the board to reduce development charges by 50 per cent to encourage supply during a period of uncertain times for Australia.

**Mr ANTHONY ROBERTS:** You will be blaming me for the Vietnam War next.

**Mr DAVID SHOEBRIDGE:** No, I am blaming you for the deed that was signed when you were planning Minister in April this year, which gave a \$10 million discount to a developer. Why would you agree to a deed giving Mr Johnson and his associated companies a \$10 million gift?

**Mr ANTHONY ROBERTS:** We have answered the question.

**The Hon. JOHN GRAHAM:** Minister, we have heard about the process for the appointment of local planning panels. Can you give us a guarantee, after the process has been gone through, that the people appointed as panel members or chairs will have the requisite planning and environment credentials?

**Mr ANTHONY ROBERTS:** Absolutely. We need to do it. As I said before, New South Wales deserves nothing but the best when it comes to openness and transparency. We have to rebuild faith in the planning system and enable local government to do what they do best; that is, provide a character input into local environmental plans [LEPs] and development control plans [DCPs], and bring their LEPs up to speed. That is a major issue.

**The Hon. JOHN GRAHAM:** When you make those panel and chair appointments will you rule out appointing members of the Liberal Party to those roles?

**Mr ANTHONY ROBERTS:** I am not going to rule out appointing anyone that has the requisite expertise, be it Labor, Liberal or Greens.

**The Hon. TREVOR KHAN:** I notice The Nationals did not get a guernsey.

**Mr ANTHONY ROBERTS:** Or The Nationals. I will not be choosing those people, it will be my department and it will be based on the necessary skills.

**The Hon. JOHN GRAHAM:** It will be a recommendation. There are some exclusions, such as developers and real estate agents. Will you rule out lobbyists being appointed to these panels?

**Mr ANTHONY ROBERTS:** It is a tough gig being a lobbyist in New South Wales these days. I do not talk to them.

**Ms FRAME:** The people who are going to comprise the panels must have expertise in planning, architect or heritage, the environment, urban design, economics, traffic and transport, law, engineering, tourism or government and public administration.

**The Hon. TREVOR KHAN:** That probably cuts out the National Party anyway.

**The Hon. JOHN GRAHAM:** That goes to the credentials question; you have dealt with that issue. This is about the exclusions. You have excluded some categories. Will you exclude lobbyists?

**Mr ANTHONY ROBERTS:** Where that will be covered off, around conflicts, is where people will not be able to sit on the Independent Hearing and Assessment Panels [IHAP].

**The Hon. JOHN GRAHAM:** That is for individual decisions. I am asking about the appointment process itself. Will you exclude lobbyists?

**Mr ANTHONY ROBERTS:** I am happy to take that on notice, but is that being considered? I am keen, like you, to make sure that we get this right.

**Ms FRAME:** As the Minister said, if there were any conflicts that prevented anyone with expertise in this area who also operated as a lobbyist from presiding on a panel, then they would be excluded from doing so.

**The Hon. JOHN GRAHAM:** From that decision but not from appointment altogether.

**Ms FRAME:** We talked about the recruitment process and the selection panel that the department will run and will interview all these experts. We would be looking at what work they do and where is the predominance of their work, what is the focus of their work activity. If it was a lobbyist who had some expertise in this area but was predominantly doing lobbying work, that would certainly be something that would be considered as to their suitability for being on the panel because of the anticipation of conflicts arising.

**Mr ANTHONY ROBERTS:** You raise a valued point and we will consider that.

**The Hon. JOHN GRAHAM:** I appreciate the answer. What attitude does the Government take to the exclusion of donors to political parties. Do you have a view on that question and the appointment of donors to these roles?

**Mr ANTHONY ROBERTS:** Certainly you would have to disclose all the necessary interests or conflicts and that would exclude you from actually sitting on that panel.

**The Hon. JOHN GRAHAM:** Will those disclosures be public as part of this process? Will it be clear to the public that that is the case?

**Ms FRAME:** It would be clear to the public as per existing political donation disclosure requirements and there are very strict conflict controls that will operate around members of the IHAPs.

**The Hon. TREVOR KHAN:** You sound like Donald Trump trying to nobble Mueller.

**The Hon. JOHN GRAHAM:** Again, this goes to they "might" be excluded from certain decisions. I am asking, more generally, will they be excluded from appointment? You have said it is a factor.

**The Hon. TREVOR KHAN:** Trump wants to stop attorneys that had given donations years ago to some Democrat.

**The Hon. JOHN GRAHAM:** I would not be bringing Donald Trump into this discussion; I will just give you that advice.

**The Hon. TREVOR KHAN:** You are doing the Trump.

**Mr DAVID SHOEBRIDGE:** The Hon. Trevor Khan is correct, there are a lot of parallels between the Trump administration and this.

**The Hon. JOHN GRAHAM:** Minister, the floor is yours.

**Mr ANTHONY ROBERTS:** I cannot see why we would say to someone who attended their local Labor Party fundraising dinner, for example, and who happened to be one of the best planners in New South Wales and was prepared to take part in IHAPs, that they cannot participate legally over here but then we stop them going onto an IHAP to provide the expert knowledge where there is no conflict whatsoever. You start getting in a very grey and messy area. But I see your point about lobbyists.

**The Hon. JOHN GRAHAM:** I appreciate the response. We agree it is a factor in the department's recommendation that it will be taken into account in the process, but you are indicating you are leaning against that being applied as a general rule?

**Mr ANTHONY ROBERTS:** As a general rule, yes.

**The Hon. JOHN GRAHAM:** You are more open-minded on the lobbyists.

**Mr ANTHONY ROBERTS:** For example, if you were a developer and I happen to donate to your campaign to get you on council, then I would say you would have to declare a conflict if I was on the IHAP, that we had that relationship.

**The Hon. JOHN GRAHAM:** I want to ask about a specific example in the media this morning. Peter Grippaudo of Fairfield, who says he is not a developer—developers are excluded generally—reportedly has submitted 150 development applications over three years. What attitude will the Government take to an example like that?

**Mr ANTHONY ROBERTS:** Certainly developers would be excluded. He could not be on an IHAP.

**The Hon. JOHN GRAHAM:** He says he is not a developer though.

**Mr ANTHONY ROBERTS:** I have not read the article but I would say the definition of a "developer" is clear. I would suggest that by submitting 150 development applications over a number of years he starts looking like he is in development.

**The Hon. TREVOR KHAN:** More than looking like.

**Mr ANTHONY ROBERTS:** Yes.

**The Hon. JOHN GRAHAM:** I suggest one of the issues is that the definition is not clear between the various approaches in competing legislation.

**Mr ANTHONY ROBERTS:** We are happy to take that on board.

**The Hon. JOHN GRAHAM:** You have talked about completions and what you said is the Government's record. Why have house prices increased by more than 10 per cent a year over the last five years if that is the case? Surely if supply were going to fix the problem prices would have moderated by now.

**The Hon. TREVOR KHAN:** The old socialist model again will fix the crisis.

**Mr ANTHONY ROBERTS:** Sydney, to a great extent, is almost a victim of its own success. House price increases have been driven by rising land values, particularly in Sydney, and low levels of residential construction between 2006 and 2011, combined with a strong population growth. We inherited a 100,000 dwelling deficit when former Premier Carr decided Sydney was closed. We are playing catch-up. It is very much a question of supply and demand. The 100,000 shortfall resulted in pent-up demand. This has placed continuing upward pressure on house prices. Sydney and regional New South Wales is a great place to live. It

attracts people; they want to call this place home. We have good amenity and liveability, a strong economy and a low unemployment rate.

**The Hon. Dr PETER PHELPS:** Electricity, which is more than South Australia has.

**Mr ANTHONY ROBERTS:** Absolutely, and that is always a big plus. The unemployment rate is well below that of the national average. Of course, our population is growing; that has been a major contributor. People talk about migration, but the people coming to live in New South Wales now are not arriving by airbuses. They are more likely to be in a Hilux ute that is packed up with their family coming across the Nullarbor as they seek employment.

**The Hon. Dr PETER PHELPS:** Fleeing socialism.

**The Hon. JOHN GRAHAM:** I want to put to some positions from your well-credentialed predecessor, Mr Stokes. He said, "Building more homes will not, on its own, solve Sydney's housing affordability problem. As important as supply is, housing affordability is not a simple supply-and-demand equation." Mr Stokes told it how it is. What is your view? Do you agree with those comments?

**Mr ANTHONY ROBERTS:** I am someone that believes that one of the key answers to housing affordability in Sydney is supply. Supply is critical.

**The Hon. JOHN GRAHAM:** But it is not going to be enough.

**Mr ANTHONY ROBERTS:** That is why we have regional plans, that is why we are developing communities in regional New South Wales, and that is why we have recently announced a comprehensive package of measures to support first home buyers.

**The Hon. JOHN GRAHAM:** Yes, and the Government has spoken about that on many occasions, but Mr Stokes said, "Why should you get a tax deduction on the ownership of a multimillion holiday home that does nothing to improve supply where it's needed?" Do you agree with that?

**The Hon. TREVOR KHAN:** Now we are going into Federal politics.

**Mr ANTHONY ROBERTS:** No.

**The Hon. JOHN GRAHAM:** Why should you get a tax deduction on the ownership of a holiday home?

**Mr ANTHONY ROBERTS:** Supply infrastructure in targeted policies, such as our missing middle, will go a long way to addressing housing affordability and supply.

**The Hon. JOHN GRAHAM:** But it will not be enough. Your well-credentialed predecessor called on the Federal Government to tackle negative gearing. What is your view on that issue? Surely we have to deal with that to get to the bottom of this issue in Sydney especially.

**Mr ANTHONY ROBERTS:** I do not believe in attacking people who invest in providing others with homes—the police officers, the nurses, the paramedics—who have part of their superannuation or retirement invested in providing valuable rental accommodation. Are we building enough homes? We are breaking every record.

**The Hon. JOHN GRAHAM:** That is not the question. Minister Stokes sat in your chair and the conclusion he came to, looking at all the levers in his hands, was that negative gearing was one that had to be pulled.

**Mr ANTHONY ROBERTS:** That is an issue, I have to say—

**The Hon. JOHN GRAHAM:** Are you saying you reject that view?

**Mr ANTHONY ROBERTS:** Tax and negative gearing should be addressed at a Federal level. There is not much that we can do.

