

ASPS-ID/OUT/2011/AF8958560



Mr Sam Haddad
Director General
NSW Department of Planning & Infrastructure
GPO Box 39
SYDNEY NSW 2001

Dear Mr Haddad

**ENVIRONMENTAL ASSESSMENT – WATER RELATED SERVICES FOR THE
NORTH WEST GROWTH CENTRE - SECOND RELEASE PRECINCTS –
APPLICATION No 10_0211 - SUBMISSION IN RESPONSE TO PUBLIC
EXHIBITION**

I refer to the exhibition of the Environmental Assessment for Water Related Services for the North West Growth Centre – Second Release Precincts prepared by Sydney Water Corporation (SWC) and dated October 2011. I appreciate the time extension for providing comments to permit Defence to obtain additional information from SWC.

The Schofields Precinct is one of the Second Release Precincts in the North West Growth Centre for which a Precinct Planning Report and Draft Indicative Layout Plan was recently exhibited. Defence made a submission to this exhibition.

Defence owns some 140.86 ha of land within the Schofields Precinct that was formerly used as a Royal Air Force and Royal Australian Air Force aerodrome (the Defence Site), with the Royal Australian Navy taking over the Defence Site in 1956 to create a training establishment. Some of the original site was sold to create the Nirimba Education Precinct in 1994. The Schofields Precinct is approximately 465ha thus the Defence Site represents some 30% of the Precinct area.

The Defence Site is expected to contribute at least 1,050 dwellings of the 3,300 dwellings planned for the Schofields Precinct.

Future of the Defence Site

The Defence Site is surplus to Defence requirements and, subject to the approval of the Australian Government, the property will be sold in accordance with the Commonwealth Property Disposals Policy.

Defence currently plans to sell the property in 2011-12 reinforcing the requirement for the Defence Site to be fully integrated into the rezoning and servicing proposals of the NSW Government to facilitate the release of land and the early provision of additional housing to meet demand.

The successful sale and early development of the Defence Site could provide the catalyst for other major landholders within the Schofields Precinct to seek early release and development of their land.

Sydney Water's Environmental Assessment

On 6 October 2011, Defence received advice from SWC that the Environmental Assessment (EA) for Water Related Services for the North West Growth Centre was on public display. Defence has completed a review of the document. Defence is concerned that the EA does not include or assess the trunk infrastructure required on the Defence Site to service the future development for this significant component of the Schofields Precinct.

The EA document purports to describe the provision of "water related services to support the development of the second release precincts" (pii, pxxi, p1, p11 etc) including the Schofields Precinct. Defence was therefore expecting the water servicing required for development of the Defence Site to be described and assessed in the EA. The only reference Defence could find concerning the omission of the Defence Site was under a sub-heading "Commonwealth land" (p43) which stated "The Proposal is outside the three areas of Commonwealth land in the NWGC at Shanes Park, Schofields Aerodrome, and a Telstra property in Riverstone." Yet elsewhere in the EA the "Proposal" is defined and described as servicing the Schofields Precinct which clearly includes "Schofields Aerodrome". The supporting figures in the EA also omitted to show the trunk infrastructure that would be required on the Defence Site.

Under Section 3.4 "Proposal Staging" there is no description of the proposed staging of the infrastructure, no schedules and no timelines for the Defence Site. This section refers to Figure 3-5 which purportedly "shows indicative staging for the Proposal up to 2025". The trunk water infrastructure necessary to service the Defence Site is not shown on this figure.

Defence located a plan on the SWC website dated October 2011 titled "Schofields Indicative Water and Wastewater Servicing Plan". This Servicing Plan shows the indicative location of trunk water infrastructure on the Defence Site and describes its provision as part of "Package 3 Trunk water and waste water available by 2020". The information presented in this Plan was not included in the EA.

The "Schofields Primary Utilities Report" prepared by Cardno (May 2011) and placed on public exhibition by the Department of Planning and Infrastructure (DPI) in August 2011, together with the Precinct Planning Report and Draft Indicative Layout Plan, contained a drawing in Appendix A that is very similar to the Servicing Plan on the SWC website. The Cardno report also briefly described the staging and timing of the water infrastructure - indicating that the Defence Site would be serviced by 2020. This information was not included in the EA produced by SWC.

