



Sigma Warehouse & Distribution Facility

*State Significant
Development
Modification Assessment
(SSD 7719 MOD 2)*



December 2018

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Cover photo

Rendered perspective drawing of the Sigma facility (Source: Sigma Company Limited)

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Glossary

Abbreviation	Definition
Consent	Development Consent
Council	Penrith City Council
DA	Development application
Department	Department of Planning and Environment
DoI	Department of Industry
EIS	Environmental Impact Statement
EP&A Act	<i>Environmental Planning and Assessment Act 1979</i>
EP&A Regulation	Environmental Planning and Assessment Regulation 2000
IPC	Independent Planning Commission
Minister	Minister for Planning
LGA	Local government area
Planning Secretary	Secretary of the Department of Planning and Environment
RTS	Response to Submissions
SEPP	State Environmental Planning Policy
SRD SEPP	State Environmental Planning Policy (State and Regional Development) 2011
SSD	State Significant Development
WSEA	Western Sydney Employment Area
WSEA SEPP	State Environmental Planning Policy (Western Sydney Employment Area) 2009



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1. Introduction

This report assesses a modification application by Sigma Company Ltd (the Applicant) for the Sigma Pharmaceutical Warehouse and Distribution Facility (SSD 7719). The application has been lodged pursuant to 4.55(1A) of the *Environmental Planning and Assessment Act 1979* (EP&A Act).

1.1 Background

The Applicant is a pharmacy wholesale and distribution business with a large pharmacy network in Australia. The company's store and pharmacy retail brands include Amcal, Guardian, PharmaSave, Chemist King and Discount Drug Stores.

The Applicant has approval for a pharmaceutical warehouse and distribution facility located within the Oakdale South Industrial Estate in Kemps Creek, in the Penrith local government area (LGA). Construction of the facility commenced in early 2018. Once completed, the facility will operate 24 hours per day, seven days per week.

The site is located approximately 40 kilometres (km) west of the Sydney city centre, 12 km south-east of Penrith, 5 km south of the M4 and 4 km west of the M7 Motorway. The site is also located in the Western Sydney Employment Area (WSEA) which is strategically identified industrial and employment land under State Environmental Planning Policy (Western Sydney Employment Area) 2009 (WSEA SEPP).

The site location is depicted in **Figure 1**.



Figure 1 | Site Location

1.2 Site Description

The site is legally described as Lot 12 in Deposited Plan 1178389 and is approximately 7.04 hectares (ha) in area.

Ropes Creek and an unnamed tributary are located to the west and north of the site respectively. High voltage electricity transmission lines are located to the south.

Several residential receivers are located near the site in the suburbs of Kemps Creek, Mount Vernon and Horsley Park, with the closest located 900 metres (m) to the south-west on Aldington Road.

The site features and closest residential receivers are shown in **Figure 2**.

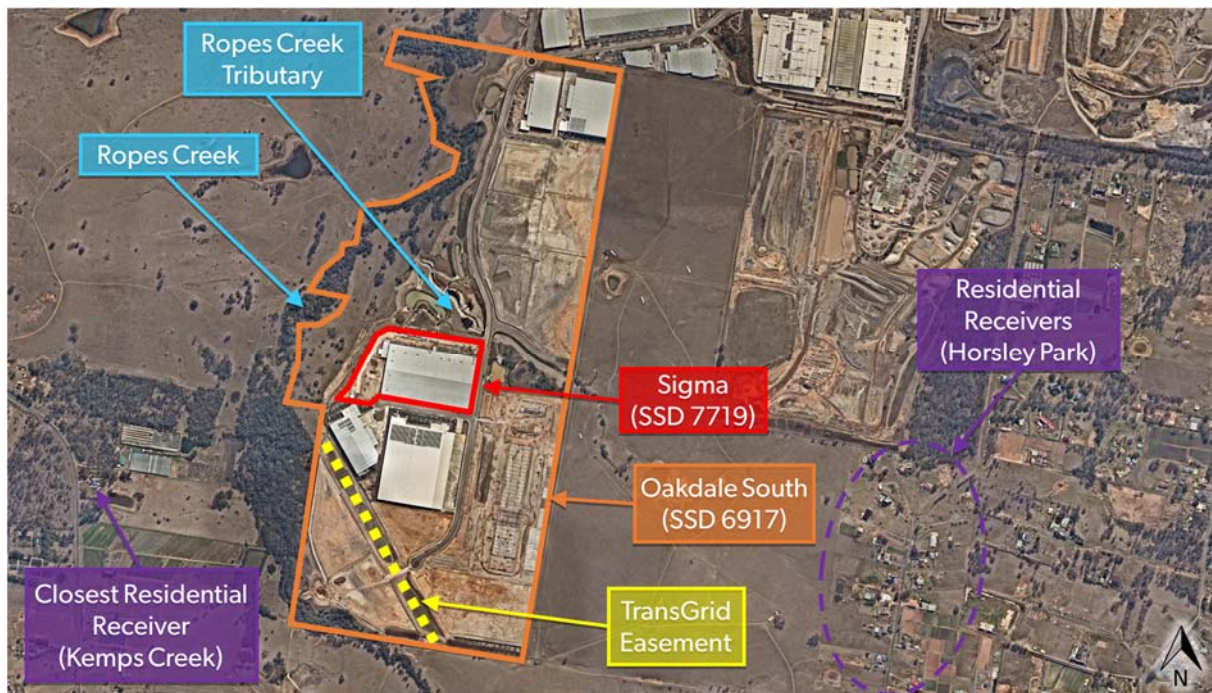


Figure 2 | Site Features and Sensitive Receiver Locations

1.3 Surrounding Land Uses

Surrounding land uses include those associated with industrial activities in the WSEA to the north, east and west and residential land uses are located further to the east, south and south-west. Land uses near the site are depicted in **Figure 3** and include the:

- Toyota Spare Parts Warehouse and Distribution Centre (SSD 7663) to the immediate south
- Costco Wholesale Warehouse and Distribution Centre (SSD 8209) to the immediate east
- Oakdale Central Industrial Estate (MP 08_0065 & SSD 6078) to the north
- proposed Oakdale West Industrial Estate (SSD 7348) to the west
- Jacfin Horsley Park warehousing hub (MP 10_0129 and MP 10_0130) to the east
- CSR Brickworks to the east
- residential subdivision known as the Capitol Hill Subdivision to the south.