**The Hon. JOHN GRAHAM:** Do we all not have to work together to fix this one, though? It has got to that level.

**Mr ANTHONY ROBERTS:** Before we proceed any further, I will give you a heads up that you might want to talk to some of your colleagues. I think the largest owners of multiple investment dwellings in this Parliament are not from the Coalition side.

**The Hon. JOHN GRAHAM:** I am asking you about the policy.



**Mr ANTHONY ROBERTS:** You have to ask Minister Stokes about that. My position is that I am doing what I can with the tools that I have.

**The Hon. JOHN GRAHAM:** But you reject the conclusion he came to. That is a fair characterisation, is it not?

**Mr ANTHONY ROBERTS:** Housing prices and their increase are quite uniform at a national level. That is where I think by planning to deliver some 725,000—

**The Hon. JOHN GRAHAM:** I will ask about a specific example, a site at Eastgardens near Pagewood. Meriton bought the site from British American Tobacco. The Planning Assessment Commission [PAC] has approved the construction of 2,300 dwellings of up to 21 storeys. Your Planning Assessment Commission did not require a single affordable housing dwelling. Do you think that is acceptable?

**Mr ANTHONY ROBERTS:** What do you mean by "affordable housing"? Is that cheaper housing? Is that cheaper rent? I want to get the definitions right.

**The Hon. JOHN GRAHAM:** I am open to you answering this any way you like. There will be construction like this all over Sydney. Is that acceptable, not a single affordable housing dwelling?

**Mr ANTHONY ROBERTS:** I will ask the chief executive officer [CEO] of the Greater Sydney Commission [GSC], Sarah Hill, to outline and unpack this further if we can.

**Ms HILL:** Absolutely, Minister. The Greater Sydney Commission very much recognises the importance of housing affordability across Greater Sydney and is looking to achieve a broad range of approaches to achieve a greater supply and diversity of housing choice and outcomes. It is a key challenge for our city, so we are planning for a range of solutions across the housing continuum. Regarding our draft district plans, which you can find on our website, we are consulting at the moment on a suite of those measures.

**The Hon. JOHN GRAHAM:** I will stop you there, Ms Hill. Minister, there are a range of options in this case. I want to deal with the individual case, which is zero affordable housing dwellings and 2,300 dwellings in general at Eastgardens near Pagewood. Is that acceptable? Surely we have to make some targets, because this is not acceptable as an outcome, is it?

**Mr ANTHONY ROBERTS:** Are you talking about affordable housing percentages and inclusionary zonings?

**The Hon. JOHN GRAHAM:** Yes, I think that is one way to tackle the problem.

**Mr ANTHONY ROBERTS:** In that case I think it is important that we back in the GSC on why it has come up with a 5 per cent to 10 per cent inclusionary zoning for affordable housing.

**The Hon. JOHN GRAHAM:** Do you think that outcome is acceptable? We have to do better than that. You would concede that, would you not, Minister?

**Mr ANTHONY ROBERTS:** The Planning Assessment Commission and its decision-making is independent, and it is independent for a historical reason. I prefer not to comment on decisions made by the PAC, as I do not think it is appropriate. Do I think that more needs to be done to deliver on affordable housing? Yes, absolutely, and that is where the Greater Sydney Commission has done some good work.

**The Hon. JOHN GRAHAM:** I will ask about the Housing Affordability Fund.

**The Hon. TREVOR KHAN:** You do not want to hear about what the GSC is doing?

**The Hon. JOHN GRAHAM:** The Minister has given a view on that issue. I want to ask about the Housing Affordability Fund at this point. How much is sitting in the Housing Affordability Fund at the moment?

**Mr ANTHONY ROBERTS:** That would be a question for the Treasurer.

**The Hon. JOHN GRAHAM:** I will inform you: It is about a billion dollars. How much is expected to be spent this year from the Housing Affordability Fund?

**Mr ANTHONY ROBERTS:** I will take that on notice.

**The Hon. JOHN GRAHAM:** I will give you my view, although I am happy to be corrected: The budget allocation is for \$33.9 million to be spent this year. Do you not think that, given the housing affordability issues you have been up-front about, this is just a drop in the bucket of this fund? Why can we not use this fund, one of the key levers the Government has, to greater effect?

**Mr ANTHONY ROBERTS:** I will ask Deputy Secretary Nelson to elaborate further on our position.

**Mr NELSON:** I note that it is actually the Housing Acceleration Fund [HAF] as opposed to the Housing Affordability Fund. We have secured allocation of \$33.9 million in funding towards the four projects but in addition to that we can also advise that there has been recent allocation by Treasury of \$151.1 million towards a range of different projects which will be delivered over the coming year.

**The Hon. JOHN GRAHAM:** Out of this fund?

**Mr NELSON:** Out of this fund.

**The Hon. JOHN GRAHAM:** It is still a small proportion but higher than the previous allocation.

**Mr ANTHONY ROBERTS:** I did not realise you were talking about the acceleration fund.

**Mr NELSON:** We will be accelerating \$112.77 million this year, including in the projects that have been funded to date in the earlier rounds of the HAF, as we call it.

**The Hon. JOHN GRAHAM:** I will not go to the specifics because the question is about the size of the effort. Last year \$140 million was taken out of this fund to build the Hill Road off ramp as part of the WestConnex. Surely that is a diversion from the pressing issue of housing affordability. Can you guarantee that will not happen in future?

**Mr ANTHONY ROBERTS:** With respect to individual allocations, again, this was last year. Mr Nelson?

**Mr NELSON:** The Hill Road off ramp has an allocation of \$140 million, that is correct. But that is to service the development that has been identified in both the Carter Street precinct and the Sydney Olympic Park precinct and peninsula, both of which have heavy traffic congestion, as you would be aware. This provision is to make sure that the traffic can accommodate that additional growth in the short term. In addition to those works for the Hill Road off ramp, I add that there are a number of projects being funded in the west: \$15 million towards land acquisition and utilities at Beecroft and Carlingford roads, and \$2.9 million towards the preparation of some strategic designs and a strategic business case in Camden. We also have \$2 million for some scoping work in Campbelltown and a further \$4 million in Liverpool, and that is just in Sydney. There have also been announcements made in regional New South Wales recently with the provision of \$4 million towards Boundary Road at Dubbo.

**The CHAIR:** Minister, housing researchers and academic housing economists across Australia agree that an essential part of the policy mix is to mandate a significant percentage of affordable homes in all new housing developments, known as inclusionary zoning. With this in mind, what considerations must the New South Wales Government have regarding the impact of mandatory inclusionary zoning?

**Mr ANTHONY ROBERTS:** The Liberal-Nationals Coalition Government is committed to making housing affordable. We are also committed to making New South Wales a better place to live where people have access to a home, a job, a green space and more convenient ways to move around the city. A critical part of the Berejiklian-Barilaro Government focus is to boost the supply of new housing in a way that can put downward pressure on housing costs. To do this we need to facilitate a variety of housing options that deliver a range of types and price points in a large variety of locations, particularly locations where there are job opportunities and public transport, as well as education and health services.

Setting blanket or unrealistically high targets for affordable housing without financial feasibility modelling or consideration of local market conditions will negatively impact development feasibility and indeed will stifle overall housing supply. It is best practice that any target for affordable housing or inclusionary zoning proposals must be considered in relation to the circumstances of the scheme and its potential impact on the deliverability of the development on which it relies. New South Wales has an existing process for the development of affordable rental housing in the greater metropolitan region through inclusionary zoning. Schemes currently apply to parts of the City of Sydney and Willoughby Council local government areas under State Environmental Planning Policy No. 70—Affordable Housing (Revised Schemes). The affordable housing schemes, under State Environmental Planning Policy [SEPP] 70 and operated by the City of Sydney council in Ultimo, Pyrmont, Green Square and southern employment lands, have resulted in about 740 affordable rental dwellings for very low to moderate income households in the local government area [LGA]. That inclusionary zoning is one of a suite of mechanisms that can be used to deliver affordable housing under the New South Wales planning system. It must be considered as a component of a more holistic approach to housing which focuses on increasing supply, reducing assessment time frames and placing downward pressure on housing costs.

The Berejiklian-Barilaro Government is reviewing SEPP 70 as part of a wider review of existing housing policies. In November last year the Greater Sydney Commission [GSC] drafted district plans that proposed an affordable rental housing target of between 5 per cent and 10 per cent on land release areas or land identified for urban renewal. Inclusionary zoning could be used to help deliver housing to meet these targets. The GSC has been clear that any target must be flexible so that it can account for an area's local characteristics and urban economics. This Government recognises that targets must be established through a consultative process that includes the community, the development industry and local government.

We remain committed to working collaboratively with stakeholders—including the development industry—to ensure that developments deliver affordable housing for people on very low, low and moderate incomes. Financial feasibility modelling is an essential aspect of planning for new housing delivery and it will continue to be so. Labor must front up to the challenge that its policy has not been modelled to understand that impact. Blanket 15 per cent or 25 per cent targets may significantly reduce the visibility and viability of development. Fifteen per cent of nothing is nothing. The impact of blanket targets is most likely to be greatest on more affordable developments such as townhouses, dual blocks and what we call the missing middle.

**The CHAIR:** Are you saying that if you crush the viability you crush the supply chain?

**Mr ANTHONY ROBERTS:** Absolutely.

**The CHAIR:** And then you do not have extra housing?

**Mr ANTHONY ROBERTS:** Yes, you have hit it on the head. We need to find a sweet spot and we need to be enablers so that development continues to occur and banks continue to loan money. Increasing inclusionary housing targets to unrealistic levels stifles development.

**The CHAIR:** So it is not one size fits all?

**Mr ANTHONY ROBERTS:** No. It also depends on where you are in the city. I will ask chief executive officer of the GSC Sarah Hill, who I think has written a thesis on this, to clarify the difficulties some people may face if there are unrealistic inclusionary zoning levels.

**The CHAIR:** I would appreciate it. It would be good if you could condense your thesis down to two minutes.

**Ms HILL:** I will try. The Greater Sydney Commission has designed the mechanism that seeks to get the balance right between trying to achieve housing supply and outcomes but also contributing to affordable rental housing. Viability is also an important element in ensuring that we can secure local and State infrastructure as part of any development. It is a balancing act. We must have a flexible approach as the market and economics change across the city. That also talks to the local housing needs and demands of communities. We will be working with local councils to better understand those different needs. The model relates to very low and low-income households—those that are most vulnerable. We will work with the Department of Planning and Environment to ensure that for the first time in Greater Sydney we have a consistent approach to affordable rental housing.