The inconsistencies between the EA prepared by SWC and the Primary Utilities Report exhibited by DPI need to be resolved and explained in the respective reports addressing matters raised in submissions in response to the exhibition of the Precinct Planning Report

and the EA for Water Related Services for the North West Growth Centre - second release precincts.

A Director General Requirement (under s75F of the NSW *Environmental Planning and Assessment Act 1979*) for preparation of the EA by the SWC was that it would “undertake an appropriate and justified level of consultation with relevant parties during the preparation of the Environmental Assessment including local, State or Commonwealth Government authorities and the local community including affected landowners.” Defence was not consulted by SWC during the preparation of the EA. Thus, SWC was not aware of the plans for sale of the Defence Site for development.

A requirement for the preparation of environmental impact assessments under both NSW and Commonwealth guidelines is that the whole proposal should be addressed so that cumulative impacts can be properly assessed and the assessment of environmental impact in increments is avoided. Defence believes that the EA has not addressed the full impact of the Proposal (as defined in the EA itself) and this needs to be rectified.

Defence Site Servicing

Defence believes a clear strategy is required for servicing the Defence Site with water infrastructure given its imminent sale.

Defence met with representatives of SWC on 14 November 2011 to discuss the above matters and to understand the strategy planned by SWC for servicing the Defence Site with water infrastructure. At the meeting:

- SWC explained that because of administrative difficulties with site access, a decision was made by SWC to exclude the Defence Site from the EA. Defence was not notified of any difficulties by SWC gaining access to the Defence Site noting that Defence issued an Access Deed to SWC on 25 October 2010.
- SWC advised that it was not aware that Defence intended to dispose of the Defence Site as early as 2011/12 and this contributed to its decision not to include the Defence Site in the EA.
- SWC proposed that the water and waste water infrastructure on the Defence Site should be provided by the future developer/s. The trunk infrastructure would need to connect to the trunk infrastructure that would be terminated by SWC on the property to the north of the Defence Site (known as the Dairy Corporation or Villawood site).
- SWC indicated that development approval for the water infrastructure should be part of the development application for subdivision and the provision of other infrastructure, such as roads, and the environmental assessment be part of a Statement of Environmental Effects that would be required as part of the development application under Part 4 of the *Environmental Planning & Assessment Act 1979* (EP&A Act).
- SWC indicated that it intended to move the location of the water main stub under the railway line further south and closer to the Defence Site. It also indicated there may be minor amendments to the location of the wastewater main. These changes do not reduce but exacerbate the potential difficulties that a developer/s on the Defence Site may face in the survey, environmental and engineering assessment, design and construction of trunk water facilities on land owned by third parties and potentially development competitors.

- Defence suggested to SWC that the trunk water stub under the railway line should be moved further south at least to the Defence boundary or extended to the Defence boundary to facilitate servicing of the Defence Site.
- SWC further advised that if the developer constructed the trunk water infrastructure, the costs could be claimed back from SWC so long as SWC's procurement guidelines had been followed.

Servicing Issues

Defence is concerned that the advice provided by SWC for servicing the Defence Site is not in accordance with sound delivery of critical infrastructure and leaves too much scope for problems to arise with access and approvals. In the same way that SWC and the NSW Government recognised these issues as the reason for bringing the consent for critical infrastructure under Part 3A of the EP&A Act, Defence also believes the servicing of all the Schofields Precinct, and not just some parts, should be determined under Part 3A.

DPI acknowledge that the reason for the creation of the Growth Centres and the procedures for Precinct Planning was to bring good planning outcomes to greenfields urban development in Sydney and to ensure that necessary infrastructure was properly coordinated with housing development. DPI states that Precinct Planning is "streamlined and strategic, improving efficiency, reducing complexity and saving time and money".

The process outlined by SWC for servicing the Schofields Precinct with critical water infrastructure would not appear to meet the DPI criteria.