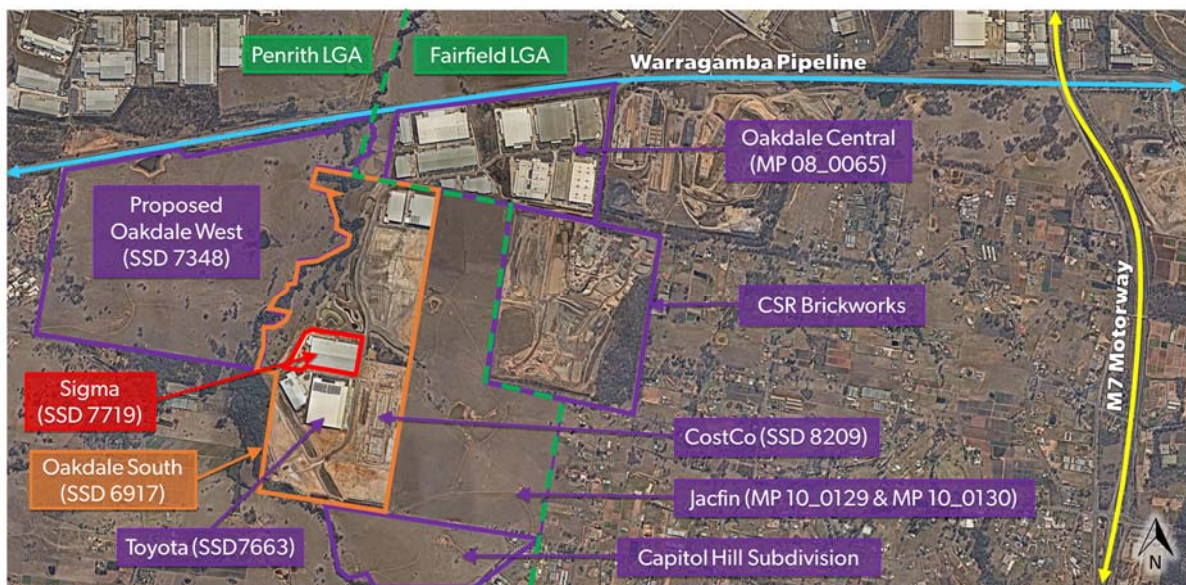


Figure 3 | Surrounding Land Uses

1.4 Approval History

On 26 October 2016, the Executive Director, Key Sites and Industry Assessments approved a concurrent Concept Proposal and Stage 1 Development Application (DA) for a warehousing and employment precinct (SSD 6917) known as the Oakdale South Industrial Estate. The Concept Proposal established 15 building envelopes for warehouse and distribution facilities across six development precincts; conceptual subdivision, landscaping, stormwater and infrastructure designs; conceptual site levels; conceptual car parking and biodiversity offset requirements. The Stage 1 DA includes the construction and use of warehouse buildings within Precinct 1, estate wide bulk earthworks, access roads, infrastructure services, parking and landscaping.

On 28 July 2017, the Executive Director, Key Sites and Industry Assessments approved the Sigma Pharmaceutical Warehouse and Distribution Facility (SSD 7719) on Site 3A of The Oakdale South Industrial Estate. The consent allows for the storage and distribution of pharmaceutical products and 24 hours a day, seven days a week operations.

The development consent for the Sigma facility has been modified on one occasion to change the building and site layout and amend the approved business identification signage (SSD 7719 MOD 1). This modification application originally sought to change the north-east corner of the site from landscape to hardstand. However, this aspect of the modification was withdrawn. At the time, hardstand was not permissible in this location as it was zoned E2 Environmental Conservation (E2).

1.5 Zoning Amendment

On 19 October 2017, a Planning Proposal was submitted to the Department to amend the E2 zone in the WSEA SEPP. The E2 zone realignment is a result of a modification to The Oakdale South Industrial Estate (SSD 6917 MOD 1) which was approved on 21 April 2017. The modification made changes to the southern extent of the site layout and included a realignment of the Ropes Creek Tributary (see **Figure 4**).

On 16 November 2018, State Environmental Planning Policy (Western Sydney Employment Area) Amendment (Ropes Creek) 2018 commenced and was published on the NSW legislation website. The amendment to the WSEA SEPP rezoned the north-east corner of Site 3A (the Sigma facility) from E2 to IN1 General Industrial (see **Figure 5**).

