

REPORT ON PROCEEDINGS BEFORE

PUBLIC ACCOUNTABILITY COMMITTEE

**NSW GOVERNMENT'S MANAGEMENT OF THE COVID-19
PANDEMIC**

CORRECTED

At Macquarie Room, Parliament House, Sydney, on Friday 29 May 2020

The Committee met at 14:30

PRESENT

Mr David Shoebridge (Chair)

The Hon. Greg Donnelly

The Hon. John Graham

The Hon. Trevor Khan (via teleconference)

The Hon. Adam Searle

The Hon. Natalie Ward

The CHAIR: Welcome to the fourth hearing of the Public Accountability Committee's inquiry into the New South Wales Government's management of the COVID-19 pandemic. The inquiry is intended to provide ongoing parliamentary oversight of the Government's response to the unfolding pandemic. Before I commence I acknowledge the Gadigal people, who are the traditional custodians of this land. I pay my respects and those of this Committee to the Elders past, present and emerging of the Eora nation and extend that respect to other Aboriginal peoples present. This afternoon we will hear evidence from witnesses from the Planning portfolio, including the Minister for Planning and Public Spaces, the Hon. Rob Stokes.

The New South Wales Government's response to the COVID-19 pandemic cuts across many portfolios and arms of Government, each with a particular role to play in responding to both the health and economic dimensions of the pandemic. Even after we get through the worst of the public health crisis, the road to economic recovery will be long and difficult. The role of the State's planning agencies in boosting jobs and stimulating activity in a post-COVID-19 world is certainly a matter of public interest and is relevant to the scope of this inquiry. The enormity of what lies ahead of us may indeed warrant some recalibration of policy settings to encourage economic activity. However, we must not repeat the mistakes of the past and allow poor planning decisions that create inappropriate long-term development and unwarranted environmental damage. The balance must be struck more carefully now than ever before.

There is clearly a public interest imperative to know that the Government has not gone too far and that the planning controls and protections we rely on to ensure good planning outcomes, protection of the environment and livable neighbourhoods are not bent too far in our haste to stimulate the State's economy. As we have recently seen in the building industry, proper planning controls and effective regulatory oversight are paramount. These matters will be considered in this afternoon's hearing. I will make some brief comments about the procedures for today's hearing. Today's hearing is being broadcast live via the Parliament's website. A transcript will be placed on the Committee's website when it becomes available. 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—not a concern today with our social distancing rules.

I also remind media representatives that they must take responsibility for what they publish about the Committee's proceedings. It is important to remember that parliamentary privilege does not apply to what witnesses may say outside of their evidence at the hearing. All witnesses have a right to procedural fairness according to the procedural fairness resolution adopted by the House in 2018. There may be some questions that a witness could only answer if they had more time or with certain documents to hand. In these circumstances, witnesses are advised that they may take a question on notice and provide an answer within 21 days. I remind everyone here today that committee hearings are not intended to provide a forum for people to make adverse reflections about others under the protection of parliamentary privilege. I therefore request that witnesses focus on the issues raised by the inquiry terms of reference and avoid naming individuals unnecessarily.

Witnesses are advised that any messages should be delivered to Committee members through Committee staff. I also note that today's hearing is at somewhat of a distance as we are respecting the social distancing rules and everyone will probably need to speak up a little more clearly so as to be heard, notwithstanding social distancing. All witnesses from departments, statutory bodies or corporations will be sworn prior to giving evidence. I remind the Minister that he does not need to be sworn as he has already sworn an oath as a member of Parliament.

JAMES GEORGE BETTS, Secretary, Department of Planning, Industry and Environment, affirmed and examined

JAMES ERIC HEBRON, General Counsel, Department of Planning, Industry and Environment, affirmed and examined

The CHAIR: Thank you. Minister, the opportunity is now yours if you wish to give a quick opening statement.

Mr ROB STOKES: Thank you, Chair. I am here to answer questions. I respect the ambit of the Committee and I think your inquiries are quite appropriate and helpful because, in leading some of the economic response, as well as health response, to this crisis, I am well aware of the pitfalls that an ill-advised intervention in the planning system can bring about. Obviously I share the ambition of most members of this place to make sure that we appropriately balance the long-term social, economic and environmental interests of the State and make sure our resources are used wisely and responsibly. It is in that spirit that we are here to assist the Committee.

The Hon. ADAM SEARLE: Thank you, Minister, for coming along. Minister, can you tell us where the Powerhouse Museum Parramatta project is up to in the planning system and why it did not appear on either tranche one or two of the fast-tracking assessments?

Mr ROB STOKES: My understanding—I will provide some opening and then refer to the Secretary for further specifics—is that there is an environmental impact statement [EIS] that has been largely prepared. I understand we are waiting for a couple of documents before that is able to be collated and exhibited for public consultation. In relation to its non-inclusion in the tranches, it does not meet the criteria as it is not post-exhibition. I will refer to the Secretary for any further details.

Mr BETTS: No, that is a full explanation.

The Hon. ADAM SEARLE: What were the criteria for developing the two tranches?

Mr ROB STOKES: The criteria have been based very directly on the objectives of the Environmental Planning and Assessment Act. There are three criteria. The first relates to capital investment value in jobs because the fundamental objective of the planning system—I think the first of the objectives outlined in clause 1.2—is to promote the development of the State and its resources. So it is in line with that objective of the Act. The second criteria relates to shovel readiness of products—to use that hackneyed phrase. In the case of a planning proposal, it must result in a development application being submitted within six months. In the case of a development application, if consent is received it must result in actual construction commencing within six months. That is in line with an objective of the Act to provide for the orderly development of the State's resources—so this sense of a pipeline of orderly development.

The third criteria is that wider public interest requirements are met. The public interest in planning law is a little bit more nebulous a concept. Nevertheless, there are some clear pointers given to us in the legislation. We know, for example, affordable housing and public reserves correspond with the public interest. Public interest itself is one of the matters for consideration at clause 4.15 of the Act and it is best defined in contradistinction to private interest—those things that provide a wider benefit to the community, as well. Those are the three broad criteria that the department has used in developing the process for determining which of the projects that have been suggested to it should be subject to fast tracking. I will refer to the Secretary if he has anything further to add.

Mr BETTS: Thank you, Minister. The priority projects criteria of the document that I am holding sits on our website and is publicly accessible. It describes the criteria in more detail—the Minister has just summarised them—and it also points to a process which is overseen by me as Secretary to ensure that those criteria are applied in accordance with a framework that is also overseen by a probity auditor. That framework has been reviewed and supported by the Independent Commission Against Corruption.

The Hon. ADAM SEARLE: In relation to the Powerhouse matter, it is obviously not compliant with the fast-tracking assessment criteria, but it is a project that has been kicking around with the Government for some five or six years. Is it your expectation that it will soon fit the criteria and be able to go into this fast-tracked stream?

Mr ROB STOKES: It is difficult, in one sense, to speculate on hypotheticals because we do not actually have a complete EIS for exhibition yet. It would have to go through those exhibition stages before it would fit into the fast-tracking criteria. It certainly would not be in any tranche anytime soon.

The Hon. ADAM SEARLE: Okay.

The CHAIR: It might be cleared up in next week's Cabinet hearing.

The Hon. ADAM SEARLE: It may be. I noticed the Ivanhoe Estate was in the first tranche. I think that is in the Ryde local government area [LGA]. What was not in either tranches one or two was your Government's half-a-billion-dollar promised upgrade of Ryde Hospital or the promised \$100-million Macquarie Park bus interchange. Can you inform the Committee about where those two Government committed projects are up to? Are they not in the fast-track assessment process because they have not got to development application [DA] stage or is it still sort of on the never-never?

Mr ROB STOKES: I will not speculate on the wording you have used there but there are a number of projects in the Ryde area. Obviously, it is an area where there has been a lot of infrastructure development over recent years. The metro is a classic example, but also the Meadowbank school precinct, for example. In relation to where those projects are up to in the planning process, I am happy to take that on notice. Suffice to say, we look to fast track public and private projects where they fit the criteria. My speculation is that they just did not fit the criteria at this stage.

The Hon. ADAM SEARLE: Does the Secretary have anything further to add about why those two projects are not in either of the fast-tracked rounds?

Mr BETTS: I think it is appropriate to take it on notice but from my past experience as CEO of Infrastructure NSW there are literally hundreds of infrastructure projects being sponsored by the Government. That is before you come on to projects being proposed by private sector proponents, so there is a very large volume of projects out there. The intention of the acceleration program is to identify projects that can be determined in the ensuing four-week period. So there will be a large number of projects which are important projects, including to the Government, but which are not capable of being determined in that time frame, not least because of the requirements of the legislation that we undergo rigorous public consultation and consideration of the submissions that result from that consultation.

The Hon. ADAM SEARLE: So you have the criteria. Do you then just scour the planning system for projects that may or may not meet that criteria? Is there some body or group responsible for assembling likely candidates for fast tracking and then shortlisting them?

Mr BETTS: Yes.

The Hon. ADAM SEARLE: How does that work?

Mr BETTS: If the Minister is happy for me to answer that question?

Mr ROB STOKES: Yes.

Mr BETTS: Within the department I have two deputy secretaries, one responsible for planning and assessment and the other responsible for design and public space, which includes major rezonings or planning proposals. We have our own databases of the proposals and projects that are in the system. We scan those. We have also received, as is well known, a number of representations from members of the community and from members of the development sector about projects they would like to see fast tracked through this process. The analysis that is undertaken against the criteria and within the framework which is endorsed by the probity auditor is undertaken by officials within my department at deputy secretary level and that advice is then presented to me on a regular basis. We have had two tranches so far, as you would be aware, and the advice has come from the department and been endorsed by me.

The Hon. ADAM SEARLE: Minister, I think on 28 April you announced the first 24 projects in tranche one. Can you or the Secretary let us know how the Visy Dry Recyclables Facility got onto the list of projects to be fast tracked, given that the project had in fact been approved six days before the announcement?

Mr ROB STOKES: I am happy to either take that on notice or refer to the Secretary for further details.

Mr BETTS: I think it would be best to take that on notice.

The Hon. ADAM SEARLE: St Anthony of Padua Catholic School Redevelopment was announced the day after the fast track announcement. That is, you announced fast tracking and then the day after you announced that this project had already been ticked. That is a very quick turnaround. Is it not the case that a lot of these fast-tracked proposals were really almost at the edge of completion and you have just put them together, badged it as fast tracking to show that you are doing more than in fact is really being done?

Mr ROB STOKES: No. The short answer is no because over the same period—in the first tranche over four weeks about \$7.5-billion worth of projects went through that process but over the same period of time just through the ordinary processes of assessing State significant developments [SSDs], State significant infrastructure [SSIs] and planning proposals through the State processes about another \$2.4 billion was assessed. So these were identified because they met that criteria and went through a heightened process. Also, through the process of selection it was filtering those that could be dispensed with more quickly—when I say "dispensed", could be determined, rather, more quickly. In the first tranche there was also a sense—I mean part of what we are also seeking to do here is support confidence in economic activity and encourage investment. Confidence is a big part of that. To identify projects that can be determined very quickly is a big part of boosting confidence. We have refined the processes as the tranches have been developed and we will see that further refined as more tranches go through the system.

The Hon. ADAM SEARLE: From what you are saying I think the way in which it was portrayed is that you are looking for projects that can be swiftly moved through the system, including those that might have been unreasonably delayed. But looking through the ones that have been approved, a lot of them seem to have been very well advanced. It does seem that they have been chosen simply because they are very close to the edge of completion. I can see how that would help boost confidence by this appearance of the planning system really picking up speed.

The Hon. NATALIE WARD: Is there a question?

The Hon. ADAM SEARLE: But none of these have been—

The Hon. NATALIE WARD: Point of order—

The Hon. ADAM SEARLE: —taken from scratch, have they?