Defence is concerned that obtaining approvals for accessing neighbouring land to undertake the essential studies and then constructing the trunk infrastructure is prone to unacceptable delays and additional costs. It is also concerned that approval to construct the water infrastructure under Part 4 of the EP&A Act may be subject to conditions that are inconsistent with the conditions imposed for the approvals to SWC under Part 3A of the Act that affect the other portion of the Schofields Precinct.

Defence is also concerned at the proposed staging of the water infrastructure for the Schofields Precinct. Defence requests DPI and SWC to reconsider the timing for making infrastructure available to the southern part of the Precinct to facilitate development by 2015 instead of 2020.

The provision of trunk water services on the Defence Site under the process suggested by SWC will also become problematic if the Defence Site is disposed of by selling super-lots.

Preferred Outcome

Defence is of the strong view that the provision of critical trunk water infrastructure on the Defence Site should be assessed and provided through the established mechanisms applied to the remainder of the Schofields Precinct and for other Precincts in the Growth Centre.

Defence objects to the omission of the Defence Site from the EA, due to the:

- intent of SWC to shift the project design, approval and construction process to Part 4 of the EP&A Act, with resultant delivery of water related infrastructure imposed on

developer/s. Such a scenario would appear to be inconsistent with all the principles for establishing the Growth Centres and the Precinct Planning process;

- balance of the Schofields Precinct being seen to be given a distinct advantage in having the potential to proceed with development in a timely manner compared to that proposed for the future purchaser/developer of the Defence Site; and
- additional uncertainty faced by both Defence and a future purchaser/developer of the Defence Site in terms of when water infrastructure may be delivered, by whom, under what approval terms, and at what cost, both direct and indirect.

Defence requests that DPI resolve the:

- inconsistencies between SWC's EA and DPI's Primary Utilities Report;
- deficiencies in SWC's assessment of the impact of the Proposal outlined in the EA;
- issues associated with the purchaser/developers of the Defence land having to access a water stub on private land to the north of the Defence Site;
- issues associated with the purchaser/developers of the Defence Site having to seek approvals under part 4 of the EP&A Act;
- issues associated with the purchaser/developers of the Defence Site having to access private property for the survey, assessment, design and construction of trunk water infrastructure; and
- definition and apportionment of costs for delivery of water related infrastructure.

Conclusion

Defence believes that SWC, as the responsible NSW Government agency, should undertake the design, approval and construction of trunk water infrastructure on the Defence Site consistent with the principles adopted for orderly development in the Growth Centres.

Defence recognises that SWC's plans may be impacted by DPI's consideration of the public submissions received in response to the exhibition of the precinct planning documents, given that an Alternate Indicative Layout Plan was submitted by both Defence Housing Australia and Villawood.

Defence requests DPI to support sound infrastructure planning and orderly development of land for housing by recommending to the Minister for Planning and Infrastructure to include the following condition in any approval for the proposed water servicing scheme for the Schofields Precinct:

That SWC:

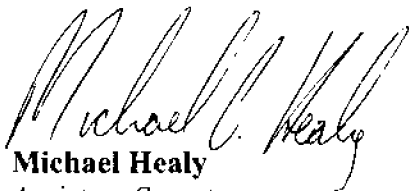
- prepares an addendum to the EA;
- undertakes survey, environmental assessment and design for those parts of the Schofields Precinct omitted from the EA dated October 2011;
- constructs trunk water and waste water infrastructure for the whole Precinct; and
- brings forward the proposed servicing of the southern part of the Precinct on the Defence Site.

Defence would be pleased to cooperate with SWC in such a review, as Defence has done so in the past with SWC and other State agencies, for this and other disposal and operational sites in the Sydney region.

I have copied this letter to Ms Dianne Leeson, Assistant Director General Government Coordination and Corporate Administration Division, NSW Department of Premier and Cabinet, for her information following the recent Commonwealth and NSW Government Consultative Forum, where the Schofields site was an agenda item.

Should you wish to discuss this matter, please do not hesitate to contact me on the above number.

Yours sincerely



Michael Healy
Assistant Secretary
Property Services Branch

L ^{na} December 2011

cc: Ms Dianne Leeson
Assistant Director General
Government Coordination & Corporate Administration Division
NSW Department of Premier & Cabinet