**The CHAIR:** Are you saying that if you crush the private sector the public sector will have to carry that load?

**Ms HILL:** That is right. We must ensure that it is viable and that there is sufficient incentive to continue to provide housing across Greater Sydney.

**Mr DAVID SHOEBRIDGE:** That was less than two minutes.

**The CHAIR:** It was very good. Minister, I recently read that the Hills Shire Council has adopted a transitional housing policy framework under its local environmental plan. The Hills Shire Council will allow developers who meet the criteria to build two additional dwellings for every transitional home provided. Transitional homes may be used by women and children, for example, those escaping domestic violence. Are you interested in finding out more about this planning strategy? Would you consider supporting the broader adoption of this type of initiative across New South Wales?

**Mr ANTHONY ROBERTS:** I certainly want to understand more of this. I congratulate Hills Shire Council on looking at new and innovative ways to deal with issues within our community. Without giving anything away, my chief planner has been working closely with Hills shire on this. Government can also play a role in this through Landcom. As Mr Ray said, Landcom has been around since 1974, since just before I went to school.

**The Hon. TREVOR KHAN:** I think I was finishing school then. It is terrible to be at opposite ends.

**Mr ANTHONY ROBERTS:** That is right. That was when burnt orange kitchens were popular.

**The Hon. TREVOR KHAN:** Those were the days. Brown kitchens were also popular.

**Mr ANTHONY ROBERTS:** Yes, and brown Chryslers. Landcom is a great brand. It has been around for a long time and is great on delivery. We are reviewing whether or not Landcom can play a role in assisting those providers with transitional housing. Unfortunately, I do not have the chief planner here, but I will ask Ms Frame to provide more detail.

**Ms FRAME:** The chief planner has been working with Hills Shire Council. The housing policy team and the Department of Planning and Environment are reviewing the housing SEPP and providing advice to the Minister about how we can improve the way it operates. We are also looking to improve the supply of affordable rental housing and different affordable housing types for people who require diverse accommodation, including boarding houses, residential facilities and the kinds of facilities you have outlined. We would be happy to examine the example of the Hills Shire Council.

**The CHAIR:** It is a good example. Once again, not every developer is doing the wrong thing. Many of them are trying to do the right thing. If we implement a carrot rather than a stick approach it could help vulnerable communities and families.

**Ms FRAME:** Yes. That is our intention in reviewing the housing SEPP. We are looking to see which controls are working and which need to be updated so that we can provide opportunities for these kinds of examples to be leveraged in the planning system.

**The CHAIR:** Speaking of leveraging housing, do you have any planning opportunities that will increase the opportunity to subdivide rural lots to increase housing supply?

**Mr ANTHONY ROBERTS:** That is another thing the department is examining. Affordable rental is an issue. I am very disappointed that it is considered acceptable in society for a nurse to have to travel an hour and a half from the Illawarra to do his shift and then another hour and a half home again because he cannot afford to rent accommodation closer to the Royal North Shore Hospital. It is totally unacceptable that a policewoman must travel more than an hour from the Central Coast to do her shift protecting life and property in Paddington. The development industry is ready to step up to the plate with new and innovative ideas and it has tools to provide communities that incorporate a broad range of people. When I speak of key workers, that could be somebody who drives a forklift truck at a port or our cleaners. They are people who add a huge amount of value and keep our communities running. I am excited to work with the Prince's Trust this year.

**Mr DAVID SHOEBRIDGE:** When was the deed of amendment and release between you as Minister for Planning and the Johnson Property Group, Bonavista Property Management, Ferndale Property Limited, and the Vermont Property Group executed?

**Mr NELSON:** There was a deed of amendment entered into earlier this year.

**Mr DAVID SHOEBRIDGE:** What date?

**Mr NELSON:** I think it was around April.

**Mr DAVID SHOEBRIDGE:** Until that deed of amendment was entered into on 5 April, is it true that the developer was required to pay some \$16.5 million in developer contributions?

**Mr NELSON:** No, it is not true. There were numerous pieces of correspondence backwards and forwards between the Government and Mr Johnson, as was there was with numerous other developers post 2006. At no stage since around 2006 has there been an expectation that Mr Johnson would be paying \$16 million.

**Mr DAVID SHOEBRIDGE:** Was there a legally binding deed in place that required Johnson Property Group to pay \$16.5 million until it was amended on 5 April?

**Mr NELSON:** There was an original agreement that specified those amounts. But there were 10 years of correspondence and agreements with letters backwards and forwards. The agreement that we amended this year simply reflected the commitments that had been made over 10 years. Had we not made the amendment we could not have put it up publically on the website. All of our voluntary planning agreements [VPAs] are publically advertised on the website and had we not made that amendment it would not have been there for everyone to see.

**Mr DAVID SHOEBRIDGE:** Minister, will you provide a copy of the deed and all of the associated correspondence that Mr Nelson has referred to this Committee on notice?

**Mr ANTHONY ROBERTS:** Mr Chairman, I think it is critical—

**Mr DAVID SHOEBRIDGE:** It is a simple question. Will you provide the deed and the associated correspondence to the Committee?

**The Hon. TREVOR KHAN:** He is answering the question, Mr Shoebridge. Do not interrupt.

**Mr ANTHONY ROBERTS:** I think it is critical at this point in time to again point out that this was an agreement made by the previous Government and by previous Ministers. It was a Government that was supported and preferred by The Greens, which kept them in power.

**Mr DAVID SHOEBRIDGE:** Bollocks.

**Mr ANTHONY ROBERTS:** It might not be your section of The Greens. Why do I have to get the communist? I like the nice Green ones.

**Mr DAVID SHOEBRIDGE:** Why do I have to get the fool?

**The CHAIR:** That is enough. I direct the member to return to the question.

**The Hon. TREVOR KHAN:** Point of order: He has to withdraw that. He seems to take it as a licence that he can be offensive.

**Mr DAVID SHOEBRIDGE:** I withdraw the comment.

**The CHAIR:** Order! The comment has been withdrawn.

**Mr ANTHONY ROBERTS:** The deed is on the website and the interweb. I direct the honourable member to our website.

**Mr DAVID SHOEBRIDGE:** Will you provide the correspondence that Mr Nelson said had required the amended deed on notice?

**Mr ANTHONY ROBERTS:** I am not really inclined to.

**The CHAIR:** Will you take it on notice?

**Mr ANTHONY ROBERTS:** I will take it on notice. The member should request it under the Government Information (Public Access) Act.

**Mr DAVID SHOEBRIDGE:** Do you think it is important to consult with local councils about priority precincts?

**Mr ANTHONY ROBERTS:** Yes, absolutely.

**Mr DAVID SHOEBRIDGE:** Do you agree that one of the largest series of priority precincts is the Sydenham to Bankstown corridor?

**Mr ANTHONY ROBERTS:** Yes.

**Mr DAVID SHOEBRIDGE:** Why did you close submissions on the Sydenham to Bankstown corridor on 3 September, six days before fresh councils are elected and six days before your Government's hand-picked administrators lose control of the newly amalgamated councils?

**Mr ANTHONY ROBERTS:** We are talking about the Sydenham to Bankstown, Sydney metro and southwest? That was announced—converting 11 stations to metro standards. Do you want—

**Mr DAVID SHOEBRIDGE:** Why did you close submissions six days before there were newly elected councils?

**Mr NELSON:** The normal process for consulting on our precincts is for a period of four to six weeks. This was the second round of consultation, which followed a 2015 consultation period. In fact, it was extended for 10 weeks. We were cognisant of the fact that we needed to go to talk to the community about the submissions that were made previously. I have written to the administrators of both councils and have advised them that we are happy to accept submissions from them after the elections this weekend. We expect that it will take around three months to complete our review of the submissions received and make a further recommendation to the council. That should be more than enough time for the councils to make their submissions. Like I said, that has been communicated to each of the respective councils.

**Mr DAVID SHOEBRIDGE:** Can you explain why the Department of Planning and Environment's website and brochures distributed information sessions for the Sydenham to Bankstown corridor state that the

corridor plans for 35,400 new homes, while a 2016 report recently released by your department states that the total capacity allowed by new zonings in the strategy would allow for more than 91,000 new dwellings? Why have you not highlighted the 91,000 figure?

**Mr NELSON:** The capacity based on the zoning is a very different measure to determine what is viable. Although we will be looking at the capacity in the uplift in some of those communities, we also have to have regard for what is viable. Our assessment, based on the current market, is that there will only be viability in those corridors for around 35,400. It came very loudly and clearly from the community when we met with them in 2015 that some of the communities were very anxious to see growth while other communities were less so. We have reflected that in the revised documents that have gone out to the community. I have been out meeting with members of the community. I have enjoyed hearing the feedback—

**Mr ANTHONY ROBERTS:** It has been very positive.

**Mr NELSON:** —and it has been very important for our team to actually hear that feedback in the finalisation. As I said earlier, we are accepting late submissions, and I am sure some of those submissions will ask us to consider the density. I am sure some of them will ask us to increase the density. Our role is to make sure that we take a balanced approach going forward. Furthermore, the approach that we have outlined in the revised document has also focused, very importantly, on the local character of each of those communities. Local character is a fundamental consideration for the department. I might say that some of the feedback that I have received is that it is one of the most comprehensive pieces of work that has been done by the department.

**Mr DAVID SHOEBRIDGE:** Mr Nelson, my question was about the 91,000. It was not about your prolonged visitation—

**Mr ANTHONY ROBERTS:** Let him answer the question.

**Mr NELSON:** I am sorry, Mr Shoebridge. I am trying to give you an overview.

**Mr ANTHONY ROBERTS:** Mr Chairman, I am not going to have this individual talk over or belittle professional planning staff.

**Mr DAVID SHOEBRIDGE:** I will make it as a formal point of order: The answer has been non-responsive.

**The Hon. TREVOR KHAN:** To the point of order: It clearly was responsive. There is an obligation to be generally relevant.