Mr ROB STOKES: No, I will be clear there. None of them have been taken from scratch, quite deliberately. That is, by their very nature they have to be post-exhibition because effectively all the evidence to support a decision must have already been gathered. This now relates to the internal processes within government of literally the grunt work of making a determination based on the assessment. There is the collating of all of that information, applying an assessment weighting to it but, effectively, we have had the benefit of councils' views and the community's views. On some of these projects—you mentioned the Ivanhoe Estates, for example, I think that it had been exhibited on two or three occasions, so we had a great deal of information and it was now just a matter of resources being prioritised within the department. We literally had the bodies available to undertake those assessments as quickly as possible to get them to determination. Does the Secretary have anything further to add?

Mr BETTS: Simply that if we are announcing that we are going to determine 24 projects in a tranche, as we did with tranche one, and that those will be determined within 28 days, then it should not come as a surprise that projects are being determined on a very frequent basis during that 28-day period. Indeed, the process of identifying the projects for the purposes of fast tracking was completed a little while in advance of the announcements being made so we got cracking immediately, as soon as I had signed off on that process. We did not wait for media events in order to do that. It sends a signal to industry that whilst many of the projects we are determining in the first couple of tranches are projects which, as the Minister said, are at an advanced stage and had to be at an advanced stage because we are not proposing to subvert the planning system in any way here. It sends a signal to people whose projects may be in a queue that is a little bit longer term that the better job and the more efficient job they can do around getting their documentation together that the department will be ready to respond efficiently with its determination in the weeks and months ahead—hence the confident building message.

The Hon. ADAM SEARLE: Just on the issue of confidence building, I think when you announced the fast-track program the claim was that it would create 9½ thousand jobs and a few weeks later—by the end of the first tranche—the claim had been increased to 20,000 jobs. By what criteria were you assessing this job creation metric? How did it suddenly have an uplift of almost double within just a few weeks?

Mr ROB STOKES: I question your figures there. I do not think the job figures changed. The original assessment was based on—that was the number of jobs. There is a well-used formula within government to determine how many jobs are created. In most of the projects, from recollection about one-third of them related to construction jobs and about two-thirds related to ongoing jobs. It depends from project to project. That was about the total number of jobs that could be supported—

The Hon. ADAM SEARLE: Could be supported?

Mr ROB STOKES: But of course that was not seeking to prejudge that every single one of those projects would be approved. In fact, in that first tranche there was one that was not approved and so obviously those job numbers would have to be subtracted from the total.

The Hon. ADAM SEARLE: Just one example from tranche one was the Mount Druitt CBD—that is, the Local Environmental Plan [LEP]. I think in the documentation of tranche one the claim was that it would create just under 3,000 jobs. But then when you look at the press release from yourself and the Premier of 21 May, that same project, Mount Druitt CBD rezoning, the claim is that it will create 15,000 jobs. So within a few weeks it has gone from 3,000 jobs, or slightly less, to 15,000. Just to be clear, you are not saying that is actually the number that will be created over the next six or 12 months—it is a figure of how many jobs could be created over a decade? Two decades?

Mr ROB STOKES: Just so I am clear, I will clarify on notice if required. But my understanding is that the job figure initially was the one I understood to be based on the work itself. Obviously a rezoning facilitates development over a much longer period of time, which could support a range of jobs in a range of sectors, not just construction. That would, I imagine, explain the bigger of the two figures. I am not sure if the Secretary had more specificity to add to that one?

Mr BETTS: The way in which we assess the employment impacts of projects that are being fast tracked has evolved over time. We wanted to make sure that, particularly for rezonings, which are intrinsically a longer term proposition than immediate development applications, we had in place a methodology which was signed off by the Chief Economist within Treasury and was supported by NSW Treasury. We developed that in parallel with the identification of the projects in the first tranche. We refined our methodology but always within the context of those criteria where there was a heavy weighting towards jobs.

The Hon. JOHN GRAHAM: What time frame are you using for that? What is the time frame for recalculating those jobs now with the new methodology?

Mr BETTS: As has been explained, where a DA is being determined the expectation will be that construction will start within six months. Where it is a rezoning, a DA will be lodged within six months and then we make assumptions around projections around immediate construction jobs and then ongoing jobs which will flow from that over the long term.

The Hon. JOHN GRAHAM: What is the longer term?

Mr ROB STOKES: I would imagine—

The Hon. JOHN GRAHAM: Perhaps on notice—

Mr ROB STOKES: I imagine it would be the life of the project and, in the case of a rezoning, it would be the anticipated period over which that rezoning would be facilitated because generally it is imagined out to a particular end date. I would say on jobs figures, I know that there has always been—I remember being in Opposition and we would take issue with various jobs figures. Can I just reassure the Committee that these jobs figures are certainly tight in relation to the shovel-readiness criteria, which is a big part—it is always a challenge in talking with the development industry about ensuring that things are developed in a timely way, but one of the assessment criteria is getting a granular understanding of how likely these developments are to be delivered upon in a short period of time. Because, of course, we all know that that there is enormous capacity to speculate on an increased land value on the basis of getting development consent for something. They are not the projects we are interested in at the moment. The projects we are interested in, and the whole point of the acceleration project is to sponsor and support those projects that will develop jobs in the short term and also a pipeline of jobs into the future.

The Hon. ADAM SEARLE: Sure. Do not misunderstand me, Minister, I am not taking issue with the figures, I am trying to understand their basis.

Mr ROB STOKES: Yes, I understand.

The Hon. ADAM SEARLE: For example, most of the jobs claimed around the first tranche do appear to flow from LEP changes and the Mount Druitt one is a good one because there is a 7,000 increase from the announcement to a few weeks later afterwards. Are we assuming that that is the estimated or hoped for jobs to be created over the five-year life of that new LEP? Is that a correct assumption?

Mr ROB STOKES: That would be my assumption as well but I will clarify on notice.

The Hon. ADAM SEARLE: I am happy for you to take it on notice. I do not know and I am not asking if you cannot share some sort of State secret, but it would be interesting to understand the methodology that underpinned the original assessment and the final assessment of job estimates, because I note that a fair amount of the dollar value of these projects and job creation potential flowed from changes to LEPs rather than from specific infrastructure projects. Again, I am just trying to understand the basis upon which the dollar values and job estimates were reached so we can understand how the department reached those.

Mr ROB STOKES: This is the iterative nature of it. It was a herculean effort to get all this done.

The Hon. ADAM SEARLE: I am not being critical, I am just trying to understand.

Mr ROB STOKES: I had to work like Hermes to get it all through the system as quickly as possible but in that there were different tranches of projects. Some are planning proposals—rezonings. They are going to have different characteristics to public infrastructure projects that will have different characteristics again to private developments. Even then, obviously residential developments will have different characteristics to manufacturing jobs. The utility is comparing within categories, not so much between the different categories of development.

The CHAIR: But you will give that further detail on notice?

Mr ROB STOKES: Absolutely.

The CHAIR: Good afternoon, Minister, Mr Hebron and Mr Betts. There is a COVID-19 response committee or team that you have established within the department. Is that right, Minister?

Mr ROB STOKES: In relation to matters within the department it is probably appropriate that I refer to Mr Betts.

Mr BETTS: That is correct, yes.

The CHAIR: What is it called? COVID-19 response something?

Mr BETTS: I just call it my deputy secretaries group. Planning Systems Response COVID-19.

The CHAIR: That has some deputy secretaries and some others on it?

Mr BETTS: Correct.

The CHAIR: Its purpose, I assume, is to identify projects and processes within Planning that will assist in dealing with the COVID-19 pandemic. Is that right?

Mr BETTS: Correct. We have a number of different groups within the department. Sorry if I am somewhat confused because we have groups that are dedicated towards ensuring the safety of staff within the department which meet on a regular basis, which is a crisis management team. Then we have groups within individual areas—whether it is environment, energy and science or in our planning and assessment teams—that are focusing on the outward facing response to COVID in terms of the levers the department can pull to support the community through the crisis.

The CHAIR: Yes, things such as if you are pulling together these tranche one and tranche two lists, doing stakeholder engagement to speak with the various proponents—that sort of stuff.

Mr BETTS: There are a range of different activities. As I have said, stakeholder engagement is an important part of that but there is a tightly defined decision-making framework overseen by a probity auditor and reporting it to me, which sits within that group, which is supported by those deputy secretaries.

The CHAIR: Yes, but you would not put someone's project on a tranche one or tranche two unless you had done stakeholder engagement. That would have to be part of it.

Mr BETTS: Well, you might if the proposal was already in the planning system, was at an advanced stage, you applied the criteria which had been documented, published, signed off by ICAC and you found that a project satisfied the three criteria to a significant extent. Then you might well fast-track it without engaging with stakeholders.

The CHAIR: Minister, you would agree that it is important if you are fast-tracking and going through your COVID-19 response to ensure that there were not conflicts of interests?

Mr ROB STOKES: Which is precisely why we sought advice from the Independent Commission Against Corruption because we were very aware that a fast-tracking process creates the opportunity for discretion and with discretion, creates the opportunity for corruption. That is why a probity auditor has been appointed to sit

in all the discussions in relation to the selection of projects for potential fast-tracking well before I am involved in the process.

The CHAIR: But you agree ensuring that there is not a conflict of interest in your COVID-19 response between the interests of the development industry and the department—and through the department the people of New South Wales—ensuring that there is not a conflict of interest is important? You would agree?

Mr ROB STOKES: You obviously have something in mind. I am taking the question in the abstract, so I am not quite sure—

The CHAIR: It is a nice simple question that I would just like an answer to, Minister.

Mr ROB STOKES: Okay. Can you ask it again? Sorry.

The CHAIR: You would agree that ensuring there is not a conflict of interest between the interests of the development industry and the processes and controls of the department and through that the protection of the public interest, you would want to make sure that there is not a conflict of interest in the department? You did not have people or processes that created a conflict of interest? That would be important to you I assume?

Mr ROB STOKES: Of course conflicts need to be identified and managed and of course in the case of public processes, there needs to be a clear separation from the interests of individual corporations or applicants and I am satisfied that the process has been developed in such a way to identify and manage any conflicts that might be identified.

Mr BETTS: And the Minister looks to me as Secretary of the department to ensure that any employees of the department or anybody else engaged in any of these processes either does not have any conflict of interest or certainly does not have any conflict of interest that cannot be satisfactorily mitigated and managed. That is my responsibility.

The CHAIR: Okay. One of the organisations which has a direct interest in the outcome of the tranche one and the tranche two processes and the COVID-19 responses, one of those organisations would be the Property Council of Australia. Would you agree with that? They have a clear interest.

Mr ROB STOKES: More broadly I think everyone in New South Wales has an interest in the outcomes.

The CHAIR: But I am asking you about the Property Council of Australia. They have a clear pecuniary interest. Their members have a clear pecuniary interest in the outcome.

Mr ROB STOKES: Hang on, you have said two things there: the Property Council having a pecuniary interest and their members having a pecuniary interest.

The CHAIR: Well, the Property Council does through its members.

Mr ROB STOKES: You would have to speak to them in terms in relation to their interests. What I can say is yes, there are a number of stakeholder groups that are usefully spoken to in terms of identifying what projects are in industry and to advocate on behalf of industry more broadly. That includes a range of industry groups including the Property Council.

The CHAIR: Minister, how is it that your department has seconded an executive director from the Property Council of New South Wales to act as an executive director for the department on the COVID-19 response—such an obvious conflict of interest. How have you brought on board an executive director from the Property Council and actually put them square in the middle of your COVID-19 response? How has that happened?

The Hon. NATALIE WARD: Point of order: In fairness, you should identify if that is possible, the person to whom you are referring. You are assuming knowledge on the part of—

The CHAIR: I am happy to put William Power's name on the record if the Government insists but I was endeavouring not to.

The Hon. NATALIE WARD: I do not wish to embarrass the person—

The CHAIR: I was endeavouring not to.

The Hon. NATALIE WARD: I do not want to assume knowledge on the part of the Minister of this particular matter.

The CHAIR: Minister, how is it that you have put an executive director—they moved straight from the Property Council on a secondment, not on a permanent removal—straight from the Property Council, straight on as an executive director on your COVID-19 response. How did you allow that conflict of interest?