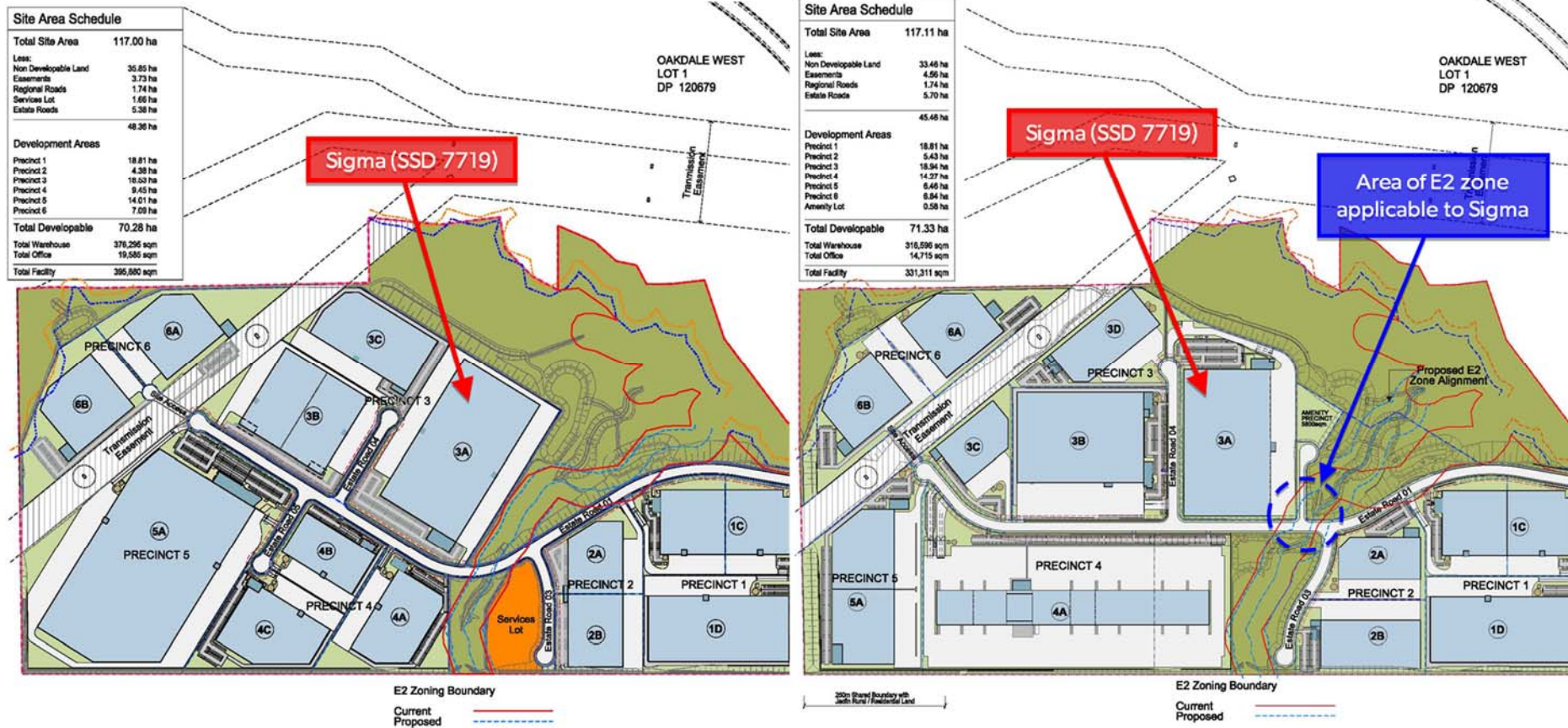


Figure 4 | Original Concept Plan (SSD 6917) (left) and Modified Concept Plan (SSD 6917 MOD 1) (right)

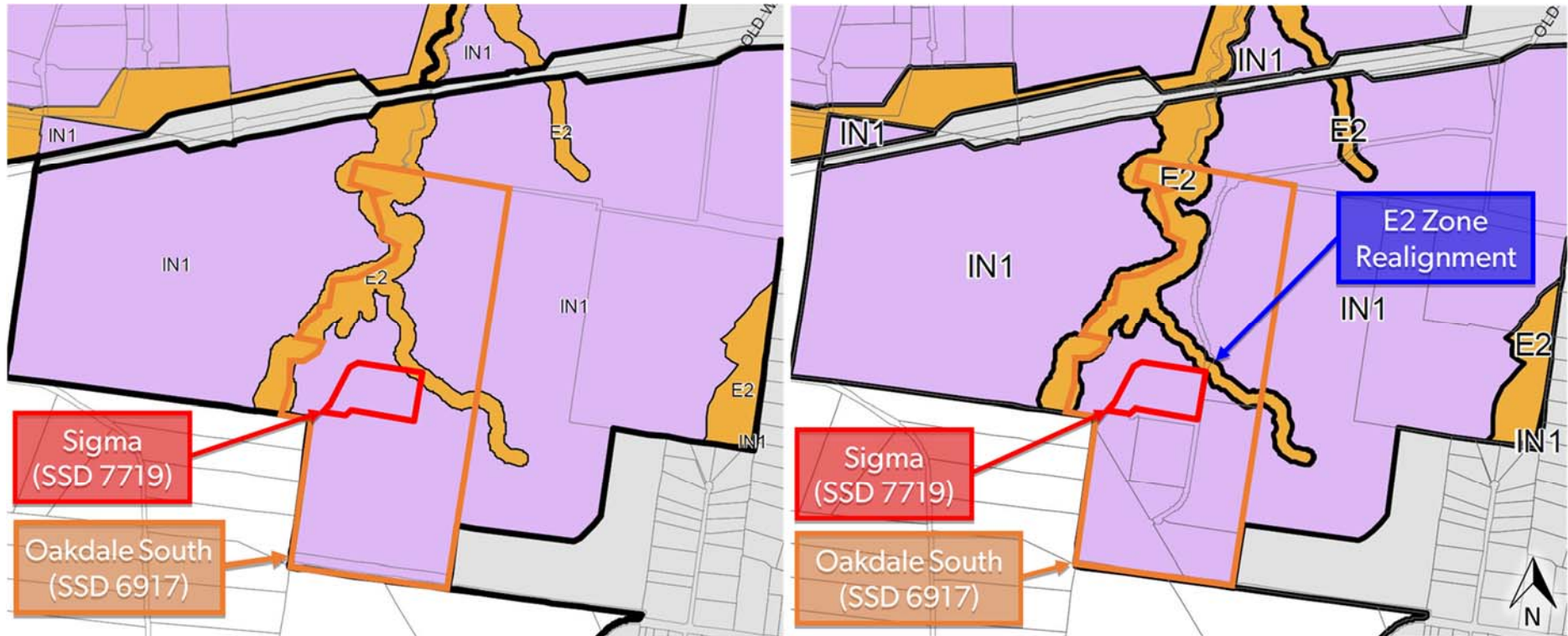


Figure 5 | Previous Zoning (left) and Amended Zoning (right)



2. Proposed Modification

The Applicant has lodged a modification application under section 4.55(1A) of the EP&A Act to increase the hardstand area of the loading dock and amend conditions of consent relating to environmental reporting.