**Mr DAVID SHOEBRIDGE:** You want to suck up my time. I understand that, Mr Khan.

**The Hon. TREVOR KHAN:** This is typical of Mr Shoebridge.

**The CHAIR:** Order! The Committee has had this issue during the week. If two people are speaking it makes it very hard for Hansard to take notes. The members should at least show courtesy to Hansard, if they cannot for each other. The Minister and the witnesses can answer a question as they see fit. If the member does not feel that is happening, he can contest it. The member should not waste all of his time on one particular question.

**Mr DAVID SHOEBRIDGE:** Minister, are you aware that pretty much the last healthy koala population in the Sydney basin is down in the Campbelltown area?

**Mr ANTHONY ROBERTS:** I will ask Deputy Secretary Ray to respond to that. He is our expert on all things koala.

**Mr RAY:** I do understand that there are estimated to be about 300 koalas in the south-west of Sydney. That is the figure that I have.

**Mr DAVID SHOEBRIDGE:** In light of the fact that State Environmental Planning Policy 44 is under review, which is the koala SEPP, and in light of the fact that the Campbelltown local government area has still not produced a satisfactory comprehensive koala plan of management, will you be pressing pause on any major developments in the Campbelltown LGA until that koala plan of management is in the place so we can ensure the future of this last viable colony of koalas?

**Mr RAY:** Obviously, Campbelltown is airing a koala plan of management but it depends very much on the circumstances of individual re-zonings whether that koala plan of management is applicable and is a matter for consideration. That depends on the number of sightings, the feed trees, and the ecological evidence.

**Mr DAVID SHOEBRIDGE:** My question was about ensuring that that is completed before the rezoning occurs so you know the impact the rezoning will have on koalas.

**Mr RAY:** The issue is that in some rezoned areas there will be no koala populations and that will be clear from the evidence. Therefore, there would be no value and no point in holding those up for the completion of the koala plan of management.

**The Hon. PETER PRIMROSE:** I want to ask a couple of questions about UrbanGrowth. From the figures that I have seen, as at July last year, UrbanGrowth had approximately 250 staff. Since then, there have been approximately 56 resignations. A total of 76 staff have left UrbanGrowth. Six of your 12 corporate management team have gone and you have lost a chief executive officer [CEO]. You have a chair who has attended only three or four meetings in the past two years. Nothing seems to have been built and it has presided over the debacle at White Bay. What is going on at UrbanGrowth?

**Mr ANTHONY ROBERTS:** First, any questions relating to UrbanGrowth should be directed to the Premier. I have now got overview of Landcom. Is this question about Landcom or the UrbanGrowth site?

**The Hon. PETER PRIMROSE:** I am interested in your comments because we are talking about the transition period for both.

**Mr ANTHONY ROBERTS:** UrbanGrowth, as you are aware, has been separated into two organisations. The UrbanGrowth Development Corporation focuses on major urban renewal projects, such as The Bays Precinct and Central to Eveleigh. Whereas Landcom now has a clear and new mandate to take a lead role in improving supply, diversity and affordability of new housing in Sydney. In a moment I will pass the questions about staff to Mr Barry Mann, who is the acting CEO. I want to make it clear that the staff we have at UrbanGrowth and Landcom are highly sought after staff. It is not unusual to have a high turnover at the moment in the housing industry or the development industry as things are moving very quickly. These people are well sought after. People are offered more money or other opportunities in this industry on a regular basis.

With respect to the recruitment of a CEO for Landcom, it has been nine months. I agree with you. Is that acceptable? I do not find it terribly acceptable. I have taken up and will continue to take up the matter with the board. In fairness, it makes sense that we have to be mindful and accepting of a delay in recruiting a CEO as the separation process occurs. That allows for the CEO to be measured against the updated responsibilities of the retrospective agencies. Again, you do not want a CEO and have an organisation that has changed and has different mandates. The recruitment of that CEO is an issue for the board and one would hope that the board moves in an increased—

**The Hon. PETER PRIMROSE:** A less than glacial way.

**Mr ANTHONY ROBERTS:** That is right, in order to appoint a CEO sooner rather than later. It is going to play a critical role. I express publicly my thanks to the great staff of UrbanGrowth and Landcom, particularly Landcom, that will be staying with me. Their contribution should not be underestimated as we move forward in improving housing supply and affordability. I will ask Mr Mann to outline the issues around the staffing.

**The Hon. PETER PRIMROSE:** Staffing and if we can also look at the issue of cost. There has been quite a significant series of movements. What has been the cost of transferring these organisations backwards and forwards?

**Mr MANN:** I reiterate also the amazing job the staff are doing at the organisation, and that they continue to do. Over the year the organisation has continually had employment of approximately 230 to 250 staff, so the same as last year. During the year numbers are corrected. Fifty-four staff have resigned and a number have left.

**The Hon. PETER PRIMROSE:** Seventy-Six.

**Mr MANN:** I have 54 and 16 as my numbers, which is 70. Over the year we have hired 70 staff, so we continue to operate with approximately 230 staff in the organisation. As the Minister pointed out, the turnover can be attributed to a booming industry and people being offered new opportunities elsewhere and taking those up. We have some projects coming to an end, so people look at those opportunities and take them. There have been a number of changes over the year with the executive team, as you have pointed out. Some of the executive roles have been combined to be a more streamlined organisation. The organisation has naturally replaced all of those roles, but we currently have an executive team of seven people. That is sufficient to run the organisation as we see it at the moment.

**The Hon. PETER PRIMROSE:** Can you give us an indication as to when you expect all those positions will be filled?

**Mr MANN:** Positions on the executive staff?

**The Hon. PETER PRIMROSE:** Yes.

**Mr MANN:** We are currently going through the organisational transition of Landcom and UrbanGrowth, so those organisations need to be appropriately populated with staff, and that will involve some vacancies as that happens, and then those vacancies will be recruited. We are focusing on ensuring that staff who are with the organisation continue to have jobs.

**The Hon. PETER PRIMROSE:** You have told me they will eventually be filled. Can you give me an idea of when?

**Mr MANN:** I think it will be filled over the next three to six months.

**The Hon. PETER PRIMROSE:** What is the total cost of these transfers?

**Mr MANN:** The separation of the organisation is a continuing process; that is not finalised yet. Various continuing costs related to that will continue until the end of the financial year. As at the end of June 2017, within the organisation we have spent \$796,000 on consultants, which is primarily based on project management and human resources services, and also legal advice on contracts of both assets, business contracts and staff employment contracts.

**The Hon. PETER PRIMROSE:** I have a couple of questions about short-term letting. I think I am right in saying that tomorrow will mark two years since your predecessor referred to the subject of "the adequacy of the regulation of short-term holiday letting in New South Wales". That was referred to a parliamentary inquiry. That committee's final report was published almost a year ago. The Government then had six months to respond. Your response was an option paper that committed basically to another round of discussion. Can you tell us when you expect the Government will make a decision and a formal response on this issue?

**Mr ANTHONY ROBERTS:** This is one of those interesting pieces of disruption in innovation. You are right. On 21 July we released our options paper. A number of options are outlined in the paper that could be considered either individually or in combination, and those include greater industry self-regulation, registration or licensing of operators, changes to strata laws, and regulation through the planning system. That public consultation will remain open until 31 October 2017. I will ask Deputy Secretary Frame to unpack where we go to from there.

**Ms FRAME:** While the options paper is on exhibition at the moment, we are also conducting meetings with a range of stakeholders. We are having some formal, facilitated meetings with stakeholders from councils, short-term letting associations and community groups. Anyone who wants to talk to us about this issue will be in the room to have a conversation. We are also meeting with those groups as they request meetings with us. We are exploring different evidence bases on what is happening with short-term holiday letting, so the consultation period is a key time for us to look at the most current evidence.

As the Minister said, this is a recent issue. It is moving rapidly and we are doing everything we can during this time to keep surveying the evidence that exists on the impact this is having on people in respect of amenity, economic opportunity and also if there are impacts on the availability of rental accommodation. We are actively looking into all of those issues.

**The Hon. PETER PRIMROSE:** Can you give us a time frame for legislation to be presented to the House?

**Ms FRAME:** As the Minister said, the consultation on the options paper closes on 31 October. We would take some time to look through all the submissions and work through issues. Then we will present some recommendations to the Government and they will make their decision about what they wish to pursue and when they want to take that legislation to Parliament.

**The Hon. PETER PRIMROSE:** Minister, can you give us any indication, given how important this is to so many people?

**Mr ANTHONY ROBERTS:** It is. I have to say that the letting of a room is nothing new. As any student of history would know, after World War I and World War II many a widow fed her family by letting out a room or rooms.



**Mr DAVID SHOEBRIDGE:** I thought you did not want to go back to the Vietnam War.

**The Hon. PETER PRIMROSE:** Maybe we could stick to the question.

**Mr ANTHONY ROBERTS:** Certainly this is a priority of the Government and we want to get it right. There has been an extensive amount of consultation. I would say that once we get advice from the department Minister Kean and I will be looking at introducing legislation.

**The Hon. PETER PRIMROSE:** Research from the University of Sydney—I have not read it, I have only read a summary—recently showed that 6,000 homes have been removed from Sydney's permanent rental stock as a result of Airbnb listings. To put that into context, I am advised that is almost three-quarters of the rental housing stock of Leichhardt, just under half of the rental stock of Marrickville and more than 13 per cent of the city of Sydney rental stock. Do you or your officers have a response to that?

**Mr ANTHONY ROBERTS:** This is one of the reasons why I think it is pretty important that we maintain people's ability to invest in homes that provide people with places to rent and live in. Do we have any further evidence on that?

**Ms FRAME:** We are aware of that research and I am meeting with Professors Peter Phibbs and Nicole Gurran who conducted that research to discuss it in detail. I have met with Peter Phibbs previously but we are having a specific discussion about how they compiled their research. As I said, it goes to this time that we have now when we are talking to anyone who has evidence to present to us. Whether it is research or their own experiences, we want to meet and talk about that. We will be following up and looking in more detail at that research. I have read the paper. We are aware of it. We have also had research presented to us from different organisations that have a different view and a different analysis of the impacts. We are looking at all of those and compiling some advice to the Government.

**The Hon. PETER PRIMROSE:** Do you have an initial view on the validity of the findings in that University of Sydney research?