Mr ROB STOKES: A couple of things: Obviously, appropriately staffing numbers are a matter for the Secretary, so I will refer to him in relation to his decisions in relation to his staffing. But before I do so, I just note that in the outset you did identify that I should be careful not to identify individuals which you have just done. Nevertheless I also point out—and I want to be clear here—that I have no understanding that anyone within the department, certainly not the person you have identified, has done anything untoward and I do not believe that there is any conflict of interest.

The CHAIR: I want to be clear. It is the perception of a conflict of interest that I am raising with you here. Stepping out of temporarily the role as an executive director of the Property Council and stepping directly into this key COVID-19 response position within the department and only doing it as a temporary measure because they are going to go straight back to the Property Council after. It is such an obvious conflict of interest. How did it happen?

Mr ROB STOKES: Firstly, I will refer to the Secretary in a moment for specifics in relation to staffing matters in the department. But once again you spoke about a perceived conflict of interest and then you spoke about an actual conflict of interest. I do not believe that to be the case. I would also suggest that the only way in which such a conflict might arise would be if this person had any role in the assessment or selection of projects. Nevertheless, to answer that question I will refer you to the Secretary.

Mr BETTS: The Minister is right to say that you have simultaneously said that there might be a perceived conflict of interest and then you have asserted, Mr Shoebridge, that there is a conflict of interest so—

The CHAIR: I want to be clear.

The Hon. NATALIE WARD: Hang on, let him answer. He was endeavouring to answer your question. Why not let him?

The CHAIR: There is a direct conflict of interest between the interests of the Property Council and the interests of the department. There is a direct conflict of interest so I want to be clear.

Mr ROB STOKES: But again, Mr Shoebridge, you said that this gentleman had a conflict of interest, you did not say that the Property Council had a conflict of interest.

The CHAIR: There is a conflict of interest if you have taken temporary secondment from the Property Council where you are the executive director and you are working for the department. If you cannot see the conflict of interest, I find that troubling, Minister. But to answer your question, Mr Betts, a direct conflict of interest is the proposition I am putting to you.

Mr BETTS: That is the assertion you are putting to me. Mr Power has taken leave without pay from the Property Council on a short-term, a fixed-term appointment with the department. He is supporting us in engaging with a range of stakeholders. He is very familiar with the industry from his previous role but he is not involved in any assessment processes. He is not involved in any process of assessing which projects should be fast-tracked for the purposes of determination and he is certainly not involved in any process associated with the actual determination of those projects. So to the extent that he is entirely distanced from any decision-making role associated with the planning system, he has no conflict of interest. I am clear on that as Secretary of the department and I am happy to give the opportunity for my General Counsel, James Hebron, to provide any commentary he might want to provide.

Mr HEBRON: There is little I can add to that really. There is no direct conflict. There is no direct conflict being—there may be the potential for a perceived conflict and that has been addressed because Mr Powers engaged in basically a communications role. He has no role in relation to the decision-making whatsoever, so there is no actual conflict.

Mr BETTS: And as an employee of the department, all employees of the department are required to declare any interests they might have any conflict of interest flowing from those can be appropriately managed. I am satisfied that process has been followed.

The CHAIR: This gentleman's role is Executive Director of COVID-19 Response (Stakeholder Engagement). Of course one of the board members of the Property Council of New South Wales is a senior executive from Mirvac. Can you guarantee to this Committee that Mr Power has had no contact at all with Mirvac in his role as an executive director of the COVID-19 response?

Mr ROB STOKES: Again I will refer you to the Secretary.

Mr BETTS: I would sincerely hope that he has had contact with Mirvac and with a range of other people in the development sector, as have I. This is a process where we are attempting to support the development sector through a major crisis but to do so in a way that is entirely consistent with the spirit and the letter of the Environmental Planning and Assessment Act and all relevant probity considerations. But that does not require us to sit in isolation from the major employers in this State and have no communication with them. I am confident that Mr Power has had contact with Mirvac and with other peak bodies besides the Property Council and I would expect him to do precisely that because that is what I am paying him to do.

The CHAIR: Minister, can you understand how the community would be deeply distressed by the response of Mr Betts, given that Mirvac has had fast-tracked the highly controversial project in West Pennant Hills which is proposed to clear a substantial amount of forest in West Pennant Hills? Can you understand how disturbed the community would be to hear that the executive director of the Property Council was involved in stakeholder engagement for that project?

Mr ROB STOKES: Well again, stakeholder engagement for that project—I do not think there is any suggestion he has been involved in stakeholder engagement for the project. That would be a matter for Mirvac. In relation to the selection of projects in terms of talking to stakeholders about those sort of projects that are able to be advanced, Mr Betts has explained how, of course, the department will communicate with applicants and proponents on a daily basis. It is impossible to imagine a planning system where you cannot talk to the people putting in applications. The point of the planning system is to have clear engagement, to have a collaborative process of talking to applicants, of talking to councils, of talking to community members but ultimately to identify all the evidence required to make a determination one way or another in relation to a project. The project of which you speak is one that was lodged a couple of years ago. It is post exhibition. The council has been thoroughly consulted. Local members have expressed views in relation to it.

The CHAIR: They have all opposed it, Minister.

Mr ROB STOKES: Mr Shoebridge, that is not a reason—

The CHAIR: They have all opposed it and your stakeholder engagement person has put it back on.

Mr ROB STOKES: That is not a reason not to make a decision in relation to an application. Just leaving applications in limbo forever does not actually help anybody. The point is to get an application to a point where it is determined one way or another. The decision has been made by the department that there is sufficient information available to get a quick decision in relation to that project. I would have thought that is in everyone in the community's interests to have a determination based on the clear advice of the department that they have sufficient evidence on which a decision can now be made. I think that is in everyone's interest.

The CHAIR: Minister, are you saying you have no difficulty with an executive director of the Property Council of New South Wales being on temporary leave and being involved in stakeholder engagement on behalf of your department and the people of New South Wales in relation to a project that is being brought forward by a development corporation—in this case Mirvac—one of whom's representative is on the board of the Property Council of New South Wales? Are you saying that does not trouble you at all?

Mr ROB STOKES: Again, Mr Shoebridge, there has been a very clear answer in relation to—

The CHAIR: But I am asking you Minister?

Mr ROB STOKES: And I am providing my answer. You have heard clear evidence from senior people within the department that there is no actual conflict of interest and in relation to the bar you seem to be putting, that would be almost impossible for the department to speak to anyone at any stage because the nature of people with expertise in property and planning industries is that at one stage or other they may have worked for someone involved in the system at some point along the way.

The CHAIR: It would be impossible for anybody that had a position to go to with the Property Council of New South Wales to do it without a conflict of interest. You agree with that do you not? If you had a job you were going back to with the Property Council of Australia New South Wales division, if you had a job there, you would clearly have a conflict of interest and that is why you should not have done it, Minister. Do you not understand?

Mr ROB STOKES: Again, Chair, you have had the benefit of legal advice on this matter. The Committee has been told there was no actual conflict of interest, so there is the answer to your question.

The CHAIR: Mr Hebron, did you provide written advice about the conflict of interest?

Mr ROB STOKES: Can I intervene there to say that he has provided advice right now to the Committee.

Mr BETTS: Under oath.

The CHAIR: Mr Hebron, did you provide written advice to the department about the conflict?

Mr ROB STOKES: You can ask questions through me and straightaway I will say, before I reflect to the Secretary and then through the Secretary to the General Counsel, the Committee is getting the benefit of advice under oath right now. So regardless of what other advice Mr Hebron has provided, he has provided his advice directly to you on the questions you have asked under oath right here right now.

The CHAIR: Minister, I ask again through you has written advice—

The Hon. NATALIE WARD: Chair, he has answered the question a number of times.

The CHAIR: He has not answered the question, with all due respect.

The Hon. NATALIE WARD: Point of order: He has answered the question now twice. I do not think this line of questioning is going to get any further as we have already been down this path twice. So I ask that you rule on your own question if you are able to do so?

The CHAIR: I am happy to do that. Your point of order is that I have asked it before and that an answer has been provided.

The Hon. NATALIE WARD: Yes.

The CHAIR: I note your point of order. I do not think there is a point of order on that.

The Hon. NATALIE WARD: Really? What a surprise. I am gobsmacked.

The CHAIR: Minister, I do not know why you will not ask Mr Hebron whether or not he has given written advice? I cannot understand why we are having this stand-off.

Mr ROB STOKES: No, I am just making the point. You can get the advice in writing if you want but you have got it right now.

The CHAIR: The point has been made.

The Hon. NATALIE WARD: It does not get better than this.

The CHAIR: Have you provided written advice addressing this executive director of the Property Council who is on temporary secondment? Have you provided written advice addressing the actual or potential conflict of interest that he has with his role for the department?

Mr HEBRON: I will need to take that on notice, sorry.

The CHAIR: Mr Betts, are there any arrangements in place to ensure that if somebody such as this gentleman is going to have ongoing commercial or personal links—and by that I mean personal financial links—to a proponent to have that raised as a conflict of interest and to have someone step aside and not undertake duties where there is that conflict?

Mr BETTS: Are you implying that Mr Power has a direct financial association with a proponent?

The CHAIR: I beg your pardon?

Mr BETTS: Are you implying or stating that Mr Power has a direct financial link with a proponent?

The CHAIR: I am suggesting that given he is employed by the Property Council of Australia—

Mr BETTS: He is actually employed by me at the moment.

The CHAIR: I want to be clear, Mr Betts. Given he is employed by the Property Council of Australia and would require the confidence of the board, that to the extent that board members of the Property Council have a financial interest in their projects he has a pecuniary interest in that regard, I am wondering whether or not that is captured by your conflict of interest procedures and, if so, what if any pecuniary interest notifications he has provided?

Mr BETTS: I will have to take on notice what pecuniary interests he has provided. I just do not have that information to hand other than to say it is standard practice for all public servants in New South Wales—of

which Mr Power is one—to provide declarations of interest. But the critical point here, which you appear to be missing, is that he is not involved in any determinative process either in terms of the fast-tracking of individual projects, or the determination of those projects. He is a professional stakeholder engagement person who is doing precisely that. That is what I have asked him to do and it does not create any conflict of interest.

The Hon. ADAM SEARLE: Mr Shoebridge was asking about the West Pennant Hills project, I think it is the Mirvac site formerly the IBM site around that. That has now been selected for fast-track notwithstanding there is a long history of local community and council opposition to the proposal. The public schools in that area are I think oversubscribed, that is, they are completely full. I think I am right that your Government proposed a new hospital at Rouse Hill in 2015 and I do not think the site for that has even been acquired. So you have got the associated public infrastructure around that area in the form of schools and hospitals still lacking or not keeping pace with development. Is it appropriate to have selected that particular proposal for fast-tracking when the supporting social and community infrastructure is still behind what even the current community needs.

Mr ROB STOKES: A couple of things here. First, it was selected on the basis of the criteria so—

The Hon. ADAM SEARLE: I understand.

Mr ROB STOKES: But also, going back a step, the current site, the totality of the site has a business park zoning.

The Hon. ADAM SEARLE: Yes, it is a—

Mr ROB STOKES: So there is a whole range of permissible uses on the site right now. I understand the planning proposal proposes to convert quite a large proportion of the site to environmental conservation, so actually a lower intensity of development on that site than is currently permissible with consent at the moment. So that is just a point to make. Nevertheless, I do understand that it is a change of use involving a change to residential use, which is always controversial. But my understanding is the business park at the moment is basically unused and in a period when we need to effectively provide as many jobs as possible we need to also be quite—I think that is another thing to take into account in looking at this matter. I also stress at this point to say that this is merely being fast-tracked in order to facilitate a determination. That is not to say that it will necessarily be approved or necessarily be refused. It is just that all the evidence is there necessary to support a decision one way or the other. Even though it was not my selection of that project in any sense, I certainly do not see that the public interest is served by further delaying what will necessarily be a difficult decision one way or the other.