The modification is described in full in the modification application included in **Appendix B**, is summarised in **Table 1** and is illustrated in **Figure 6** and **Figure 7**.

Table 1 | Summary of the Proposed Modification

Aspect	Proposed Modification	Applicant's Justification
Site layout	Replace the landscape with hardstand in the north-east corner of the site.	The Applicant anticipates a large volume of stock will be delivered as full pallets. The additional hardstand would allow for the efficient maneuvering of trucks, particularly around the recessed docks where the full pallets would be received. Further, the Sigma facility was designed based on the knowledge that realignment of the Ropes Creek Tributary was approved as part of a modification for The Oakdale South Industrial Estate (SSD 6917 MOD 1).
Condition C7: The Applicant must provide regular reporting on the environmental performance of the Development on its website, in accordance with the reporting arrangements in any plans or programs approved under the conditions of this consent.	Remove Condition C7.	The Applicant considers the possibility of an environmental breach is minimal given the nature of the development. No raw materials will be stored and no manufacturing will occur.
Condition C8: The Applicant must make the following information publicly available on its website and keep the information up to date: (a) the EIS; (b) current statutory approvals for the Development; (c) approved strategies, plans or programs; (d) a complaints register, updated on an annual basis; and (e) any other matter required by the Secretary.	Remove the requirement for the information listed in Condition C8 to be made publicly available on the Applicant's website and instead have it available at the offices on-site.	The Applicant argues the intended users of the Sigma website are pharmacies and businesses, not the public, therefore this information does not suit the nature of the website. Further, the website is not monitored or updated on a regular basis.