**Ms FRAME:** I do not. We are having further discussions.

**The Hon. PETER PRIMROSE:** I recently met with community residents in Howlong near Albury. I indicated to them that you would be here today and if they wanted me to put a question to you I would be happy to do so. This was their question:

On 29 August the Western Joint Regional Planning Panel approved the development application for an organic and green waste compost facility 600 metres from residents and 1.6 kilometres from the centre of Howlong. At a public hearing in June, 57 people spoke to the panel citing social and economic concerns. The panel did not acknowledge these concerns in their determination.

Why can a panel ignore the issues raised by these people? How is it that current planning laws allow the development of a composting facility within 600 metres of homes and 1.6 kilometres from the regional town of Howlong? Can you please explain how a facility of this nature and proximity is in the public interest of the people of Howlong?

I am not expecting you to immediately have those details to hand, but please make any comments you wish to make. My request is will you or one of your ministerial staff consider meeting with the residents of Howlong to discuss this further?

**Mr ANTHONY ROBERTS:** I will start by asking Deputy Secretary Ray to provide whatever information he has for us right now. I am very careful about meeting with individuals over specific sites. For policy I am happy to. I am happy to organise a meeting between them and my office. I am always happy to do that. We have an open door policy.

**The Hon. PETER PRIMROSE:** Thank you.

**Mr RAY:** The development application would have been assessed by the staff of the local council in accordance with the various guidelines that applied to that type of development. Often those guidelines in relation to odour and other environmental issues are prepared by the Environment Protection Authority. It would have been assessed in accordance with those guidelines. There would have also been an opportunity for the residents not only to make a submission through the assessment to the council but to, as you say, speak before the joint regional planning panel. I do not have details of the particular decision but that is the procedure. There was certainly the opportunity there for the panel to consider all those issues but I would have to look and take on notice the details.

**The Hon. PETER PRIMROSE:** One of the fundamental concerns was that there was no council. There is a forcibly merged council in this case with an administrator and they believe that their views were not appropriately heard. Minister, thank you for the offer of one of your ministerial staff meeting with them. I will convey that back to the people of Howlong.

**The Hon. JOHN GRAHAM:** Woollahra is on a heavy rail line and close to the central business district. The Greater Sydney Commission [GSC] expects it to accommodate 300 extra dwellings in the next five years. At the same time Campsie is taking 6,000 extra dwellings over 20 years. There will be 4,000 in Canterbury, 3,000 in Lakemba and 3,000 in Belmore. It is very difficult to build anything in Ku-ring-gai. When are you going to take up increased densities for places like Ku-ring-gai and Hornsby, which are also on heavy rail lines?

**Mr ANTHONY ROBERTS:** I will ask the chief executive officer of the GSC to outline how they have come to those figures. In my electorate around St Leonards there were three local government areas in the past and three State seats. The beauty of priority precincts is that they bring with them good planning, then they bring with them infrastructure together with jobs as well as housing. I have to say—

**The Hon. JOHN GRAHAM:** Is that your message to Woollahra and Ku-ring-gai? They need to hear this, do they not?

**Mr ANTHONY ROBERTS:** I will ask the chief executive officer of the Greater Sydney Commission to unpack how they arrived at those figures.

**Ms HILL:** You are quite right that the GSC is establishing housing targets for the Greater Sydney area. We are currently consulting with communities and councils on targets for five years and 20 years on a district basis. The calculation of targets is a complex matter. They look at a range of factors including the demographic growth anticipated for an area, the capacity of the area, infrastructure within the area and market factors which combine to be able to calculate and suggest a target for the area.

**The Hon. JOHN GRAHAM:** I appreciate that, Ms Hill. The process is clear. It is really this outcome—

**Mr ANTHONY ROBERTS:** You want the specifics?

**The Hon. JOHN GRAHAM:** No, it is this outcome that I am concerned about where it really seems unfair that these developments are concentrated in certain bits of Sydney. I will run through the target population density increases in some parts of the city. In Hunters Hill it is 1,350, in Mosman it is 1,900 and in Woollahra it is 2,050. Then you have Strathfield at 23,700, Canada Bay at 32,000 and Bayside at 65,250. We have already talked about the Bankstown to Sydenham corridor with 35,000 additional dwellings. I draw your attention to the Premier's comments on this issue in her local paper. Under the tagline "Premier wants to keep lid on north shore population growth" and headline "We've done our bit" the Premier said " ... other areas are more suited to taking extra numbers." Do you agree with your colleague the Premier that the North Shore has done its bit?

**Mr ANTHONY ROBERTS:** We all have to do our bit in supplying accommodation for the increased population in Sydney. You would be in the same position that I am. When you go to a barbecue the first conversation is about how much your property has increased over the past 12 months, if you are fortunate enough to own a property. The second one is about how our children or grandchildren are going to afford a home. That is why we need to build and plan for homes of the future. I am not duck-shoving this. Deputy Secretary Nelson specifically in my department will be able—

**The Hon. JOHN GRAHAM:** If we are all in agreement that everyone has to do their bit, why is that not happening? Why is the load unfairly shared?

**Mr ANTHONY ROBERTS:** I do not agree with the premise of the question or the statement.

**The Hon. JOHN GRAHAM:** Those suburbs are on heavy rail. Surely they can do more.

**Mr ANTHONY ROBERTS:** Deputy Secretary Nelson might be able to comment but, for example, the great uplift that is going on in my electorate around the St Leonard's precinct is being welcomed by my community.

**The Hon. JOHN GRAHAM:** I acknowledge that has happened locally for you, however, it is not true to say that the North Shore has done its bit, is it? The message should be that everyone has to take their fair share. Surely we can agree on that?

**Mr ANTHONY ROBERTS:** Have you been to Chatswood lately? That is a very large population within the city of Willoughby. You should look at Bondi Junction as well. I will ask Deputy Secretary Nelson to provide some more information that could be of assistance.

**Mr NELSON:** On the North Shore some rezonings for priority precincts have already been completed. We are focusing on creating capacity for homes and jobs within walking distance of high-frequency

and capacity public transport—Cherrybrook on the government-owned lands; St Leonards and Crows Nest, around the new metro stations; and we are also looking at Frenchs Forest and extending the work that has been done by Northern Beaches Council. If you look at the areas that we have been focusing our priority precincts on, you will see that the majority of them are along the 31 metro stations and there is no secret as to why that is—we are making sure that we prioritise those homes. We are looking at around 20 per cent of Sydney's future growth in those priority precincts being along those high infrastructure-rich corridors. We are making sure they are in viable locations so that people do not have to rely on motor vehicles and we are not replicating, perhaps, some of the mistakes of the past.

As to specific sites, each priority precinct has different yields and expectations. We are looking at capacity, individual local character and how we can make provide for that growing population. For example, in The Hills there are only 13,000 across three metro stations; North Ryde—3,000 additional homes were rezoned in September 2013; Macquarie University station—5,800 in September 2015; Epping town centre, March 2014; and Cudgegong Road station in June 2015. Across the board we are very much focused on making sure in those new priority precincts that people live within a 400 metre to 800 metre walking radius of the investment that is being made by the Government in the metro stations.

**Mr DAVID SHOEBRIDGE:** I return to the Campbelltown koala issue. Mr Ray, you said you could see no reason not to proceed with rezonings where there had not been identified koala sightings. In the absence of a koala plan of management, and in the absence of a proper study of the essential wide corridors needed to connect habitat around the Georges River and the Nepean River in particular, how can you proceed with rezonings like Mount Gilead and still be satisfied that you will not potentially terminally impact the koala population?

**Mr RAY:** We need to rely on the evidence and that is what the department has done with Mount Gilead. There is an ecologist report, which provides detailed evidence of the presence of koalas on the site. We need to look at individual sites as they are presented, look at the evidence and then make an assessment.

**Mr DAVID SHOEBRIDGE:** This proposition has been put by community members who are greatly concerned about the loss of the koala population: If you are looking at it site-by-site, and you do not have the benefit of a koala plan of management looking at the entirety of the region, you are almost certainly going to fail the koalas.

**Mr RAY:** The provisions of State Environmental Planning Policy [SEPP] No. 44 will still apply while the particular plan is being reviewed, and those protections will apply more broadly across those considerations. In the Mount Gilead case, senior departmental staff met with people on site who have those concerns. The department fully considered all of the issues. It looked at the environmental, ecological and expert evidence before making a decision.

**Mr DAVID SHOEBRIDGE:** Minister, there is currently a gateway determination before your department relating to a site of almost 29 hectares that adjoins the Cumberland State Forest. That site is largely covered by blue gum high and turpentine forests, both of which are endangered ecological communities. Will you commit to not rezoning any blue gum high or turpentine forests for medium- or high-rise residential development?

**Mr ANTHONY ROBERTS:** This is still under assessment. It would inappropriate for me as planning Minister to comment on it. Let me see if anyone has any further information that we can carefully add.

**Mr RAY:** This individual proposal is obviously at the gateway assessment stage. I do not have details of the proposal at the moment.

**Mr DAVID SHOEBRIDGE:** I am happy for you to take it on notice, including what consideration will be given to ensure that the blue gum high and the turpentine forests, which form a large part of the site, will be protected?

**Mr RAY:** It certainly will be a key consideration if they are the circumstances of the case.

**Mr ANTHONY ROBERTS:** We are quite happy to take that on notice.

**Mr DAVID SHOEBRIDGE:** How many priority precincts are now in the Greater Sydney Region?

**Mr ANTHONY ROBERTS:** We have the Bayside West precinct, Epping and Macquarie, Frenchs Forest, Ingleside, Rhodes East, St Leonards and Crows Nest, as mentioned before, Sydenham to Bankstown, Metro Northwest, Wilton, Belmore-Lakemba, Burwood, Strathfield and Homebush, Campsie-Canterbury, Cherrybrook, Glenfield, Leppington town centre, Anzac Parade, Riverwood, Schofields town centre, Seven

Hills, Telopea, Turrella-Bardwell Park, including the Earlwood precinct, and the Wentworthville-Westmead precinct.

**Mr DAVID SHOEBRIDGE:** Is that 21 or 22 priority precincts?

**Mr ANTHONY ROBERTS:** Was anyone else counting? There are so many.

**Mr DAVID SHOEBRIDGE:** It is either 21 or 22. How many of the priority precincts are assessed in the draft regional plans provided by the Greater Sydney Commission?