The Hon. ADAM SEARLE: Do not misunderstand me. I think my perspective on the matter is a little bit different to Mr Shoebridge's. I was not taking issue with the proposal for change of use nor necessarily with it becoming residential, it was more that obviously with residential you are going to increase population in the area. The point I was trying to make and invite a response from you is that you need to have physical and social infrastructure to support communities and help them have better lifestyles. Obviously intrinsic to that is health services and school services. That area is already struggling with both of those because that form of infrastructure has not kept pace even with the existing population and yet this proposal would in a 600 unit way increase the population pressure on those services. Should not your fast-tracking criteria include the need for supporting infrastructure? Should not that also become a focus of the planning system so that you can have the accompanying supporting infrastructure at the same time as increased development?

Mr ROB STOKES: The answer to that is that all of the other processes continue in exactly the same way. So the decision-maker would have to take into account whether or not they are satisfied that there is sufficient current or future infrastructure to support the development anticipated by that rezoning. They would no doubt reflect on the State Infrastructure Strategy, on the relevant district plan and the Greater Sydney Commission's plan, the Metro plan for Sydney as well as the Long Term Transport Master Plan and those sorts of things, to identify the sort of infrastructure that is available and will be available to support development on that site in informing their decision-making.

The Hon. ADAM SEARLE: Sure, and I guess one of the issues about the planning system which all governments have struggled to deal with is that in a sense it is proponent led, isn't it? You have got the planning rules in place and you are dependent on people to come forward with ideas. The difficulty with that seems to be that often there is a lag in providing the necessary infrastructure. Do you have any plans, particularly in the current circumstances, to get ahead of that curve, to actually ensure that areas where there is proposed growth actually have this supporting infrastructure at the same time as growth is taking place?

Mr ROB STOKES: That is the Holy Grail of planning and that is something the Government is making big strides on. I would take a different view respectfully.

The Hon. ADAM SEARLE: Yes, I think we will have a different view on that one.

Mr ROB STOKES: The three plans I spoke about—the State Infrastructure Strategy, the Long Term Transport Master Plan and the Metro Strategy—were all delivered at the same time, with the benefit of the same data sets, for the first time in New South Wales history in 2018. With schools, for example, we have a 10-year plan which has never been provided in the past so we are doing a lot more long-term planning and the identification of infrastructure necessary to support different levels of development, that is a big part of planning for contributions plans, section 7 (11) of the Planning Act and Special Infrastructure Contributions which is all about identifying both what infrastructure is required and the mechanism to pay for it as well. That is a lot of the work for example the Greater Sydney Commission has been doing with its pilot project for example around the Parramatta to Olympic Peninsula for example.

The Hon. ADAM SEARLE: I know that the Productivity Commission sees the issue of developer contributions, I think on referral from this.

Mr ROB STOKES: So there is a lot of work going there. It will always be, with the best planning system in the world, an inexact science because you do not quite know what the market is going to throw up in terms of ideas as to what people want to do with their land. In a democratic planning system, of course there will be direction from the State but there is also opportunity for landowners to put forward the ideas that they have and for them to be considered in light of the infrastructure available to support it.

The Hon. ADAM SEARLE: But much of the infrastructure ultimately has traditionally been the responsibility of Government to facilitate and provide.

Mr ROB STOKES: Yes. And if a proponent wants to do something quite different, then they take on more of a responsibility to provide the infrastructure that is identified as necessary to support that development.

The Hon. ADAM SEARLE: But unfortunately the end result of this, Minister, is the case where development goes ahead and communities do not have the infrastructure they need. They struggle at least for some period of time. That is not desirable, is it?

Mr ROB STOKES: No, and I guess the big lesson there would be *Sydney into its third century*, which was put out by then planning Minister Bob Carr. It quite deliberately put out ex-urban areas like Rouse Hill at the time with no public transport linking into the CBD. A lot of this Government's job has been to retrofit infrastructure, like the Metro for example, to link up those areas where there was no provision for public transport made. They are the consequences of decisions made 30 years ago. We want to make sure that the decisions we make do not create similar problems in 30 years' time.

The Hon. ADAM SEARLE: The Powering Sydney's Future project in tranche one, which was the TransGrid, I think the upgrade of the transmission system, the initial estimate when you announced the fast-tracking on 28 April was that would create 70 jobs. Then within a matter of weeks it is 140 jobs. Can you tell us what criteria was used to produce each of those two different evaluations?

Mr ROB STOKES: I will happily refer to the Secretary for more details.

Mr BETTS: I will take that on notice if I may rather than speculating but if it is similar to Mount Druitt we were talking about earlier on—

The Hon. ADAM SEARLE: Yes.

Mr BETTS: The initial estimate we talked about there was around 3,000. That was for construction only. Then we did more work to identify ongoing employment impacts which took that up to an aggregate of 15,000. I suspect that a similar relationship may exist between the two figures that you just described but I will take that on notice and I will come back to you.

The Hon. ADAM SEARLE: I would also like—particularly when it comes to the local environment plans (LEPs) and the claimed financial impact and the jobs—to understand exactly how you have calculated that because it does seem to be, as you have described it, an iterative process. It seems to have grown as it moved on.

Mr ROB STOKES: I did not describe that as an iterative process but I suspect what Mr Betts has suggested is what we are talking about. One relates to construction, the other relates to broader impacts of development. But we will take it on notice and get back to you.

Mr BETTS: Construction is obviously easier to calculate in the near term.

The Hon. ADAM SEARLE: I totally understand that. But again with LEPs, what is your time frame for those estimates? In tranche two was the Tweed Valley Hospital stage two. It has had an interesting history. In the budget papers in 2017-18 it was described as a \$534 million project. In the 2019-20 budget papers it was a \$582 million project. So it had gone up by 9 per cent in a year or so without much happening in the intervening period of time. In your fast-tracking announcement it is described as a \$673.2 million project. It has increased by \$139 million—a 26 per cent uplift in the cost in a few short years and it is not even out of the planning process. Again, how are these cost estimates developed? Are you reliant on the proponent to give you their estimate or is this an estimate developed by the planning department? Exactly how much reliance can be placed on these figures that are being bandied about?

Mr ROB STOKES: So an applicant is required to put in a capital investment value (CIV) to a project as part of a development application (DA) process for transparency. That is a defined term. I can refer to the Secretary for more detail in how a CIV is calculated. In relation to the difference with the budget papers, I can only speculate but I imagine either the project has been augmented or there are elements included in the development application that may not be identified in the budget paper. I cannot speak to that but nor is that my role. My role is to provide a system for the assessment of development applications and here we are guided by the applicant in terms of what they indicate on their documentation is the capital investment value. I am not sure if the Secretary has anything further to add?

Mr BETTS: Only to say that we would provide guidance on how to go about the calculation of the capital investment value of their project. From past experience there are a number of different methodologies you can use around the way you build escalation, the way you define the scope of these projects so it may be that it ends up being an apples and oranges comparison when you look at the CIV as specified in the planning system as opposed to a figure which might appear in budget papers but I cannot speak to the detail of that project I am afraid.

The Hon. ADAM SEARLE: A second example of this is the Fish Market project which again I think is in tranche two. It also has an interesting history. In November 2016 it is described as a \$250 million project. By September 2019 it is a \$750 million project, so it has tripled in price. Again, it is not out of the planning system and from what I can see the project seems to have shrunk in size from 35,000 square metres to 30,000. So we seem to be getting slightly less for triple the price. Again, where do these figures come from? Are they from the proponent or are they from your department?

The Hon. NATALIE WARD: Point of order: Unless I am confused, I think I am in the COVID pandemic inquiry, not budget estimates, and I understand that we are asking about fast-tracking of matters. Does the question relate to the Government's response to the COVID pandemic, or is it a general request on—

The CHAIR: I think because it is on the fast-track list, and the fast-track list was designed to respond to the COVID-19 pandemic. I do think it fits within the terms of reference.

THE Hon. NATALIE WARD: Thank you. I just wanted to clarify that.

Mr ROB STOKES: Access to fish is important at all times, including a pandemic. I can only speculate but I suspect the—

The CHAIR: That was a red herring.

The Hon. JOHN GRAHAM: You just broadened the scope of the inquiry significantly, Minister, but press ahead.

Mr ROB STOKES: I just do not know what was the subject of what was being announced in those earlier announcements as opposed to specifically the project that was being submitted for assessment. There is some clear guidance provided to applicants about exactly how to put together a CIV, so that figure would reflect the total investment value of the development for which approval is being sought. Whether that reflects all of the amount that might be in a budget envelope, that is a different question. This relates specifically to the development for which approval is being sought and precisely just those elements of it being sought in that application, that is its cost.

The Hon. ADAM SEARLE: So we can expect the assessment to be done fairly quickly because it is in the fast-track tranche. What concomitant obligation is there on those receiving these fast-tracked approvals to then put those approvals—shovel ready, as it were—into action on the ground? Is there a concomitant expectation or requirement that they get cracking?

Mr ROB STOKES: Yes. One of the clear criteria is that physical commencement be within six months in relation to a DA and in relation to a planning proposal that that DA be submitted within six months. But I will refer to the Secretary for more details.

Mr BETTS: That is correct. I will see if I can find in the documentation a precise reference to that, but we require proponents to attest that they will bring forward construction in the context of a DA and a DA in the context of a rezoning in order to qualify under the shovel readiness criteria.

The Hon. ADAM SEARLE: Taking, say, the Tweed Hospital or the Fish Market, assuming one or both are approved, should we expect this time next year to be seeing actual physical activity on those sites in terms of these two matters?

Mr ROB STOKES: That would be my expectation, and that was the basis upon which they were selected for fast tracking.

The Hon. JOHN GRAHAM: And they would have attested to that in the course of that process?

Mr ROB STOKES: I was not engaged in that directly but I will refer to the Secretary.

Mr BETTS: That is correct.

Mr ROB STOKES: Yes, he is indicating that is correct.

The CHAIR: On the Fish Market, construction has to start within six months of the approval. That is the time frame for the Fish Market, is it not, Mr Betts?

Mr BETTS: That is my understanding, yes.

The Hon. ADAM SEARLE: So we should be well and truly underway by this time next year?

Mr ROB STOKES: I am looking forward to it.

The Hon. ADAM SEARLE: That will be a matter for budget estimates next year.

The CHAIR: The \$1 billion Fish market project.

The Hon. ADAM SEARLE: That is a lot of fish. The three education projects in tranche one were all announced, I think, in 2018: the new public school at Riverstone, the new high school, library and community facility in Young and the education and employment precinct at Meadowbank. Can you shed any light on why those essentially government projects have taken so long in the planning system? Maybe you could start with the schools rather than Young—I think it has got some particular wrinkles on it.

Mr ROB STOKES: Casting back to my experience as education Minister, the decision to build a new school is based on existing and projected future increases in enrolment. But then of course once the decision to build the school is made there needs to then be a consultation process with the community, with the existing schools and surrounding schools as well as the appointment, for example, for a new school of a new principal, a project control group and then the appointment of architects and so on and so forth. Then there needs to be a public exhibition process, all leading to the submission of plans, and then there need to be all the relevant approvals or concurrences. Ultimately that results in an application that is approved. It is the same process for every school

The Hon. ADAM SEARLE: But in relation to the Alex Avenue Public School, when it was announced it was due to be completed by early 2021. Of the three-year life of the project, two years have been spent in the planning system. Again, can you specifically shed any light on why this has taken so long to get through the planning system one way or another? Is it still expected it will be completed by early 2021 or because of that delay in the planning system should it be expected to be completed later?

Mr ROB STOKES: I have just received a note. I do not know specifically in relation to Alex Avenue yet but in relation to Young, for example, that was only technically submitted in the planning system in November 2019. There are a lot of pre-planning processes before it becomes a project within the planning system.

The Hon. ADAM SEARLE: That is why I think I might have singled out the Young High School. I think it had some particular difficulties or other features associated with it, but Alex Avenue—

Mr ROB STOKES: I just point that one out because without access to the information I am not sure that they have been in the planning system for all of that time. In fact, I suspect—in fact, I know they would not have been. They would have been in the planning system some time after they were announced. In relation to timings of school projects, I would have to refer you to the education Minister. In relation to the assessment process for all of those, they have been fast-tracked and they have been determined.