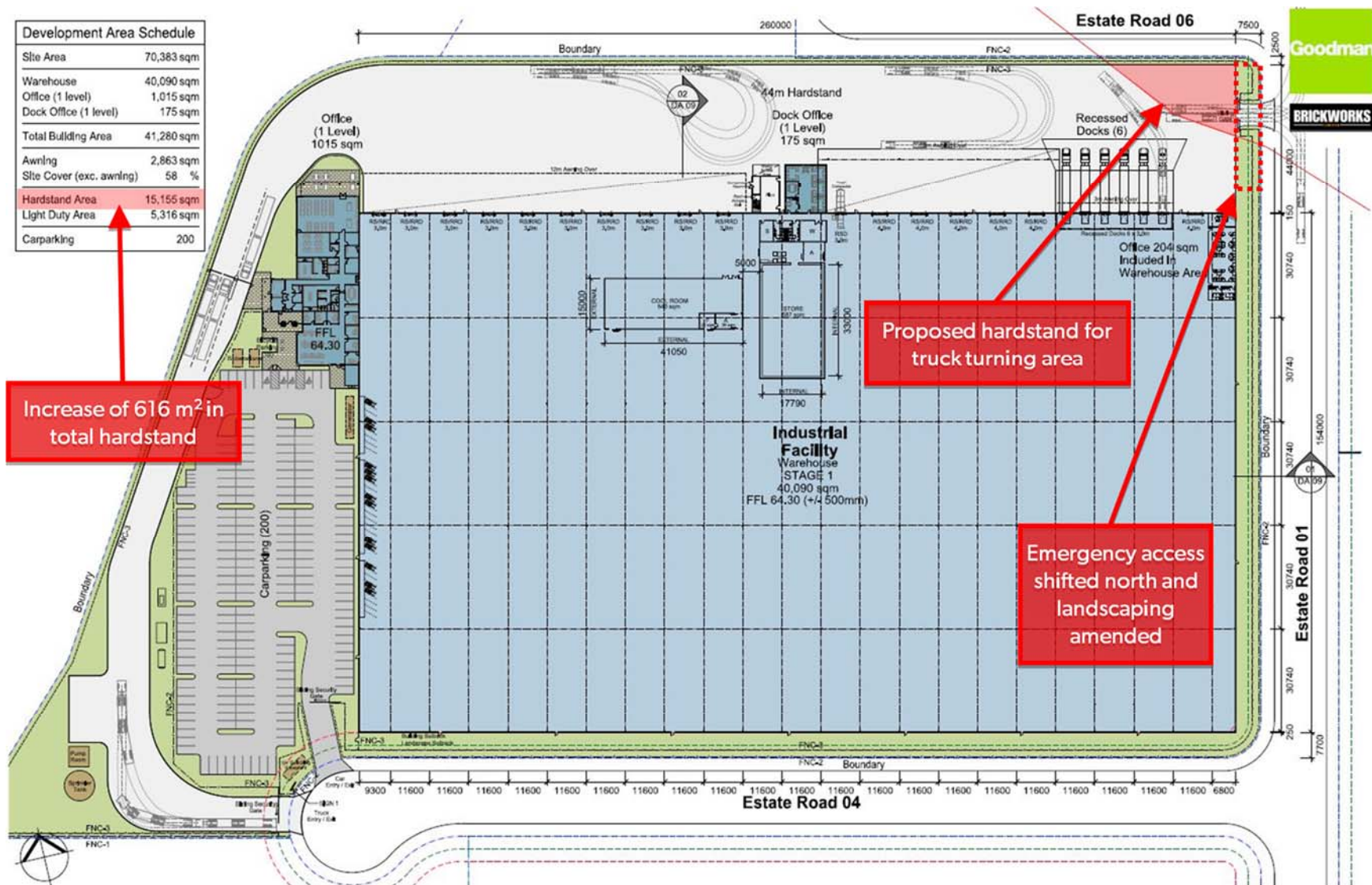


Figure 6 | Approved (left) and Proposed (right) Site Plan

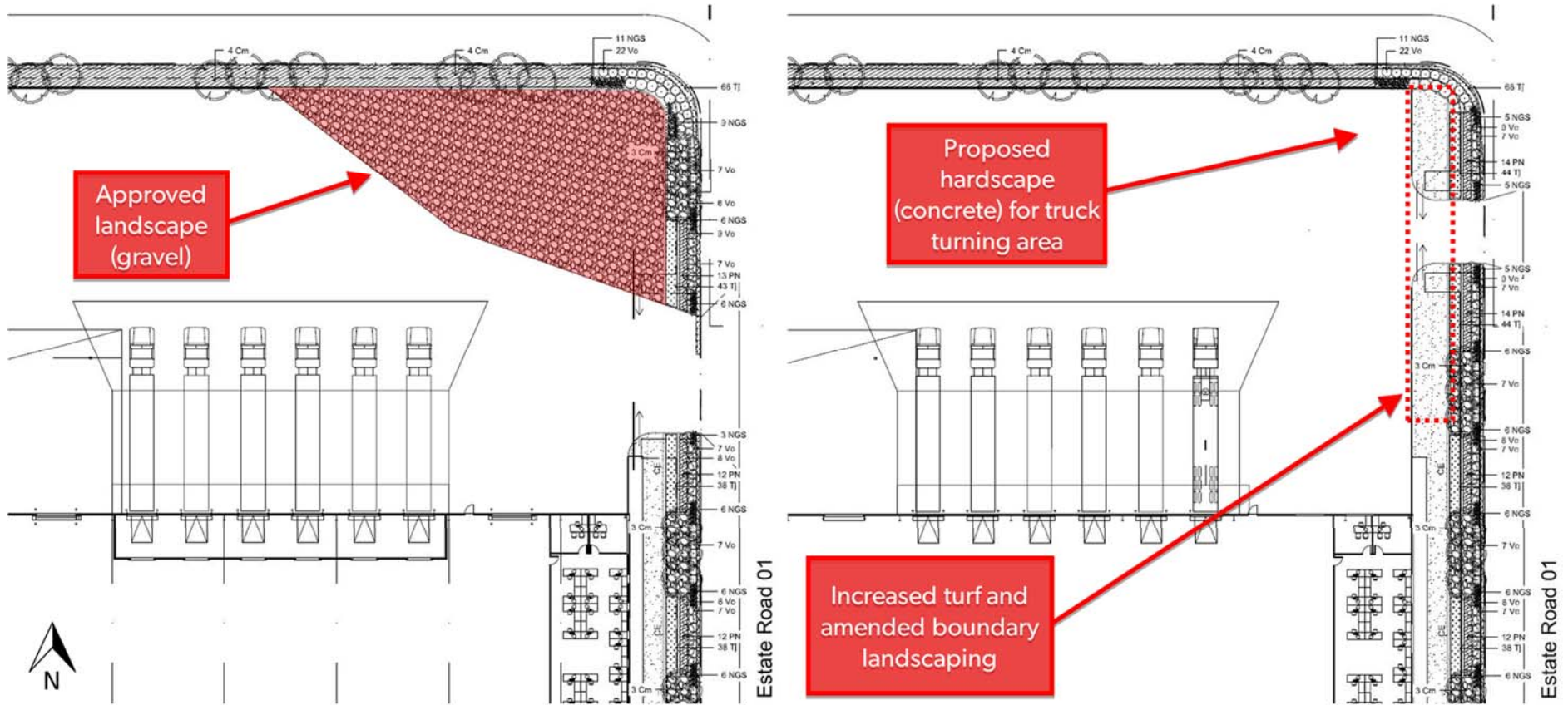


Figure 7 | Approved (left) and Proposed (right) Landscaping

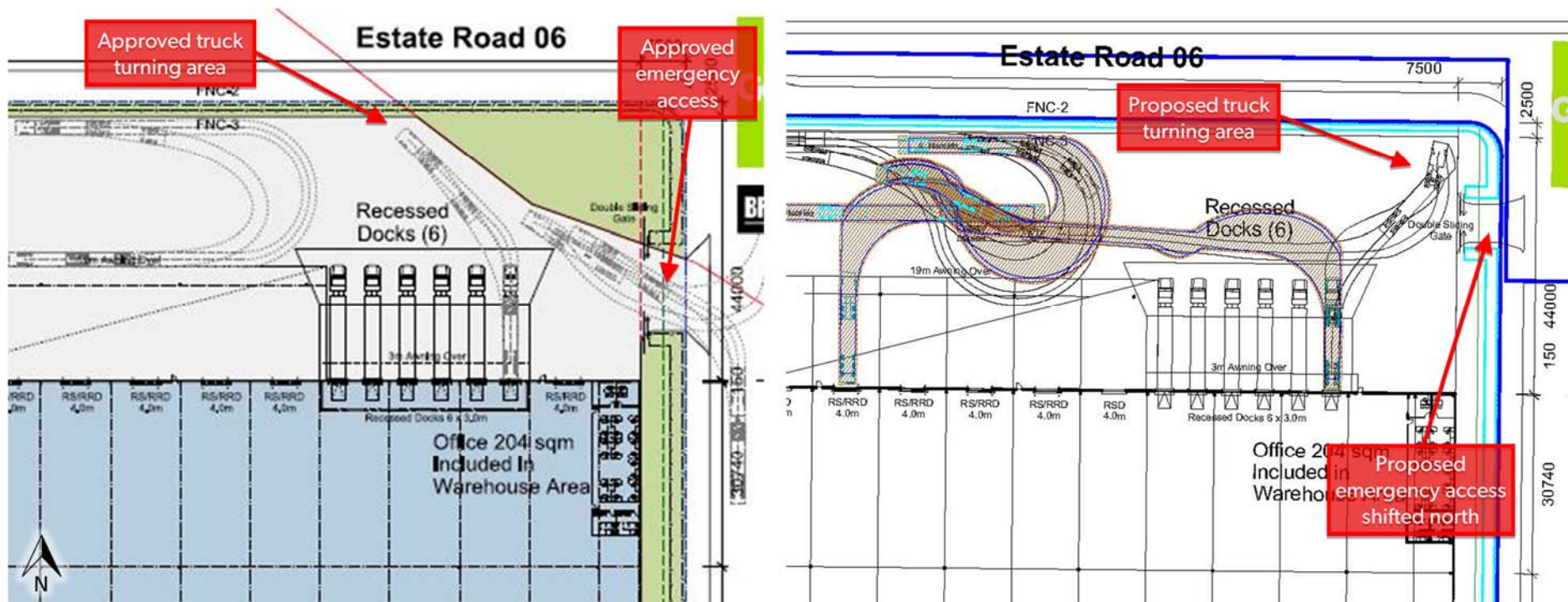


Figure 8 | Approved (left) and Proposed (right) Vehicle Manoeuvrability

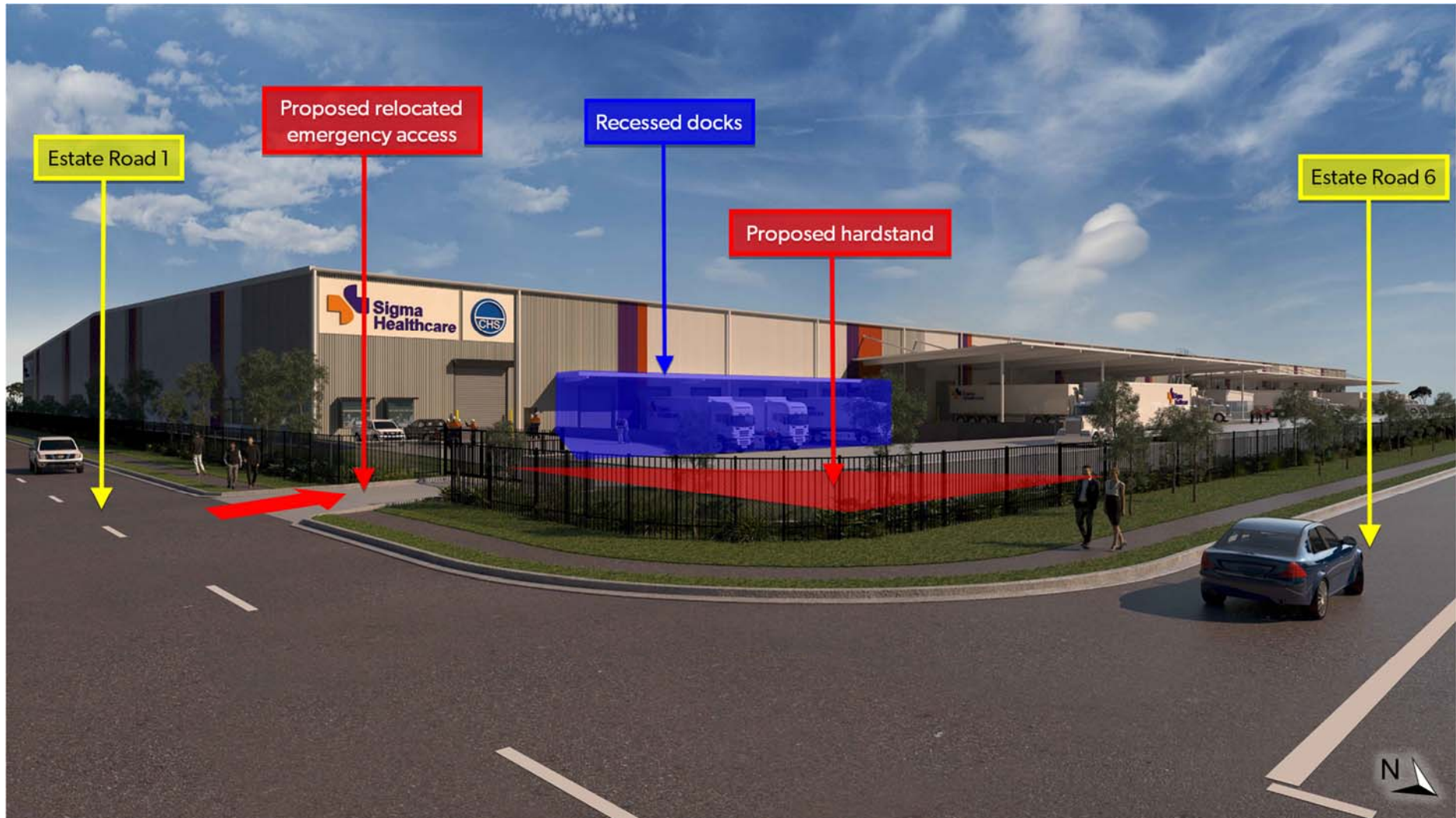


Figure 9 | Rendered Image of Sigma Facility



3. Strategic Context

A Metropolis of Three Cities

The Greater Sydney Region Plan, *A Metropolis of Three Cities*, sets a 40-year vision and 20-year plan to manage growth and change for Greater Sydney. The Plan identifies 40 objectives to facilitate the implementation the 10 Directions established in Directions for a Greater Sydney.

The development is consistent with the objectives outlined in *A Metropolis of Three Cities* as it:

- would continue to support the freight and logistics network (Objective 16)
- is appropriately located within the WSEA, which is land planned for industrial and urban services (Objective 23).