**Mr NELSON:** I will defer to Ms Hill as to the details of the draft district plans but one of the first considerations we give to site selection for priority precincts is consistency with State or regional strategies. In the case of Sydney, obviously the district plans and the metro plan being developed by the Greater Sydney Commission will be a key consideration, but many of those precincts that have been identified and outlined previously by the Minister were done prior to the district plans or the metro plan being developed by the Greater Sydney Commission. Some may have commenced prior to that plan being developed but, as I understand it, the majority of them are now reflected in the draft documents prepared by the commission.

**Ms HILL:** Just to reiterate, as of November last year when the district plans were drafted we acknowledged all relevant priority precincts within the plans.

**Mr DAVID SHOEBRIDGE:** How many were on foot in November when the draft district plans went out? If they are to have any use as coherent planning instruments they surely need to take up these city changing proposals?

**Mr NELSON:** Absolutely. The growth assumptions that the Greater Sydney Commission is relying on, which is 725,000 new homes in Sydney over the next 20 years, are exactly the same assumptions that the Department of Planning and Environment are using. With respect to the location, if you focus on the role of the Greater Sydney Commission, which is to focus on the broader metro and regional distribution down to local government, the fine detail is being articulated by the department through the priority precincts.

**Mr DAVID SHOEBRIDGE:** Do you acknowledge that there is a lack of coordination and an incoherence when the district plans by the Greater Sydney Commission, which is meant to be the statutory authority working out where development should happen in Sydney, will not be finalised until the middle of next year? By that time your department will have approved, or largely finalised, 22 priority precincts, which will be fundamentally reshaping Sydney. Do you not accept the incoherence in that arrangement?

**Mr ANTHONY ROBERTS:** Not at all. In fact, I totally reject the premise of your question. We have a well-coordinated approach to planning in Sydney for the first time, probably, in the city's history. My department and the Greater Sydney Commission [GSC] work seamlessly—it will continue to work seamlessly—to ensure that when those plans are finalised and when A Plan for Growing Sydney is completed later this year, they will be tightly bound with the district plans and our priority precincts. They all feed into the one general strategy and purpose.

**Mr NELSON:** Sydney is facing unprecedented growth. If we were to wait until the forward strategic planning is done we would get further behind. We have a 100,000 legacy shortfall from about 10 years ago, for which we are making up. If this level of detailed planning were not being done by the GSC and by the department we would end up with more ad hoc development proposals being placed into the councils' hands, many of whom may not have the strategies or resources to manage this. I think you will find that the priority precincts that the Minister has listed will not be inconsistent with the GSC because we have premised them on exactly the same foundation. In fact, the higher-density living within walking distance of high-quality transport is a fundamental premise of both the GSC and what we have been doing. It is a goal of the 30-minute cities, which has been articulated by the GSC.

**Mr DAVID SHOEBRIDGE:** Minister, in the 21 or 22 priority precincts that you outlined, can you advise how many new school sites have been identified, and where; how many new hospital sites have been identified, and where; and how many new parks have been identified, and where? I am happy for you to take that on notice but if any come to mind—even one—let us know.

**Mr ANTHONY ROBERTS:** I am happy to take that on notice. This is the beauty about having precincts. As I stated before, with a priority precinct comes good planning. With a priority precinct comes improved infrastructure. Priority precincts allow the Government to take a whole-of-government approach to look at population increase and manage that. As I stated before, they are around areas where there is mass transit available. It enables us to plan for hospitals and improved educational facilities. To have a priority precinct—as people in my community know—is something to welcome, because for the first time you have a whole-of-

government approach to ensure that good outcomes are delivered and that we are building wonderful, resilient communities.

**The CHAIR:** I noted that there was an announcement on Friday of the cutting of red tape for particular planning instruments for childcare centres and some growth for government and non-government schools. Can you update the Committee on these changes.

**Mr ANTHONY ROBERTS:** First and foremost I acknowledge the strong and passionate advocacy of the Committee chair. The Hon. Paul Green has been pushing for this, and driving these changes for some time now. I acknowledge and put on the public record the work that he has done in driving this reform.

**The Hon. PAUL GREEN:** Thank you.

**Mr ANTHONY ROBERTS:** The Educational and Childcare State Environmental Planning Policy [SEPP] was launched on 1 September, and is an important development in ensuring our schools are able to develop and expand to meet future student needs in a timely manner. Among other things the SEPP allows schools to build four-storey buildings as complying development, and gives non-government schools the powers to undertake certain works without consent. The complying development provisions are designed to enable the fast-tracked approval of typical school facilities such as classrooms, libraries, canteens and halls to ensure that schools can respond rapidly and flexibly to fluctuations in enrolments.

Developments can only be installed using the complying development provisions if certain development standards have been met. These standards include height and setback controls and requirements for landscaping, noise, overshadowing and privacy. A complying development cannot be undertaken at environmentally sensitive sites such as heritage listed sites, land in a foreshore area or coastal hazard area, or land affected by acid sulphate soils or contamination. Instead, development of these sites will require a development application to enable proper assessment of the impacts. A key issue is the traffic and parking impacts resulting from expanded development of schools. To address this an application for complying development must be accompanied by a certificate from Roads and Maritime Services [RMS] that certifies that the impacts are acceptable or can be made acceptable if certain works are undertaken. Without that certificate a complying development certificate cannot be issued, and a development application will be required instead.

The scale of the development permitted to be constructed at existing schools as complying development has been increased from 12 metres to four storeys or 22 metres in height. This change is intended to reflect the change in built forms of future schools, when multistorey buildings will be constructed in order to provide classroom capacity whilst maintaining playground space at school sites. Safeguards have been introduced in the SEPP and the amending regulation to ensure that the effects of the building height are appropriately managed. The site setbacks have been progressively increased as the height of proposed buildings increases, and requirements for landscaping, minimising overshadowing and privacy impacts are also applied. This education reform package has an emphasis on good design. A better schools design guide has been developed by the NSW Government Architect's office to ensure that we have good design front and centre of our school developments. A certificate from a qualified designer is required for buildings greater than 12 metres in height, verifying that the design principles in the SEPP have been applied to the design of the building.

The State Government has a statutory obligation to provide a school place for every child who presents to the public school system. The education reform package allows the State Government to meet its statutory obligations and provide the additional school spaces that are needed. This approach to school delivery is consistent with other jurisdictions, including Queensland and Victoria. As well, the threshold for school development projects to be declared State significant development has been reduced to \$20 million capital investment value, and all new schools, regardless of the cost of the projects. This means that development applications for new and significantly expanded schools will be determined by the Minister, and not the local council. These reforms will allow councils to focus on important strategic planning and service delivery for their communities. The amendment to the Environmental Planning and Assessment Regulation prescribes non-government schools as public authorities, to enable them to access the development permitted without consent provisions within the SEPP. Previously these provisions were accessible only by public schools. This amendment levels the playing field for all schools, and means that low-scale developments that are commonly found at schools—such as single-storey classrooms, libraries, administration offices or minor alterations and additions to existing buildings—can be undertaken quickly and without the need for council approvals.

I can assure the Committee that stringent measures are in place to regulate the non-government schools. The environmental code of practice will apply to private schools using these provisions, and that will ensure that the proper environmental assessment, community consultation and record-keeping requirements are satisfied. These changes are intended to allow private schools to install facilities quickly to meet the needs of their student bodies whilst requiring appropriate levels of environmental assessment. The development without consent

Portfoli Committee No. 6

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provisions will not enable major developments at schools, as the provisions do not permit an increase in the student or staff numbers by more than 10 per cent of existing numbers, and any conditions of existing consents applying to sites will continue to have effect. This includes conditions that place a cap on student numbers.

The reforms that the Government has implemented—the reforms that were driven by the Hon. Paul Green—will clear the way for more schools and childcare centres where they are needed, with faster approval processes to help meet growing demand and future needs. The new policy has cut red tape to make New South Wales planning requirements consistent with national service requirements for childcare centres, which will lead to more high-quality and compliant facilities being built—and being built faster. It will also mean more childcare places for families while giving neighbours a chance to have a say on larger educational developments. We all know that New South Wales families rely on child care, and in some areas there is a higher demand than there are places. This Government is listening to members of the upper House as well as to the community and these changes ensure the process is smoother to establish childcare centres where they are needed most, because our working families deserve nothing less. I can assure you that this sensible planning approach will help to address the demand for childcare places.

Our schools will also benefit from a streamlined planning policy as upgrades, repairs and appropriate expansions can now get underway as soon as possible. TAFE and universities will also benefit from the changes. As our education Minister has said, we are bringing it in line with other jurisdictions by making it easier to provide more educational facilities without unnecessary red tape or delay.

**The Hon. TREVOR KHAN:** That has been the best two or three minutes of this budget estimates. Well done.

**Mr ANTHONY ROBERTS:** It is a great outcome.

**The CHAIR:** It was a great two or three minutes. Seven years in the making, really.

**The Hon. Dr PETER PHELPS:** No, that is The Greens plan.

**The CHAIR:** The Christian Democrats—let us not get the parties mixed up. Minister, will you be urging the Premier to address salary sacrificing for working parents so they can make these childcare fees affordable?

**Mr ANTHONY ROBERTS:** That is something we could take up with our local Federal members.

**Mr DAVID SHOEBRIDGE:** Like negative gearing.

**The CHAIR:** Minister, I did promise you that you could come back to the Prince's Trust.

**Mr ANTHONY ROBERTS:** This is very exciting. Prince Charles has led the way with respect to the provision of new types of innovative affordable housing. The Prince's Foundation led a series of events in Sydney during the week commencing 16 October last year. I was fortunate enough to meet some of its representatives at a lunch at Government House not that long ago. The work that the foundation is doing around Beauty-In-My Back-Yard is something that my planners in my department have already experienced and engaged in. We intend to apply it with respect to New South Wales planning. Again, here we have a member of the royal household who has given his life, effectively, to the service of his community, as certainly his parents have.

This collaboration that we are putting together between New South Wales planning and the Government and the Prince's Foundation is a unique opportunity to benefit from that foundation's significant experience and capabilities in community engagement and in place making. I will ask Deputy Secretary Frame, who has spent—at her own cost I understand—a great deal of time in the United Kingdom and can probably elaborate further on the work that we intend doing with respect to the Prince's Foundation.

**Ms FRAME:** As the Minister said, the area of expertise that the Prince's Trust holds—which is something in which we are particularly interested in New South Wales and are harnessing through working with it—is its focus on engaging with local communities. It has a focused and structured community engagement framework that enables you to capture what local communities value about their community, what is reflected in the architectural features—the amenity, open space, things that they enjoy about their community—and there is a process then for capturing that in plans for future development for that community.