Mr BETTS: I would also recommend that you might want to look at the NSW Planning Portal website, which provides all the documentation going from the initial request for secretaries, the environmental assessment requirements through all the environmental impact statement [EIS] documentation—submissions, response to submissions, all the processes the Minister has described, all documented there in full public view, including the assessment reports, the notice of decision, development consents and so on.

The CHAIR: Minister, was your department involved when Treasury wrote to, amongst other people, the Urban Taskforce asking for a list of shovel-ready projects that have been caught up in the New South Wales planning system? Was your department consulted by Treasury when they made that request?

Mr ROB STOKES: In my experience, Treasury works in mysterious ways.

The CHAIR: In mine too, Minister, which is why I am asking you.

Mr ROB STOKES: In relation to consultation, certainly I was not involved in that consultation process, but I will refer to Mr Betts as to whether the department was engaged.

Mr BETTS: It is fair to say that in the early stages of the pandemic Treasury, very much in immediate response mode, instigated a whole series of processes for engagement with the business community. No doubt conversations took place at working level—not at secretary level but at working level—between the two agencies as Treasury reached out to the business community and sought ideas and feedback on how the Government could be responding. That process was rapidly normalised after that and we have spent some time today describing the process which my department is following to capture the projects which have been submitted from all kinds of different sources, including through NSW Treasury, to make sure that there is an ordered and probity-based process for their consideration.

The CHAIR: What happened to Treasury's process? Treasury wrote to, amongst other people, the Urban Taskforce and got a list of—

Mr BETTS: Yes, which they gave to us. End of story.

The CHAIR: Then they gave that list to you and all the associated paperwork, I assume?

Mr BETTS: There was not much associated paperwork, but yes. Having received that list from Treasury and a range of other sources, including unsolicited material from proponents, we have gone through a process of attempting to sift that, to order it and ultimately to begin the process of identifying which projects can be accelerated for consideration in accordance with the framework I have described.

The CHAIR: Mr Betts, you say there was not much paperwork but I have to hand the correspondence from the Urban Taskforce to one of the executive directors at Treasury of 31 March this year, writing with this further updated submission in response to your request for Urban Taskforce members to provide a list of shovel ready projects. That was an 80-page document. Did you receive that?

Mr BETTS: I may well have received it. I was copied in on a great hail of correspondence from a range of different sources around that time, so I am sure I did receive it. But 80 pages, to be honest, in the context of the planning system is not very many pages.

The CHAIR: You are pushing against an opening door there, Mr Betts. I fully understand that. If there were 80 attached PDFs then perhaps we would have a lot of documents.

Mr BETTS: Indeed.

The CHAIR: Nevertheless it is a substantial document, you would agree? An 80-page submission from the Urban Taskforce is a substantial document.

Mr BETTS: I have read 80-page documents that are completely insubstantial, so I cannot comment on that.

The CHAIR: It is a semantic argument we do not need to address. The Urban Taskforce said that it had given a three-tier ranking system to its projects. "Ranking A" was projects which are currently stuck in the planning system and if the problem identified was resolved or cleared the project could be started within six months. Does that ring a bell?

Mr BETTS: It sounds plausible.

The CHAIR: Can you advise the Committee whether or not the Mirvac Coonara Avenue project was one of those ranking A projects from the Urban Taskforce and, if so, what was the problem identified that they wanted resolved or cleared?

Mr BETTS: No, I cannot. You have got a document in front of you that I do not have in front of me.

The CHAIR: I am happy to give you the document. I might ask you to take this on notice, if you would not mind.

Mr BETTS: Sure.

The CHAIR: To the extent that any of these projects are—first of all, could you provide on notice a full copy of the Urban Taskforce correspondence, including the attachment?

Mr BETTS: That document is property of the Urban Taskforce. I do not have a problem with it myself but I would as a courtesy want to make sure that any correspondence they had entered into that I am providing to a parliamentary committee does not contain commercially sensitive information that I may not be aware of. I cannot give you a blanket guarantee on that.

The CHAIR: I am only asking you to take this on notice, Mr Betts, and I assumed you would want to take that on notice.

Mr ROB STOKES: The other caveat I would just add to that: We can only provide what Treasury has provided to us.

The CHAIR: Yes, but I running on the assumption, which I thought we had established earlier, that it was likely to be with you. But I accept that if you have not got it, you cannot provide it. Secondly, to the extent that any of those projects are on either the tranche one or tranche two lists, given the need for public transparency on how they got there would you provide at least the details, all of the material from the Urban Taskforce on notice in relation to the tranche one and tranche two projects that are found also on the Urban Taskforce list?

Mr BETTS: I have got no problem with that, subject to the arrangements the Minister has just described.

The CHAIR: Yes, and I can indicate that the issues about commercial-in-confidence and transparency would have a different—I would suggest that there would be a different analysis in relation to those that have been placed on the list and are going through a process than those that have not, which is why I ask you the question in two stages.

Mr ROB STOKES: We are very happy to provide that information. The only point of interpretation I think it would be useful to add is that I have not seen the lists but I would suspect that you would find that different stakeholder groups, including proponents themselves and maybe even councils, have nominated the same projects. You might actually find a great deal of crossover—potentially a project that the Urban Taskforce might have said "Here's a good one" might have also been put up by the Urban Development Institute of Australia [UDIA] or some other group as well.

The CHAIR: Yes, but the Urban Taskforce had a good hit rate. I think eight of the 24 projects in the latest tranche were also on the Urban Taskforce list.

Mr BETTS: If you submit an 80-page document that is a list of projects then you are casting the net fairly wide. The critical point that I would make is that whilst the Urban Taskforce and its members and others who submitted proposals through the Urban Taskforce may have had views on where those projects were at and what the obstacles might be, the department's process was a de novo process. We looked at that on its merits, in accordance with our criteria and, without in any way being pejorative, took nothing on trust. That was very much the framework that we were operating within to apply our own criteria.

The CHAIR: Treasury requested a list of shovel ready projects from the Urban Taskforce. To your knowledge, has either Treasury or your department also approached organisations such as the New South Wales Council of Social Service [NCOSS] or social and affordable housing providers to see if they had lists of shovel ready projects?

Mr BETTS: The COVID-19 response stakeholder team, led by Mr Will Power, has undertaken meetings with over 34 different stakeholder groups. We have had webinars with local government. We have met with obviously the peak development god-bodies, as we have discussed—Local Government NSW, retail and logistics bodies, people in the agriculture sector, mining sector but also community and environment bodies. We have had four webinars with local government. We have received 300 emails through the team inbox and 350 items of correspondence. The reason why we have brought Mr Power on, in part, is to enable us to reach out to as many

stakeholder groups as possible. If you are aware of any stakeholder groups who have proposals that they would like to submit to us then we would be more than happy to receive them.

Mr ROB STOKES: I add to that, Mr Chair, that certainly a group like NCOSS or an affordable housing body, for example, would rate very highly in relation to the community benefits criteria, so I would encourage them to put in whatever applications they might have.

The CHAIR: Minister, you are preaching to the converted in the sense of reaching out to NCOSS or other social and affordable housing providers but from the list provided by Mr Betts it appears that Mr Power has not done that.

Mr ROB STOKES: That is not correct.

The CHAIR: I did not hear either NCOSS or any reference to social and affordable housing providers in the list that you provided.

Mr ROB STOKES: Community and environment bodies were mentioned.

Mr BETTS: Yes, they absolutely were, and I am in regular correspondence with NCOSS on a range of different matters, so there is no inhibition on talking to those groups and then they can—

The CHAIR: Did Mr Power reach out to NCOSS and did Mr Power reach out to any social and affordable housing providers?

Mr BETTS: I will take that on notice but I would be surprised if he had not.

The CHAIR: I note your surprise but we will get an answer on notice, Mr Betts.

Mr BETTS: Yes, sure.

The CHAIR: Are there any proposals for public or social housing in the tranche one or tranche two projects that are going to be shovel ready, being constructed within the next six months?

Mr ROB STOKES: That commence construction? I would have to take that notice but certainly the Ivanhoe Estate was a very big application in tranche one and it would have to have met the criteria in relation to shovel readiness.

Mr BETTS: Since this is an inquiry into DPIE's more general response to COVID, in other parts of the portfolio a stimulus package has been provided to the NSW Land and Housing Corporation Aboriginal housing office as well.

The CHAIR: Minister, could you identify on notice those social and public housing projects and when the expected housing will come on track under any of tranche one or tranche two and if Mr Betts is aware of any other projects that are being fast-tracked?

Mr BETTS: Yes, we would be delighted.

The CHAIR: Could they be provided on notice—including the housing units?

Mr BETTS: Yes.

Mr ROB STOKES: Yes.

The CHAIR: Minister—and maybe this goes best to Mr Betts—is one of the reasons why the cost of the Fish Market project has ballooned from \$250 million to a \$750 million project by reason of the inclusion of the Blackwattle Bay revitalisation element in the project, which is I think some 45-storey apartment blocks? Is that why the project has increased in scope, Mr Betts?

Mr ROB STOKES: Hang on, you are referring, I think, to an Infrastructure NSW [iNSW] application for—

The CHAIR: You may tell me they are unrelated.

Mr ROB STOKES: Yes, I think that is the answer. I will refer to Mr Betts.

The CHAIR: I see there is some vigorous nodding coming from behind Mr Betts.

Mr BETTS: Vigorous nodding in the sense that it is absolutely a matter for Infrastructure NSW to answer that question as the proponent for the project.

The CHAIR: But are they—

Mr BETTS: I am not in a position to provide you with a detailed history of the evolution of the headline cost for that project—what is included, what is not included, what is net, what is gross. I think that is a question best directed to the proponent.

The CHAIR: But my question was whether or not the project had expanded in scope to include 45-storey apartment blocks.

Mr BETTS: That is not my understanding.

The CHAIR: That is not your understanding?

Mr BETTS: No. It is a fish market.

The CHAIR: To the extent that they are running as adjoining projects, is one of the reasons why the Blackwattle Bay revitalisation project has come online with the very large yield proposed there intended to recoup some of the ballooning cost for the Fish Market project to make, if I could say, the precinct less of a cost drain on the Government?

Mr ROB STOKES: I can only answer in relation to the planning system but what I can say is the application that came before us to assess was for a fish market. That obviously from iNSW's perspective is related to what to do with the site of the current fish market. Clearly you cannot do anything with the current market until you have moved it to the new site. What their plans might be on the new site is a matter for them. Presumably at some point it will come to the planning system and then we will deal with it when it comes to us.

The CHAIR: Minister, I think you made the order in relation to the construction work outside of the ordinary construction hours?

Mr ROB STOKES: Yes.

The CHAIR: Did you consult with local government before you made that order?

Mr ROB STOKES: In relation to consultation, this was in the very early days of response. I will take it on notice as to consultation. I cannot recall off the top of my head.

The CHAIR: Have you had any representations to your office from local councils since the making of the order?

Mr ROB STOKES: It is interesting. I have monitored this one because this was obviously one of those areas where obviously we needed to do everything we could to support the construction industry. But this is one of those areas where it can have, if not properly controlled, negative impacts on the amenity of suburban areas. This was one that I kept a very careful watching brief on. I think it is fair to say that there was a lot of concern to begin with of what might happen if applicants or developers behaved inappropriately or irresponsibly with the extra construction hours that were available to them. We did have complaints early on in relation to concerns of what might happen.

I am pleased to say since then we have had—and I am happy to get further information on notice, but I understand there has not been significant complaint in relation to noise at construction sites. I am grateful to the team within DPIE in terms of the drafting of the order and also the concurrence role from Health, which pointed out things like, for example, that things like sheet cutting and pile driving should be excluded from being included in works on weekends, and also that all reasonable efforts must be made to mitigate noise. So far that seems to have operated successfully and developers have been responsible with this extra flexibility they have. I have got to stress again that the advice I received is it would have been impossible in several cases for developers to have met with the social distancing requirements and been able to continue work on their worksites. This enabled things like some trades to work on weekends to allow that social distancing to occur.