Western City District Plan

The Greater Sydney Commission has released six district plans encompassing Greater Sydney, which will guide the delivery of *A Metropolis of Three Cities*. The proposed development is located in the Western City District, which is identified as one of the fastest growing districts in Greater Sydney. The development would assist in meeting the priorities and actions set out in the Western City District Plan as it represents the retention of industrial and urban service land in the Penrith LGA (Action 51).



4. Statutory Context

4.1 Scope of Modifications

The Department has reviewed the scope of the modification application and is satisfied that the proposed modification would result in minimal environmental impacts and relates to substantially the same development as the original development consent on the basis that:

- the primary function and purpose of the approved development would not change as a result of the proposed modification
- the modification is of a scale that warrants the use of section 4.55(1A) of the EP&A Act
- any potential environmental impacts would be minimal and appropriately managed through the existing or modified conditions of approval.

Therefore, the Department is satisfied the proposed modification is within the scope of section 4.55(1A) of the EP&A Act and does not constitute a new development application. Accordingly, the Department considers that the application should be assessed and determined under section 4.55(1A) of the EP&A Act rather than requiring a new development application to be lodged.

4.2 Consent Authority

The Minister for Planning is the consent authority for the application under section 4.5(a) of the EP&A Act. Under the Minister's delegation of 11 October 2017, the Director, Industry Assessments, may determine the application under delegation if:

- the relevant local council has not made an objection and
- a political disclosure statement has not been made and
- there are no public submissions in the nature of objections.

However, as reportable political donations were made by the Applicant, the Independent Planning Commission (the Commission) is the consent authority for the purposes of section 4.55 of the EP&A.



5. Engagement

5.1 Department's Engagement

Clause 117(3B) of the Environmental Planning and Assessment Regulation 2000 (EP&A Regulation) specifies that the notification requirements of the EP&A Regulation do not apply to State significant development. Accordingly, the application was not advertised, however, it was made publicly available on the Department's website on 21 February 2018, and referred to Penrith City Council (Council), the Office of Environment and Heritage (OEH) and the Department of Industry (Dol) for comment.

During the notification period, a total of two submissions were received, none of which objected to the proposed modification.

Council did not object to the modification, however advised the comments previously provided for SSD 7719 and SSD 7719 MOD 1 regarding landscape design and streetscape presentation still applied.

Dol did not object to the modification and requested adequate buffering for the first order water course to the north-east of the site, in accordance with Guidelines for Controlled Activity Approvals (2018).

5.2 Response to Submissions

The Applicant provided a Response to Submissions (RTS) on the issues raised during the notification of the proposed modification (see **Appendix B**).

The RTS was made publicly available on the Department's website and was provided to the submitters to consider whether it adequately addressed the issues raised. A summary of the responses is provided below:

- Council advised they had no further comments
- Dol noted the RTS addressed their submission and provided no further comments.

The Department has considered the issues raised in submissions, the RTS and the supplementary concerns raised, in its assessment of the development.



6. Assessment

The Department has assessed the merits of the proposed modification. During this assessment, the Department has considered the:

- modification application and RTS provided to support the proposed modification (see **Appendix B**)
- assessment report for the original development application and subsequent modification applications
- submissions from State government authorities and Council (**Appendix C**)
- relevant environmental planning instruments, policies and guidelines
- requirements of the EP&A Act, including the objects of the EP&A Act.

The Department's assessment of the proposed modification is provided in **Table 2**.

Table 2 | Assessment of the Proposed Modification

Issue	Assessment	Recommendation
Justification for proposed modification	<ul style="list-style-type: none">• As discussed in Section 1.5 of this report, the Oakdale South Industrial Estate was modified to amend the site layout and realign the Ropes Creek Tributary under SSD 6719 MOD 1.• State Environmental Planning Policy (Western Sydney Employment Area) Amendment (Ropes Creek) 2018 commenced on 16 November 2018 and amended the E2 zone to reflect the realigned Ropes Creek Tributary. The Oakdale South Industrial Estate was subsequently modified to amend the concept plans to reflect the rezoning.• The subject modification (SSD 7719 MOD 2) involves amending the approved site layout to change the landscaped area in the north-east corner of the site to hardstand which is now permissible under the WSEA SEPP zoning.• The Department acknowledges that the realignment of the Ropes Creek Tributary was assessed as part of SSD 6917 MOD 1. The north-east corner of the site zoned E2 was depicted as hard-landscape (gravel) in the submitted and approved plans in the interim. However, the intent was to update these plans once the rezoning was approved.• SSD 7719 MOD 1 increased the number of recessed docks in anticipation that the Sigma facility would have greater volume of inbound stock delivered as full pallets than the other Sigma facilities in other states. The Applicant advises the expansion of the hardstand would allow better truck access to these recessed docks.• The Department concurs the proposed truck turning area provides better truck circulation at the recessed docks. As currently approved, trucks accessing the recessed docks must do a U-Turn and reverse into the docks. The proposed arrangement would allow trucks to pull into the north-east corner and reverse into the docks. The approved and proposed truck turning paths are shown in Figure 8.• The Department's assessment concludes the proposed change from landscape to hardstand in the north-east corner of the site is adequately justified as it was assessed as part of SSD 6719 MOD 1, it is now a permissible land use and would improve truck maneuverability.	Replace the approved site plans to reflect the proposed hardstand.