It is an area of expertise that the Prince's Trust provides; it is the Beauty-In-My-Back-Yard tool that the Minister mentioned, and it convened a workshop for us in New South Wales and a symposium last year. It took a lot of council staff, interested community members and planners in our department through this process. It is something that we think offers us a lot in engaging with the community—a facility to capture what community

members really value and how they want to see that reflected in development that occurs around them; and a way to improve their amenity and lifestyle. It has some projects. In South Australia one project has the highest energy efficiency rating for medium-density development in Australia that is currently available. There are obviously some initiatives from which we are looking to learn to see what we might be able to replicate in New South Wales.

**Mr ANTHONY ROBERTS:** It is just wonderful being part of the Commonwealth.

**The Hon. JOHN GRAHAM:** I return to the Sydenham to Bankstown corridor and in particular the social infrastructure that is provided there. When will you start identifying specific sites to put on maps and circulating them to identify for the community where facilities, in particular, schools, will be?

**Mr ANTHONY ROBERTS:** As you would be aware, the draft strategy forecasts some 35,000 homes, as we mentioned before, and almost 9,000 additional jobs along the corridor by 2036. The initial strategy was released in October 2015. That revised strategy addressed the feedback received from a number of public seminars, community workshops, meetings and additional technical and heritage studies. I will ask Deputy Secretary Nelson to see whether we have exact time frames or we can provide—

**The Hon. JOHN GRAHAM:** It is that time frame I am interested in.

**Mr NELSON:** The revised plans that went out recently for the community drop-in sessions identified the locations of the additional school sites and also the open space that is being proposed.

**The Hon. JOHN GRAHAM:** You are saying the school sites have been identified for this corridor?

**Mr NELSON:** There are some school sites that have been identified now.

**The Hon. JOHN GRAHAM:** Some school sites?

**Mr NELSON:** Yes, they have been identified.

**The Hon. JOHN GRAHAM:** How many school sites have been identified?

**Mr NELSON:** The sites have been shown on the plans that have been circulated. We are still working closely with the Department of Education to make sure that the planning for each of those precincts along that corridor has the appropriate provision in the future. As part of this drop-in session—which was really intended to go back to the community after the 2015 consultation to say, "This is what we heard you say"—we have done a fair amount of work since then and we will be going out late this year or early next year to do further consultation when we will have further fine-grained information.

**The Hon. JOHN GRAHAM:** Thank you. That is exactly my question. Minister, could you give a commitment to people living in the corridor today that you will not rezone sites and allow developers to start building before these bits of social infrastructure are built? We have to do this in the right order, do we not?

**Mr ANTHONY ROBERTS:** That is what good planning is about. That is why these precincts are so critical. As I stated before, it brings everything together. We are looking at 35,000-odd new schools over the next 20 years. Not all those schools or facilities will need to be built before—

**Mr DAVID SHOEBRIDGE:** Thirty-five thousand new homes.

**Mr ANTHONY ROBERTS:** I should have said 35,000 new homes. For us, it is ensuring that as those new homes are built and as the population increases we match those population increases with the necessary services before that population moves in, or concurrently with that.

**The Hon. JOHN GRAHAM:** Given that many homes—35,000 dwellings—is it true that there has just been no consideration of the traffic forecast for this area? There has been no specific study of traffic for the corridor. Is that accurate?

**Mr ANTHONY ROBERTS:** For the entire corridor? Deputy Secretary?

**Mr NELSON:** No, that is not true. We have done extensive studies, all of which are available on our website. We made all those studies available at our recent drop-in sessions where we had more than 1,000 members of the community come in.

**The Hon. JOHN GRAHAM:** I appreciate that answer.

**Mr NELSON:** If I could just touch on the schools? As part of the process for each of these precincts we will be progressing with rezoning in four of the 10 stations, and in those four we will have a special infrastructure charge program, which will be out for consultation shortly, which will identify site by site,

location by location, every school, every piece of open space, every regional road upgrade that might be needed, every piece of State infrastructure that will be provided in those communities. So there will be full transparency. We are working on it, and the recent drop-in sessions have really confirmed that the Government is on the right track, that it has been listening to what the community is saying—

**The Hon. JOHN GRAHAM:** I want to move to another issue.

**The Hon. TREVOR KHAN:** You are entitled to a full answer. You do not need to cut across.

**The Hon. JOHN GRAHAM:** I am entitled to ask questions in my own timing.

**The Hon. TREVOR KHAN:** Point of order: The question is still being answered and the Committee as a whole is entitled to know the information.

**The CHAIR:** The member is able to divert to another question. If the Minister has a reasonable answer he may want to take the rest of the question on notice.

**The Hon. JOHN GRAHAM:** I will be interested to see that.

**Mr ANTHONY ROBERTS:** Absolutely. I will be very keen to ensure that all the Committee sees that we are being open and transparent. Again I remind people that this is up on our website. A lot of these things can be looked at—in fact, we encourage people to engage with us around this because at the end of the day it is just about good government, and that is what I think we are here for.

**The Hon. JOHN GRAHAM:** On a separate issue, Minister, now we have finished with that and it is taken on notice, have you been advised at any time of phone calls from your colleague Victor Dominello to Ryde councillors in relation to a Holdmark development?

**Mr ANTHONY ROBERTS:** I will have to take that on notice.

**The Hon. JOHN GRAHAM:** Are you aware of concerns that those phone calls linked preselections to councillors' votes on planning decisions?

**Mr ANTHONY ROBERTS:** I will take that on notice.

**The Hon. JOHN GRAHAM:** Thank you, Minister. I want to turn to some workforce issues in the Department of Planning. The number of senior executives across the public sector generally is about 1 per cent. That is true across the sector generally. It is also true of, say, an agency like Family and Community Services [FACS]. The figure for the Department of Planning is about 10 per cent of the employees of the department—67 of 636, and I indicate that these are 2015-16 figures—are Senior Executive Service. Do you believe that is appropriate when you look across government?

**Mr ANTHONY ROBERTS:** I am blessed within my department to have some of, I would say, the best planners in the world. We have at the moment, you would say, a planner shortage. Deputy Secretary Nelson, I think, is president of the Planning Institute of Australia [PIA]. My recommendation is always to young people: have a look at planning. If you want a career that is going to take you through your life, planning is fantastic. To your point, planners are highly sought after, but I do not think our turnover really is outside the norm. It might be by about 1 per cent from the average but I will ask Secretary McNally to give you the exact figures.

**Ms McNALLY:** Mr Graham, your question went to the number of executives, is that correct?

**The Hon. JOHN GRAHAM:** Yes, that is right.

**Ms McNALLY:** There are around 65 executives at present in the department. One of the things you need to take into account is the different roles of departments. For example, a department such as FACS does a lot of on-the-ground service delivery, whereas a department such as the Department of Planning does a lot of technical analysis and a lot of policy development. So the numbers are really set by any particular secretary based on the sort of work that needs to be undertaken. The Public Service Commission keeps an eye on the span of control that executives have and provides advice to secretaries about what is appropriate, given the sort of work that is undertaken within the department.

**The Hon. JOHN GRAHAM:** Thank you for that answer. Minister, to move to another issue altogether. I have raised concerns about music venues—particularly after the Harold Park Hotel was unable to have an acoustic guitar playing—and councils inappropriately blocking these sorts of activities. I thought you were pretty up-front in dealing with it. You said that you are prepared to listen to any ideas that the music industry has in this regard. Do you have anything else to add and are you prepared to meet with the music industry to really drive this agenda along?



**Mr ANTHONY ROBERTS:** Absolutely. Can I say, one of the great frustrations I think all of us have is the people, for example, who move next to an airport and then want the airport closed, or they move next door to a pub that has live music.

**The Hon. TREVOR KHAN:** Or a dairy farm and complain about the cows.

**Mr ANTHONY ROBERTS:** It is the old land-use conflict. But if you move next door to a pub that has live music, I have to say it is pretty obvious that you are going to have music. I am happy to meet with the industry. It is something I am very sympathetic towards. Our live music industry has gone through some difficult times in recent years.

**The Hon. JOHN GRAHAM:** That is right, there are venues closing and it is very expensive. Would it concern you to hear this, that one of the provisions that were put in place recently, and fought off in the end, was this requirement for the Sydney Fringe Festival—no disc jockeys [DJs] and no dancing.

**The Hon. TREVOR KHAN:** No dancing? That is outrageous.

**Mr DAVID SHOEBRIDGE:** That was the Methodist amendment.

**The Hon. JOHN GRAHAM:** I am not sure what the intention was to police that. It sounds like some sort of sequel to *Flashdance*. In the end that provision was not applied but it was recommended for this radical fringe arts festival. Surely we have to tackle these issues, Minister.

**Mr ANTHONY ROBERTS:** I am happy if you would like to set up a meeting between those who are affected by this and me from the point of view of doing what we can to assist with respect to night music, because this is not necessarily site specific.

**The Hon. JOHN GRAHAM:** That is appreciated, thank you.

**Mr DAVID SHOEBRIDGE:** An assumption that non-amplified music is used should be the basic assumption.

**The Hon. PETER PRIMROSE:** I am aware of the priority precincts that you indicated previously have been established but I have also heard of the concept of collaboration precincts. Can you or your officers address what the difference is between "priority precincts" and "collaboration precincts"?

**Mr ANTHONY ROBERTS:** From my original statement you would have seen that there is a lot of jargon and new definitions coming out. I will ask Sarah Hill to elaborate around our new collaboration. This is building again resilient communities, vertical villages and so forth.

**Ms HILL:** Absolutely, and improving liveability, sustainability and productivity.

**Mr ANTHONY ROBERTS:** In a collaborative manner.

**Ms HILL:** The commission takes collaboration very seriously, working with local government and local communities. In undertaking our work and preparing draft district plans, the commission identified the need to work with local councils to better coordinate and collaborate with local and State government agencies to achieve outcomes. The collaboration areas, of which we have a number that we are focusing on this year and dedicating resources to, are really built around the idea of bringing people around the table to work through common challenges and some of those long-held challenges that we have in areas such as greater Penrith, Liverpool and certainly in the Campbelltown and Ultimo areas, drawing together many of those key players to achieve positive outcomes and working with key stakeholders.