The CHAIR: Minister, are you aware of the concerns, a significant number of which arise from the WestConnex project, which has seen 24/7 construction, as a result of which a number of residents have been effectively moved from their home and put up in hotels by reason of the 24/7 construction? Are you aware of those concerns?

Mr ROB STOKES: Again—I am talking across the whole State—if you have concerns and if residents have concerns, of course they should raise them in the first instance with their local council and then appropriately with the department. The order-making power can be varied and if I am convinced that this is being misused, particularly in relation to a particular site, for example, in the first instance we would talk with a developer and take appropriate action as required. In relation to that particular project, I am advised that the 24-hour, seven-day construction is an order in the consent; it does not relate to the order under section 10.17 of the Act.

The CHAIR: Have you sought feedback from councils about the impact of the order?

Mr ROB STOKES: Yes, I have. I had a webinar with Local Government NSW and I suggested if people have concerns, by all means they should raise them with the department. To this date it seems that those orders have been used responsibly by developers. We are in a different world and there has to be a bit of give and take, but it seems from my observations that those orders have worked quite successfully. Certainly I know that the construction industry is enormously grateful, because it allows it to effectively keep up to 400,000 people in work.

The CHAIR: Minister, I think there is agreement that some flexibility is required. The question is monitoring it to the extent that it is having a significant adverse impact on people's health and amenity. Your position is they should first contact their council, and if that does not resolve they should then contact your office or your department; is that the position?

Mr ROB STOKES: No, my position is—absolutely in relation to noise complaints council is the appropriate body to contact, and of course the council can then escalate things with the department as necessary. I do not think it is reasonable for a resident to have to complain to the council and then the council not do anything so they have to bring it up with us. I would much prefer for councils to be proactive and, if they have concerns that they cannot resolve, by all means raise it with the department.

The CHAIR: Minister, if I could quickly go back to the tranche one and tranche two fast-tracking projects, there are two projects in the second tranche where there is very substantial community opposition and, indeed, majority opposition on council. One of them we have spoken about before—the Mirvac Coonara Avenue proposal—but the other one is the Crown Eastlakes development, which is I think with Bayside Council. Was council opposition and community opposition any part of the assessment of a project for being included or excluded on the fast track?

Mr ROB STOKES: It is certainly a relevant consideration in the assessment and determination of the project, but it is not a relevant consideration in whether it is fast-tracked in terms of its determination. Chair, I submit that this works both ways. To leave a project in the system because there is opposition to it does not actually help anyone. Surely the best thing from the perspective of everyone in the community is to bring a process to a conclusion as quickly as possible to achieve an outcome and a determination one way or another. On both of those projects you have nominated, their inclusion in tranche 2 does not indicate that they will necessarily be approved and certainly does not suggest it would not be approved without condition. Frankly, I have no idea of what the determination outcome will be on either of those projects, which is absolutely appropriate. My interest is to make sure that they are processed as quickly as possible, so that everyone can move on with their lives one way or the other.

The CHAIR: Minister, that is nice, but in effect you revived the Mirvac Coonara Avenue project, or your department did. I think its time under the gateway approval had expired in January. It was literally picked up and revived. Far from rapidly determining something, you have actually revived it and put it back on life support in the system. Do you accept that?

Mr ROB STOKES: No, I do not. Again, this was not about reviving applications. This was just about taking applications out of a sort of limbo, as it were, which does not help anyone in the community. Certainly that site has remained vacant all this time and there is great uncertainty and stress for everyone in the community—and to allow it to be determined one way or the other.

The CHAIR: We will come back to limbo and zombie DAs later.

The Hon. JOHN GRAHAM: On Monday 1 June a range of changes will take effect to allow venues to open, a whole range of venues: restaurants, pubs and clubs—

Mr ROB STOKES: A bacchanalian future.

The Hon. JOHN GRAHAM: Will you be required to make or amend any ministerial order as those changes come through?

Mr ROB STOKES: Not to my knowledge. Again, my order-making power under section 10.17 of the Act relates to orders for the health, wellbeing or safety of citizens of New South Wales. It gives me a power that I can only exercise, obviously with the concurrence of the health Minister. But I have not been approached to exercise this power and nor do I see in what has been proposed in recent—

The Hon. JOHN GRAHAM: You have made one ministerial order in relation to takeaway food and beverages but that—

Mr ROB STOKES: Yes.

The Hon. JOHN GRAHAM: For instance, that order will not change?

Mr ROB STOKES: No.

The Hon. JOHN GRAHAM: Have you been consulted about the changes that will take place for 1 June?

Mr ROB STOKES: There are Cabinet processes that I cannot comment on.

The Hon. JOHN GRAHAM: Obviously those changes have not happened yet. We are here on the Friday afternoon ahead of Monday when all these venues will open. There is not a public health order; there are not guidelines for those businesses. We are very close to them opening their doors. Do you know when that will happen?

Mr ROB STOKES: Again, I would have to direct you to the responsible portfolio Minister.

The Hon. JOHN GRAHAM: Thank you, Minister. I wanted to ask about the Treasurer's enthusiasm for outdoor dining. He has floated some changes at this moment that might help with the current situation. Those have been flagged publicly. Obviously this is something that State politics is often turned to. It is almost a seasonal enthusiasm that people turn to the hope for European-style dining. There is a range of restrictions in place to make this happen though. The Government's outdoor dining policy says that there are at least five permits required. Are you taking any steps to put this into action? What changes will be made to put the Treasurer's publicly announced view into action?

Mr ROB STOKES: Sydney is named after Dionysus, so it is absolutely appropriate that we look towards outdoor dining. A number of things we have already done: I would point you to the Streets as Shared Spaces initiative, for example, which provides a grant opportunity for councils to look at things like outdoor dining and social distancing around pavements, and shutting down streets, for example, where it is safe to do so to allow shops to spill out. I point you to the orders in relation to dark kitchens and food trucks, which are all part of the same initiative. We are also looking at other things that we might be able to do in the future.

The Hon. JOHN GRAHAM: Yes. I have looked at those measures. They do not directly address the number of permits and the number of levels of approval that have to happen here. This is a welcoming view from the Treasurer but do you really think this will make any difference? Will you be making changes to any of these permits that are required in the way the Treasurer is suggesting?

Mr ROB STOKES: There are parts of permitting that do not relate to the planning system but relate to licensing and those sorts of things.

The Hon. JOHN GRAHAM: Yes, exactly.

Mr ROB STOKES: I cannot comment on those but what I can say is that also we are looking actively, for example, at the code's State environmental planning policy [SEPP]—for example, to what activities might usefully include categories of exempt development—but that is an early level of consideration at this stage.

The Hon. JOHN GRAHAM: Yes.

Mr ROB STOKES: But there have been a number of things that we have done and we are currently consulting to see if the code's SEPP, for example, might provide a venue.

The Hon. JOHN GRAHAM: That is really a long-term process. That is not going to help in this current crisis, is it?

Mr ROB STOKES: No. We have been moving pretty quickly.

The Hon. JOHN GRAHAM: That might be up for consideration as part of this?

Mr ROB STOKES: Yes, although I do not want to get the Committee too overexcited.

The Hon. JOHN GRAHAM: Or the Treasurer.

Mr ROB STOKES: We are at an early stage of consultation. No, the Treasurer is an al fresco kind of guy and I share his passion and enthusiasm for outdoor dining. That is why we are very keen to support in whatever way we can as the planning system.

The Hon. JOHN GRAHAM: Yes. So if you are saying it might be relevant, you are saying that could be dealt with this year, possibly over the course of months rather than—

Mr ROB STOKES: Yes. We are in a new world in relation to the speed at which these sorts of things can be considered.

The Hon. JOHN GRAHAM: Yes.

Mr ROB STOKES: But, again, always in planning you have got to be Janus: You look both ways because you can have unintended consequences to announcements. That is why we have to be careful to make sure—we know, for example, that complying development has created some challenges for communities. Before we look to expand categories we need to be very mindful of what the wider consequences can be. But I also think historically we have been very bureaucratic about some of these things: I mean, you go to Europe, for example, and the local car park turns into a market square on a Saturday morning.

The Hon. JOHN GRAHAM: Sure.

Mr ROB STOKES: There are things that we can usefully look at to open up trade and commerce at a local level.

The Hon. JOHN GRAHAM: Yes. The Treasurer has indicated he has raised this with you directly. I assume that is the case.

Mr ROB STOKES: Yes.

The Hon. JOHN GRAHAM: Good. He runs through a number of measures. I will ask you just to confirm these are on the table. Lifting restrictions on businesses could be in the form of even more space on footpaths allowing pop-up shops or markets to operate in public spaces, such as parks. They are the sorts of measures that you are already moving on or are considering. Is that right?

Mr ROB STOKES: Yes.

The Hon. JOHN GRAHAM: Very good. Do you see this as being possible within the time frames we are talking about? Many of the permits which are referred to in the New South Wales policy really sit with councils, not with the State Government. What steps are you planning to take which will speed this up in reality other than in the public discussion, given how much of a say councils have in this area?

Mr ROB STOKES: Well, there are a couple of things. One of the great ways we can work with councils is through funding initiatives, and that is what the Streets as Shared Spaces is directed towards. Those applications close on 10 June and will be assessed very smartly thereafter. That is one clear initiative that will go towards helping to achieve the Treasurer's vision. Some of these orders go down that path in any event and if there can be any applicable changes to the code's SEPP, for example, that would have a direct benefit. But you are quite right: Many of these outdoor areas are in the control of council but we will work constructively with council. They identify the barriers. My door is very open to look at how we can resolve them. As I mentioned, there is that funding on the table directly for these sorts of initiatives.

The Hon. JOHN GRAHAM: As you outline that process it just sounds like it is slipping further away, Minister.

Mr ROB STOKES: No, no.

The Hon. JOHN GRAHAM: I will ask you specifically about the five permits that are currently required and the liquor licences set out in the policy. Do you see some of those being removed? Are you looking at those steps as well?

Mr ROB STOKES: It is not for me to speculate on other people's portfolios, so I will not go down that path but what I will say is this: You mentioned that the time lines seem to be slipping away. No, we are quite tight in terms of the time frames. I mentioned that grant funding, for example. That is pretty quick. That is only a few more days.

The Hon. JOHN GRAHAM: Yes. I do want to come back to that. The Treasurer is talking about dining—sitting down and eating—but what is not under consideration is holding events: having music back, for example. That could be part of the answer to social distancing at the moment, couldn't it—allowing some of these venues to actually hold events outside more easily, not just dining? This is an additional step, allowing for social distancing right at the moment.

Mr ROB STOKES: It could well be but I presume that for most of those things you would not require development consent in any event. They are not matters that would necessarily fall within the planning portfolio. It would not be matters that would necessarily come across my desk. It really depends on the nature of the events.

Generally, to be engaged in the planning system there has to be a form of development envisaged. Here, most of these, I assume, do not involve development as defined by the Act.

The Hon. JOHN GRAHAM: Yes. I mean many of these restrictions might be contained though in the original approval. That could certainly be the case.

Mr ROB STOKES: Yes. I am not looking at retrospectively changing approvals. I want to be clear about that.

The Hon. JOHN GRAHAM: Yes.

Mr ROB STOKES: But certainly an applicant at any point in time could put in a modification and seek to have an approval changed and that will be determined in the ordinary course. To date I am not aware of that happening.

The Hon. JOHN GRAHAM: Again that sounds like a very lengthy process, Minister. Very good. Thank you. I will turn to the views you have just put about this program that you have announced. You said that you have opened this process already: This is the process of developing shared streets, footpaths and potentially bike lanes. The applications for that close on 10 June. Some of this has already started, particularly with the City of Sydney. Can you tell us how much activity you have got already underway with the City of Sydney?

Mr ROB STOKES: I am sorry, can you be a little more specific? I do not know quite what you mean, I am sorry.

The Hon. JOHN GRAHAM: I am asking specifically here about the bike lanes announcement that the Government has made, really in relation to temporary bike lanes.