Issue	Assessment	Recommendation
Visual impact	<ul style="list-style-type: none"> The proposed modification has the potential to impact the appearance of the development from the street, which could detract from the amenity of locality. Council raised concerns that the north-east corner of the site should be further embellished to improve the streetscape presentation at the intersection of Estate Roads 1 and 6. The RTS noted that as currently approved, the corner would be 'hard-landscape' (ie. gravel) and therefore hardstand would have the same appearance from the street. To demonstrate this, a rendered perspective was provided depicting the view of the site from the intersection of Estate Roads 1 and 6 (see Figure 9). The Department considers the proposed modification would not result in a visual impact beyond what was assessed as part of SSD 6917 and subsequent modifications. The landscaping, including trees when at maturity, would effectively screen the appearance of the loading dock from the street. The Department considers the existing conditions of consent adequately address the visual impact of the development. 	No conditions are recommended.
Stormwater	<ul style="list-style-type: none"> The proposed modification involves increasing the amount of impermeable surface on the site by 616 m². The existing stormwater strategy for The Oakdale South Industrial Estate includes six stormwater catchment basins, which have been designed to meet Council's pollution reduction targets under the Penrith City Council Water Sensitive Urban Design Policy December 2013. Council and DPI raised no issues with the proposed modification in relation to stormwater. The Department's assessment concludes that the increase in impervious surface on-site would be captured within Catchment C of the existing stormwater strategy. The existing conditions of consent require the Applicant to review and, if necessary, revise the stormwater strategy within three months of the determination of a modification. No additional conditions of consent are recommended. 	No conditions are recommended.
Proposed amendments to environmental reporting conditions	<ul style="list-style-type: none"> The proposed modification seeks to modify two environmental reporting conditions in the consent. Condition C7 requires the Applicant to provide regular reporting on the environmental performance of the development on its website. The Applicant wishes to remove this condition entirely. Condition C8 requires the Applicant to make certain information publicly available on its website. The Applicant proposes to modify this condition so that this information must be publicly available on-site, rather than on its website. Both conditions C7 and C8 are standard conditions which are applied generally to deal with the range of developments assessed by the Department. The Applicant argues that the possibility of an environmental breach is minimal given the nature of the development. Further, the Sigma website was developed for pharmacies and businesses to use rather than the general public (see Table 1). The Department's assessment of the original SSD determined that once operational the development would have the potential for amenity impacts to occur in the form of noise and traffic. However, 	<ul style="list-style-type: none"> Remove Condition C7. Amend Condition C8 to allow the Applicant to make the necessary information publicly available on-site.

Issue	Assessment	Recommendation
	<p>the assessment concluded these impacts were not significant and could be managed via an Operational Environmental Management Plan. Further, the Applicant must verify their noise predictions within six months of the commencement of operation by submitting an operational noise audit to the Department.</p> <ul style="list-style-type: none"> • Should any limits or performance criteria of the consent be exceeded, the Applicant must notify the Planning Secretary and prepare an incident report under Condition C6. The Applicant must then comply with any written requirements of the Planning Secretary arising from the incident report as per Condition A4. • The Department also notes that during the exhibition of the original SSD, no public submissions were received. • The Department does not consider it likely the development would pose an impact to the amenity of the locality once the noise predictions, which were well below the criteria established in the EPA's Industrial Noise Policy, are verified. • The Department agrees that the development poses a low environmental risk as it does not involve any manufacturing on-site or the storage of raw materials. • In considering the low risk of an environmental breach, the other existing conditions of consent and the minimal public interest, the Department's assessment concludes the proposed modifications to the environmental reporting conditions would not increase the potential amenity impacts of the development. • Further, the information would still be publicly available on-site. • The Department has recommended the conditions of consent be amended as requested by the Applicant. 	



7. Evaluation

The Department has assessed the proposed modification in accordance with the relevant requirements of the EP&A Act. The Department's assessment of the proposed modification concludes the following:

- the realignment of the Kemps Creek Tributary was assessed under SSD 6917 MOD 1
- the proposed modification would not increase the visual impact of the development beyond what has been previously assessed for the original SSD and subsequent modifications
- the estate-wide stormwater strategy for The Oakdale South Industrial Estate has sufficient capacity for the increase in hardstand on Site 3A
- the development has a low risk of environmental breach and minimal public interest, therefore the other existing conditions of consent would sufficiently manage any potential amenity impacts.

The Department has assessed the proposed modification and EA and considered the submissions provided by Council and DoI. The Department has also considered the objects and relevant considerations under section 4.55 of the EP&A Act. The Department considers the proposed modification is appropriate on the basis that:

- it will result in minimal environmental impacts beyond the approved facility
- the updated site plan will reflect the re-zoning approved under the WSEA SEPP amendment.

Following on from its assessment, the Department considers the modification application is approvable, subject to the modification conditions outlined in **Appendix E**. This assessment report is hereby presented to the IPC for determination.


Chris Ritchie
Director
Industry Assessments
11/12/18


Anthea Sargeant
Executive Director
Key Sites & Industry Assessments
12/12/18



Appendices

Appendix A – List of Documents

In its assessment, the Department considered:

- State significant development modification application titled Sigma Warehouse & Distribution Facility Oakdale South Estate Site 3A – SSDA 7719, prepared by Urbis Pty Ltd, dated 28 September 2018
- submissions received from Penrith City Council and the Department of Industry
- response to submissions letter titled RE: Sigma Pharmaceutical Warehouse & Distribution Facility Modification (SSD 7719 MOD 2) – Response to Submissions, prepared by Urbis Pty Ltd, dated 7 November 2018
- State significant development application for the Sigma Pharmaceuticals Warehouse and Distribution Facility (SSD 7719) and its subsequent modification
- State significant development modification for the Oakdale South Industrial Estate (SSD 6917 MOD 1)
- State Environmental Planning Policy (Western Sydney Employment Area) Amendment (Ropes Creek) 2018.

Appendix B – Modification Application

Available on the Department's website at:

http://www.majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=9662

Appendix C – Submissions

Available on the Department's website at:

http://www.majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=9662

Appendix D – Submissions Report

Available on the Department's website at:

http://www.majorprojects.planning.nsw.gov.au/index.pl?action=view_job&job_id=9662

Appendix E – Notice of Modification