**The Hon. PETER PRIMROSE:** What do they actually do?

**Ms HILL:** They certainly have a different role to the priority precincts. They may look at identifying a need for improving public domain to achieve local strategies, working through key challenges across different State government agencies, and bringing them together in a coordinated approach to achieve the outcomes for the local area. That might be working between Roads and Maritime Services [RMS] and the council to resolve some road-related challenges, better understanding transport implications, bringing our good colleagues from Transport for NSW to the table to work with councils, or it may well be bringing the Department of Planning together with councils to work through some of those planning issues. Our commissioners, as experts in their field, are leading on the collaboration areas, providing their expertise in city making and contributing to positive outcomes.

**Mr DAVID SHOEBRIDGE:** What is a "collaboration area"? I still do not understand.

**Ms HILL:** It is an area that brings State and local government together to collaborate to achieve planning outcomes.

**Mr DAVID SHOEBRIDGE:** And what about private landowners?

**Mr ANTHONY ROBERTS:** Through me.

**Mr DAVID SHOEBRIDGE:** Through you, Minister.

**Ms HILL:** It is certainly of interest to private landowners. At this stage it is collaborating between local and State Government. There are opportunities in time for the model to evolve to hear from local landowners or other interests.

**Mr DAVID SHOEBRIDGE:** There are "collaboration areas", "priority precincts", "priority precinct growth plans", and "growth corridors". Do you have a comprehensive map of Sydney that will show all the proposed development for Sydney and if so, where is it?

**Mr ANTHONY ROBERTS:** Absolutely. Do we have one here?

**Ms HILL:** Yes, we do, Minister, in our Directions document of which I have a copy to hand.

**Mr ANTHONY ROBERTS:** I am happy to table that if that would be helpful.

**Mr DAVID SHOEBRIDGE:** That would be good.

**Document tabled.**

**Mr ANTHONY ROBERTS:** It is probably on the website.

**Mr DAVID SHOEBRIDGE:** Minister, who in the department is responsible for reviewing the 22 priority precincts and working out what their cumulative impact will be on the schools, transport and environmental constraints of the city?

**Mr ANTHONY ROBERTS:** You have come to the right place. Deputy Secretary Nelson will answer your question.

**Mr NELSON:** That sits with my division. With each one of the new priority precincts, we give those our fundamental consideration prior to making a recommendation to the Minister.

**Mr DAVID SHOEBRIDGE:** Mr Nelson, I am not talking about the individual assessments; I am talking about an overall assessment that looks at the 22 together and says, "This is going to stuff up our city" or "This is going to improve our city" or "The transport is going to collapse". I am talking about something that looks at the 22 precincts and works out their overall impact on our city.

**Mr NELSON:** Absolutely. You will have noticed over the course of the last two years the introduction of what are called land use and infrastructure strategies. The Minister released one very recently for Wilton. We have a number of them in the western corridor—we have Greater Macarthur, we have the Western Sydney airport, we have the north-west. All of those land use and infrastructure strategies are an aggregation of the priority precincts and address the growth issues you are talking about.

If we think about a hierarchy of instruments, the Greater Sydney Commission, through its regional plan and its district plans, will provide some level of guidance into the future. That will then inform our land use and infrastructure strategies and so on and so forth. Hierarchy of instruments is also very important in informing local governments, particularly through their LEPs. Their local environmental plans, following the reforms, are required to introduce strategic planning. That will become a fundamental element of guiding future growth.

**Mr DAVID SHOEBRIDGE:** Is there a report that you can point to that looks at the 22 priority precincts and works out what their overall impact will be?

**Mr NELSON:** I can point to a number of land use and infrastructure strategies that have been released and I can point to a number that will be released later this year. You will see the relationship not only within the precincts but also more broadly within the regions.

**Mr DAVID SHOEBRIDGE:** If you give that detail on notice, I would appreciate it. Through you, Minister, to Mr Nelson, you said that there were four stations in the Sydenham to Bankstown priority precinct for which rezoning proposals would come out soon. What are those stations?

**Mr NELSON:** Belmore, Lakemba, Canterbury and Campsie are the four. The others, which are being addressed through the corridor strategy, will be providing advice and guidance to local government in relation to planning proposals that they may receive. Once these rezonings have been completed it may well be that the

department, working in consultation and partnership with local government, will progress further rezonings. At this stage, that is the focus. We should also note that the rezonings we are looking at through the corridor strategy are working on 20-year growth. Whilst we are talking about the immediate forecast, we are thinking more broadly about what this will look like over the next 20 years.

**Mr DAVID SHOEBRIDGE:** Through you, Minister, for clarity, when do you estimate the detailed planning maps for the rezonings for the Belmore, Lakemba, Canterbury, Campsie precincts will come out?

**Mr ANTHONY ROBERTS:** Deputy Secretary.

**Mr NELSON:** We would expect those next year. The submission period has just closed and we are going through and reviewing the submissions that we have received. We are going to review the additional submissions from the community that we have heard. Those will help to reshape perhaps some of the precincts that we have identified. I would expect a further period of consultation on the rezoning package in early to mid 2018.

**The CHAIR:** Minister, the Australian Bureau of Statistics has projected that the Australian population will increase to between 36.8 million and 48.3 million by 2061, and reach between 42.4 million and 70.1 million in 2100. It is anticipated that by 2050 Sydney will be home to approximately eight million residents. Given the anticipated population growth Australia, and more specifically New South Wales, are facing, what planning measures is your department considering and putting in place in order to ensure that planning decisions have a view to the long-term future and population growth, not just short-term pressures?

**Mr ANTHONY ROBERTS:** That is a very good question. This Government is planning for the future through the Greater Sydney Commission [GSC] and through my department. We understand that there will be a considerable population burden placed on Sydney. That is why the current Sydney regional planning work is being done by the GSC. It is important to note that through good design and good planning in the provision of infrastructure we can continue to create even better communities, particularly through priority precincts, as we plan for future growth. One of the issues I face is that we have a population issue in Sydney, which is different from the population issue in rural and regional New South Wales. We will see a declining population outside of regional centres. We need a whole-of-government approach as well as assistance from both local and Federal jurisdictions to ensure that small towns, hamlets, that are currently in existence and under pressure do not turn into bad places to live, or effectively close down.

We want to ensure that people can get a job in rural and regional New South Wales and so are attracted to move there. We know that rural and regional New South Wales is already attractive, and we want to make it more attractive. Currently, the North Coast and the South Coast are experiencing increases in population, but in some regions in the bush one in three people will be over the age of 65 by 2036. That is why it is critical to have good planning, so we are planning for the housing types that are required as well as the medical facilities that are required by an ageing population.

With respect to Sydney, we have an unprecedented spend on infrastructure. As I said, we have the best planners in the world working on ensuring that our plan for Sydney delivers strong and resilient communities. I can guarantee that in 20 years there will be more trees in the Sydney basin than there are now—a hell of a lot more.

**The CHAIR:** Please take the rest of my question on notice. Last year's Standing Committee on State Development completed another report into economic opportunities for Aboriginal people. I personally think it is shameful that, although we hand back land to the Aboriginal people—the original people of this land—we shackle the economic opportunities with planning laws and instruments as well as environmental values. Aboriginal people need absolute autonomy so they can be the captain of the ship and its destination. Minister, when we return land to the Aboriginal people, do you support that they are able to self-govern and apply the zoning and land instruments that meet their cultural needs and their economic history needs?

**Mr ANTHONY ROBERTS:** Yes, I do. It is the empowerment that is critical.

**The CHAIR:** Hear! Hear!

**Mr ANTHONY ROBERTS:** I will ask the Secretary to respond further.

**Ms McNALLY:** We are doing a lot of work with Aboriginal communities at the moment. A good example is on the Central Coast, where we have been doing a lot of work with the Aboriginal land councils. The chief planner, in particular, and some of my more senior planners have been down there working with councils to understand what they need and to get broader and more detailed planning for them. We have been helping them to work with the councils to unplug some of the opportunities there. We have also been doing some work across broader regional Aboriginal communities.

We are currently looking at the barriers to their economic development and we are hoping to take forward some advice for the Government on that in the near future. We have taken a very strong focus—in fact, it is something I am personally committed to. When I came to the department we did not have any Aboriginal staff, for example. Over the last 18 months we now have 10 or 11 Aboriginal staff, and we are putting a very strong focus on that area.

**The CHAIR:** I note that during the inquiry one of the Aboriginal elders said we give them back "billy goat land" and they cannot do anything with it. If we are going to empower them, we should give them some autonomy over the land they receive back. Minister, the Committee for Economic Development of Australia reports indicate that the current pressure on Australians to own their own home could last decades unless all levels of government make changes to housing policy. If people are retiring without owning their own home there will be a potential strain on the government and on people who seek government assistance. Minister, if we are moving away from the great Australian dream of owning our own homes to a nation increasingly of renters, what changes to legislation can be made to support and secure long-term tenants? For instance, if we look at Europe, which has stronger tenant protections than Australia, renting is much more secure. An example is Germany, which caps rent increases to 20 per cent over three years. In New South Wales there is no cap on how much rent can be increased, and it is subject to comparison to other rentals in the area.

**Mr ANTHONY ROBERTS:** As housing Minister I welcome all proposals and opportunities to diversify the range of housing models in the State. The Treasurer has a taskforce looking at the option of build to rent. It calls for further investigation. The examination of build-to-rent models overseas shows it to have been successful. It is something I am interested in. Can I put a plug in for many of the larger firms in the development industry who have answered the call of this Government to come up with new innovative approaches. For example, Mirvac and Stockland are now quarantining part of their builds for first home buyers only. That means that first home buyers are competing with first home buyers to get into the market. Another approach is to have a staggered deposit. In Europe in some areas it is traditionally unusual to own your own home. People will sometimes live for generations in a home that they rent. There are a raft of tools to sort out the housing affordability issue. There is not a silver bullet. Supply is a critical issue and I welcome any proposals.

**The CHAIR:** Will you be abolishing stamp duty?

**Mr DAVID SHOEBRIDGE:** And bankrupting the State Government in one afternoon.

**The CHAIR:** Time has expired. I thank the Minister and his staff for attending.

**Mr ANTHONY ROBERTS:** I found it instructive, thank you.

**(The witnesses withdrew)**

**The Committee proceeded to deliberate.**