Mr ROB STOKES: Sure. There are a number of things that we have done in relation to working with the City of Sydney in relation to bike lanes. Some of that will become clear into the near future but certainly there has been the permanent closure for traffic for the George precinct, city, I think it is down to Lee Street from Bathurst Street—Campbell Street, I am sorry. Then you have also got work at Parramatta Park, for example, on the people's loop. But in the city specifically—

The Hon. JOHN GRAHAM: You have sort of headed towards one of the—

Mr ROB STOKES: Sorry, I just wanted to confer with my colleague for a moment. We have also just concluded an order in relation to setting up temporary cycleways again in the interests of health, safety and wellbeing of the community on Pitt Street from King Street to Riley Place; Henderson Road, Eveleigh; Dunning Avenue, Roseberry; Moore Park Road to Fitzroy Street; Bridge Road, Glebe and Sydney Park Road in Erskineville.

The Hon. JOHN GRAHAM: Yes. They are in the City of Sydney.

Mr ROB STOKES: Yes.

The Hon. JOHN GRAHAM: Are you working with other councils ahead of that 10 June date to get things in place or is this on hold until the rest of the projects come through after 10 June?

Mr ROB STOKES: No. We will happily work with councils at any stage.

The Hon. JOHN GRAHAM: I have seen the City of Sydney announcements but have you announced anything else?

Mr ROB STOKES: In relation to other councils, I will take that on notice in terms of negotiations with other councils in terms of cycleways that they might like to establish.

The Hon. JOHN GRAHAM: This is a \$15 million fund, which has got to do a lot of work. It is meant to allow shared streets, it is meant to bring bike paths, it is about public spaces. There are plenty of things to do and not much money to do it.

Mr ROB STOKES: It is certainly a lot of money from my budget. Everything is relative.

The Hon. JOHN GRAHAM: Sure.

Mr ROB STOKES: This is because I see that there is an opportunity to seize here to actually reshape a little bit the way in which people get around the city but also because the implications from COVID will be long term. As far as we are aware social distancing will become a feature of city life and so we need to prepare for that,

but the \$15 million should only also be seen as a leveraging amount as well. There is nothing to stop councils adding in extra money.

The Hon. JOHN GRAHAM: Yes, understood.

Mr ROB STOKES: In fact, we encourage them to do so but also we have also facilitated, for example, through the extension to the loan facility for councils an extra quarter of a billion dollars. We encourage them to dip into that as well as, for example, the changes to contributions plans to allow pooling, for example, and changes to timing of contribution plans for things like cycleways and pedestrian paths. All of that can potentially be brought forward and pooled with this other money.

The Hon. JOHN GRAHAM: It is a large amount of money for your portfolio. Where did the money come from?

Mr ROB STOKES: From within the portfolio? I can refer you to the secretary in relation to how that money was brought together.

The Hon. JOHN GRAHAM: Yes.

Mr BETTS: As the Minister said, it is re-prioritisation within the existing portfolio. I would need to check exactly where that came from. I suspect there was some underutilised funds elsewhere. As we approach the end of the financial year, we are less than a couple of weeks away from being able to award this.

The Hon. JOHN GRAHAM: Yes, understood. Did any of it come from the road safety fund, given the emphasis on road safety and so on?

Mr ROB STOKES: That is not within my portfolio.

The Hon. JOHN GRAHAM: Yes. That is why I asked. Is that a no?

Mr ROB STOKES: No. This was an initiative within the Department of Planning, Industry and Environment [DPIE] portfolio. But, for example, the Metropolitan Greenspace grants would have been a source of funding.

The Hon. JOHN GRAHAM: You have not set aside any of the approvals that are required. So if someone puts in for a grant, it does not negate the need for council or the proponent to obtain all necessary required approvals, such as road changes or traffic facilities under the Roads Act. Again, there are a lot of bright ideas here. They almost never happen. Why is this going to be any different?

Mr ROB STOKES: Firstly, because there is a great deal of—I will be taking a personal interest to make sure that things are moved along. We also have a Transport for NSW embedded in the grants assessment team, as I understand it.

The Hon. JOHN GRAHAM: Yes.

Mr ROB STOKES: And also with councils, as many local members would know, local traffic committees work overtime to identify projects that are supportable but that may not have funding to get them off the ground.

The Hon. JOHN GRAHAM: Say a road is changed here, would they have to go through the traffic committee process or would you set that aside?

Mr ROB STOKES: I do not have power to set aside processes in other legislation and also, obviously, there is a paramount concern of road safety here.

The Hon. JOHN GRAHAM: Sure. It is one of the goals of this.

Mr ROB STOKES: We want to encourage innovation but safety has to come first.

The Hon. JOHN GRAHAM: None of the approvals is set aside. The traffic committee process will operate potentially as normal.

Mr ROB STOKES: That is my understanding but I will be—

Mr BETTS: It is a process whereby councils are offering up proposals for consideration so they have an interest in getting these proposals up.

The Hon. JOHN GRAHAM: I agree with that.

Mr BETTS: We would certainly want to work with them in partnership to identify whether we could assist them in fast-tracking these things through their processes, including through orders potentially.

The Hon. JOHN GRAHAM: Minister, are you concerned that many of these projects just will not happen within the relevant period? People are at home now and need places to go now and they are places for social distance now. If they hear this will be the subject of a rolling traffic committee discussion, that may not give them much hope that anything will come out the other end. Is that one of your concerns?

Mr ROB STOKES: I am concerned about a lot of things but I think we are in a period now when ordinary processes are absolutely—we obviously need to follow all existing procedural requirements but that does not mean that those processes need to be slow. That is I think effectively what we are demonstrating through the Planning System Acceleration Program. It is not about truncating process or about missing out process. It is about doing what we already do faster and reprioritising resources to get results quicker. It is exactly the same here. And in relation to a lot of these projects I imagine there would be—let us see what comes through—but I would imagine there would be quite a lot that has already been endorsed or capable of being endorsed by traffic committees that could get off the ground quite quickly.

The Hon. JOHN GRAHAM: One of the consequences of the physical distancing on public transport is that many more people may be on our roads. That has not taken effect yet, mainly because people are working out of the city or staying at home. It will be a factor; we just do not know when. Given what we are facing—the sheer number of people, 1.7 million, off public transport and potentially onto our roads, how do you plan to deal with these Shared Streets initiatives, given the volume of cars tipping onto the road because of the public transport issues?

Mr ROB STOKES: Straightaway this is dealing, on my understanding, not with State roads. We are not dealing with major arterial routes here in any event. But, also, in just the same way as we are expecting more private motor vehicular traffic, we are also expecting more pedestrian traffic over the same period as well. While there might be an exodus from public transport, that will go into, yes, motor vehicle traffic but also into active transport as well. So we will need more bike lanes and we will need more footpaths over the same period.

The Hon. JOHN GRAHAM: I will turn to the question my colleague was asking about concerning the orders you have made for infrastructure construction through your ministerial order around the clock over the course of the week. When do you expect that at the moment to be revoked? How long do you see that being in place?

Mr ROB STOKES: The orders have been made for a prescribed period—

The Hon. JOHN GRAHAM: Yes.

Mr ROB STOKES: —calibrated, I understand, with a Health order. Six months from when it was made.

The Hon. JOHN GRAHAM: Exactly. Do you see that as just travelling with the Health order? As the Health order changes, at the end of that prescribed period you would see it finishing then. Have you given any consideration to uncoupling that from the prescribed order?

Mr ROB STOKES: A day is like a thousand years at the moment.

The Hon. JOHN GRAHAM: Sure.

Mr ROB STOKES: I literally cannot answer your question because I just do not know where this pandemic is going, but we will keep a watching brief on that. We certainly have not developed any long-term plans to, for example, implement it as a permanent fixture of the planning system or anything like that and if we were to consider anything like that, of course we would come and talk to you all about it.

The Hon. NATALIE WARD: I think the honourable member should perhaps disclose his conflict of interest as a cyclist.

The CHAIR: Yes. I think you needed to make the lycra declaration at the beginning of that, John.

The Hon. NATALIE WARD: I think it will be a herculean effort to get all the councils to coordinate bike lanes in every area, but there we are.

The Hon. JOHN GRAHAM: I am happy to declare a conflict of interest in relation to cycling but not in relation to lycra.

The CHAIR: I will make the same declaration of conflict of interest in relation to cycling but also say at this stage not yet lycra.

The Hon. GREG DONNELLY: But not ruling it out.

The CHAIR: We all go through that ageing process where lycra seems to be essential. Minister, given the infrastructure—

Mr ROB STOKES: I was going to say wear a lot of lycra but don't do a lot of cycling, but that would be inappropriate.

The Hon. GREG DONNELLY: We would be talking about vanity projects then, wouldn't we.

The CHAIR: Given that, as I understand it, this cycling infrastructure will be approved under your powers under section 10.17, is that the intent?

Mr ROB STOKES: Not the infrastructure, pardon me—that is, the orders for allowing for the temporary cycleways, not the streets of shared spaces.

The CHAIR: I am sorry, yes. I am talking about the cycleways.

Mr ROB STOKES: Pardon me, yes.

The CHAIR: The infrastructure for the cycleways will be put in place under section 10.17?

Mr ROB STOKES: Yes. That is my understanding.

The CHAIR: And that is time limited?

Mr ROB STOKES: That is my understanding, yes.

The CHAIR: Is any work being undertaken to allow for that infrastructure, if it becomes popular and useful, to be extended beyond the pandemic period?

Mr ROB STOKES: I think there is every opportunity for us to consider that. I mean, it has only been made today, so let us see how the public responds and see how useful it is. And, of course, this is a period when we can experiment with innovative ideas and if they work I see no reason as to why we cannot implement them on a permanent basis. But at this stage the orders are time limited.

The CHAIR: All right. And at this stage, apart from the City of Sydney, have any other councils identified projects?

Mr ROB STOKES: Not for the purposes of requiring orders at this stage, as far as I am aware.

The CHAIR: Is the funding contingent upon the projects requiring orders or is the funding simply for any cycleway project?

Mr ROB STOKES: The Streets as Shared Spaces Program is not in any way tied to the orders.

The CHAIR: But the entirety of that program is \$15 million.

Mr ROB STOKES: That is correct. But, of course, using it wisely we can leverage a much greater amount of money.

The CHAIR: Yes, and perhaps bringing projects that have not quite hit the funding level in a local council.

Mr ROB STOKES: Yes, indeed.

The CHAIR: Is the pooling of developer contributions provisions going to be a potential source for funding of those kinds of infrastructure projects?

Mr ROB STOKES: Of course. It obviously relates to what is in those contribution plans but in many contribution plans there are cycleways included so there is no reason as to why they could not be included potentially.

The CHAIR: Minister, there has been some concern among some parts of the local council sector about those changes and about it potentially allowing you to reach into developer contribution pools by local councils. Can you explain to the Committee the protocols you are intending to establish or have established before you will exercise any of those powers?

Mr ROB STOKES: We are currently working with Local Government NSW as to what that might look like. At one level I can understand the concerns of councils but my message to them is, "Well then, get the money out the door. If you're sitting on vast amounts of infrastructure dollars that can be usefully used in supporting your

council employees and providing a context for appropriate development, then do it." That is what we want to do, but this is all about where the pots of money in various ledger accounts are not sufficient to do anything in particular. If you could pool it, maybe you could do something that would meet those objectives. I am not sure if the Secretary has anything further to add there.

Mr BETTS: Simply that one of the criticisms is that the provision of infrastructure, including cycling infrastructure and public open space we have talked about, often fails to keep pace with development. This is an opportunity to free that up and make sure that arbitrary rules within the development contributions regime do not stand in the way of councils being able to move rapidly to provide popular infrastructure.

The CHAIR: Minister, I supported the changes because many councils and other parts of the local government sector have repeatedly said there are too many strictures on development contributions and they can often sit on funds for a decade or more waiting for them to hit critical mass. Has this power been exercised at all?

Mr ROB STOKES: Not as yet, no.

The CHAIR: Has any council approached you for the exercise of the powers?

Mr ROB STOKES: I would have to take that on notice.

The CHAIR: Will there be a public notification process either before the powers are exercised or during consideration of them.

Mr ROB STOKES: I would have nothing to hide so I would be very happy to make whatever declarations as necessary should and when the time to raise that power arise—to use that power arise, rather.

The CHAIR: Minister, you are aware of the controversy concerning the situation down at Manyana.

Mr ROB STOKES: Certainly am.

The CHAIR: And I know you have expressed on the record that it would not be a planning decision you would have made to have zoned the land as it currently is.

Mr ROB STOKES: Having said that, it is tricky because it was permissible with consent. The fundamental problem here was the underlying zoning that made that decision permissible. That was the trick.

The CHAIR: Yes, and I think that is the decision that you say you would in hindsight not have supported.

Mr ROB STOKES: I do not want to be unfair to the Minister at the time. I did not have the same powers that he had at the time but I was not in his shoes, so I do not know what he was looking at.

The CHAIR: Okay.

Mr ROB STOKES: Certainly when I saw the subdivision plan, it looks like something that would be from Porpoise Spit in the 1960s. It is a shocking subdivision plan.

The CHAIR: Yes. Again, you are pushing against an open door on that, Minister.

Mr ROB STOKES: Okay.

The CHAIR: Minister, you sent officials down over the last few weeks to investigate whether or not breaches had been occurring. What was the result of those investigations?

Mr ROB STOKES: I will refer you to the Secretary.

Mr BETTS: I would have to take that on notice, I am afraid. I know we are monitoring compliance very strictly. I will see if I can source the information for you now and might come back to you.

The CHAIR: Thanks, Mr Betts.

Mr ROB STOKES: But I am happy to say to the Committee now that if there is evidence of any breaches we will take swift action in relation to that.

Mr BETTS: I am told no breaches to date.

The CHAIR: Minister, given that there is only stage one approval, how is it that the proponent has been able to fence the entire site, which incorporates well beyond the proposed stage one approval?

Mr ROB STOKES: As that, I suspect, will relate to legal matters, I will refer you to the Secretary if he can provide any light on it. I assume we will have to take that on notice.

The CHAIR: I feared so. Minister, one of the options for resolving the issue is for it to be acquired either by the State, hopefully by the Federal Government—I think we can all agree on that—or by a mixture of State, local and community funding. Has your department commenced undertaking an independent valuation of the site?

Mr ROB STOKES: No, and the short answer is—I mean, negotiation with the local developer, it is important that we are all not negotiating with the developer at the same time.

The CHAIR: Correct.

Mr ROB STOKES: Those negotiations commenced with council. Council approached me for the State to acquire the site. I wrote back to them earlier this week and said, "Great. We're happy to look at it. How much do you want?", so that we could get a sense of what quantum was sought. To date I do not know if I have received a reply. I would anticipate not yet because it has been very quick. But ultimately there can be too many cooks in a negotiation. Ultimately, while it is significant bushland and strategic no doubt, I would not assess this—not in any way diminishing its importance—but it is more of a locally important bushland than a State significant bushland, I would say.

The acquisition authority, and certainly who would manage it, I would anticipate would most likely be council. We would be very pleased to participate in any negotiation but, you know, I do not have an endless bucket of money either and I know that council does not either. I would be very keen to look at some sort of collaborative funding solution and also involving the Federal Government. I also do not want to say anything or do anything that might lose any potential—

The CHAIR: No, and I think this entire exchange is in the context that there may well be commercial matters that need to be respected.

Mr ROB STOKES: Precisely.

The CHAIR: I accept that. But, Minister, given the far greater depth of expertise and resources that the State Government has when it comes to acquiring parcels of land than the local council—

Mr ROB STOKES: You always get stuck into us when we acquire land.

The CHAIR: No, I do not. I get stuck into you when you do it on behalf of developers and you change the law to allow that to happen. But apart from that, no. Given the far greater resources and capacity the State Government has to go through the acquisition process, would you be willing to review whether or not the State Government takes the lead role in an acquisition process—

The Hon. NATALIE WARD: Point of order—

The CHAIR: —albeit in conjunction with the council for the Manyana site?

The Hon. NATALIE WARD: We have had the first question. I sat back quietly and listened to that. I am just interested in how this is related to the Government's response to COVID and whether we could bring it back to that topic, given we did let the first one up.

The CHAIR: I will respond, given that one of the arguments being put for the developer is that it is important to have this development happen rapidly because of the COVID-19 loss of development on the South Coast. I accept it is a tangential point.

The Hon. NATALIE WARD: I am trying very hard to get there.

The CHAIR: I accept that and I will wrap up this line of questioning, given it is a tangential point, if that is okay with you.

The Hon. NATALIE WARD: It is all Greek to me but thanks.

The CHAIR: Yes, Minister?

Mr ROB STOKES: I was just enjoying that because I actually agreed with that point of order. But nevertheless I take your decision, Chair.

The CHAIR: You should chair it then.

Mr ROB STOKES: I am not a member of the upper House.

The Hon. NATALIE WARD: I again raise the issue of conflict.

Mr ROB STOKES: Look, again, I am happy to consider that and get back to you on notice, I think, but at this stage the council has been negotiating with the developer to this point. They have all the relationships and all the knowledge. We are happy to work with council and support council but I do not think it would be useful at this stage to get another party involved. Ordinarily, when these things happen, negotiations are done by councils and the State is then approached to provide some support. I would assume that that would be the ordinary course of things to occur, but I am happy to consider it on notice and consider it quickly as well because I know time is of the essence.

The CHAIR: But if council asks it of you, you do not have a closed door; you will consider that?

Mr ROB STOKES: Yes, I am happy to consider things obviously but I need to put on the record that I do not have a limitless bucket of funds. I also have to look at acquiring land for public purposes right across New South Wales, so there are many competing demands on my budget. It will obviously come with a very significant caveat that council would need to be prepared to be invested themselves.

The CHAIR: Minister, given the nature of this inquiry, I will not go at length into the extraordinary environmental values of the land and why it would have State significance. Perhaps that is for another place.

Mr ROB STOKES: When I say that, there is a process, for example, if it met the requirements for acquisition in a national park estate. That is more what I was considering. By all means, that might be a route to consider. But I am not sure that it would meet those values necessarily.

The CHAIR: The last thing I will ask is: Will you ask your department to consider whether or not it is in a position to undertake such an assessment, or to commence such an assessment being undertaken by the State Government?

The Hon. NATALIE WARD: Mr Chair, I again renew my objection to the question. We have gone down this path: We really are straying very far away from the terms.

The CHAIR: I accept the strength of your submission, which is why this is my last question on the point.

Mr ROB STOKES: I am happy to ask. I think it is more a matter for ESS than for Planning to do specifically. But I am also aware that ultimately there is a consent that has been given. Our role is not to inquire as to whether the consent should have been given or not; that is something beyond our capacity to look at, nevertheless it is there. Our job is to make sure that the terms of the consent are adhered to. I would presume—in fact, I am sure—that an environmental assessment of the values of the land was conducted as part of the original assessment to inform the decision, but nonetheless I am happy to inquire with the department whether, for example, ESS might look at those values and whether it might to that extent qualify for potential acquisition by the parks authority. I am just hazarding a view that I suspect it probably does not, but I am happy to ask the question so that I know the area well.

The CHAIR: Noting the merits of Ms Ward's objection, we will move on to another matter.

The Hon. NATALIE WARD: Hear, hear!

The CHAIR: Minister, we have now had tranche one and tranche two of "fast-track" assessments. Will there be a tranche three? Will there be a tranche four? Will there be an end to this?

Mr ROB STOKES: At this stage, no. There will be a tranche three. Ultimately I cannot answer "Will there be an end to it?" because there is a certain number of projects that have been identified. Some of them will meet the merit; some will not. Presumably other projects may also be identified as being worth considering for fast tracking. I am certainly not opposed to continuing this process but it depends on the pipeline of projects coming in and it also depends on the length of the pandemic and a whole range of things beyond my control.

The CHAIR: Minister, given that the pandemic has already had a significant impact on reducing Sydney's population growth, and that is likely to continue for a substantial period of time—some have critiqued the fast tracking process by just simply switching activity from site A to site B as opposed to increasing activity because there is a dampening effect across the economy. Have you ensured that this is not just picking favourites rather than actually improving or increasing economic activity?

Mr ROB STOKES: Because of the criteria. The criteria were established deliberately to ensure that there was some rigour and transparency about the selection of projects. I am open to refining those criteria into the future but it was a good place to start. It served us well. In relation to the nature of development, yes, I suspect

the nature of development is likely to change in response to the economic headwinds we are experiencing now, but that will be reflected in the nature of the developments coming into the system.

Mr BETTS: I just emphasise that the tranches of projects that we are accelerating are simply the ones that we are accelerating and committing to determine within a four-week time frame. But as well as finalising the tranche one assessments over the past four or so weeks, we have reached determinations as part of our business-as-usual activities on an additional 42 projects worth \$2.4 billion, creating 4,600 jobs and almost 400 new homes. This is not being done to the exclusion of business as usual; rather, it is about more efficient processes internally and a redeployment of resources to do more overall. It is not a zero-sum.

The CHAIR: But Minister, in what is a very weak market with a significant reduction in demand, how can you be sure that getting these projects approved does not just switch development and capital from other projects that are already approved to these projects? Do you have any analysis at all that it is actually going to increase the pool, rather than just shifting projects from project A to project B in what is unquestionably a very weak market?

Mr ROB STOKES: To one extent I cannot know the answer to that question because our role is to assess applications for development and planning proposals on the merits according to law. As to what proponents do, that is a matter for them. In relation to these projects, we have got these guarantees in relation to starting them. In relation to existing approvals, they operate with lapsing conditions relating to them. Yes, I can see that we have extended those lapsing conditions because the clear feedback from industry is that there are significant difficulties in obtaining finance, so it is important that we provide a bit more time. We have also, however, tightened rules around physical commencement as well. On the other hand, we are also doing everything we can to make sure to keep proponents honest so that when they get an approval it results in actual physical commencement, not merely a survey peg in the ground to activate that consent. That is the way in which we have at least one lever to make sure that a consent is acted upon in a reasonable amount of time or otherwise it expires.

The CHAIR: Minister, given the extraordinary need for social and public housing at the moment—more than 60,000 people on the public housing list—if there are further tranches of "fast-track" development, will you look for projects that may be fast-tracked on the basis that they convert what was previously a private, market project into a public or social housing project as one of the criteria for fast tracking?

Mr ROB STOKES: It is not my role to look for particular projects to say to Jim, "Can you put this one on the list?" That is not my role and that would not be an appropriate thing for me to be doing.

The CHAIR: The department. When I say "you", I mean the department.

Mr ROB STOKES: Nevertheless, that would fit entirely within the criteria that has been established by the department. That public benefit criteria relates really strongly to affordable housing because that is of the objects of the Act.

The CHAIR: So, for example, if the Crown Casino project falls over, we can see that become public housing—an iconic public housing project in Sydney. Is that right?

The Hon. NATALIE WARD: Point of order: I think you are in my time, Mr Chair.

The CHAIR: Sorry, you are right, Ms Ward.

The Hon. NATALIE WARD: Thank you. I think it has been a herculean effort today but I just wanted to thank the Minister and advisers for coming along. Some of the projects have been very exciting. The opportunity for pivoting and doing innovative things, particularly with cycleways, is to be commended. From my personal perspective—I do not speak on behalf of the Committee—I caution against too much lycra in the future. It is something to be aware of.

Mr ROB STOKES: New South Wales will rise like us.

The Hon. NATALIE WARD: Thank you, Mr Chair, for indulging me.

The CHAIR: Thank you, Ms Ward. Minister, Mr Hebron and Mr Betts, thank you all for your attendance today. I think there were some questions taken on notice. You have 21 days to respond. Again, on behalf of the Committee, thank you.

Mr ROB STOKES: Thank you, everyone.

(The witnesses withdrew.)

The Committee adjourned at 16:39.