



NEW SOUTH WALES MAJOR DEVELOPMENT MONITOR 2006–07



Contents

Minister's foreword	1	How proposals were determined	23
Executive Summary.....	2	DEPARTMENT'S ASSESSMENT ROLE	23
Major development proposals lodged during 2006–07	4	STATE PLAN	23
NON-DISCRETIONARY PROPOSALS.....	4	DELEGATIONS TO COUNCILS	24
DISCRETIONARY PROPOSALS.....	4	APPEALS AGAINST DEVELOPMENT DECISIONS.....	24
CRITICAL INFRASTRUCTURE	5	BILATERAL AGREEMENT WITH THE COMMONWEALTH	25
Development decisions made during 2006–07... 7		Major projects policy changes	26
INFRASTRUCTURE.....	10	Outcomes.....	27
INDUSTRY	13	FULLY OR SUBSTANTIALLY COMPLETED PART 3A PROJECTS.....	27
STATE SIGNIFICANT SITES	15	Audit and Compliance Activity	28
SPECIFIED URBAN SITES.....	17	Decisions on local environmental plans (LEPs)30	
COASTAL	18	LEP REVIEW PANEL	30
TOURISM/RECREATION	19	Appendices.....	33
ALPINE	20	APPENDIX A – DISCRETIONARY PROPOSALS 2006–2007	33
OTHER RESIDENTIAL/COMMERCIAL.....	20	APPENDIX B – APPROVALS WITH A CAPITAL INVESTMENT VALUE MORE THAN \$30 MILLION 2006–07	34
Public participation.....	21	APPENDIX C – REFUSALS 2006–07	36
INDEPENDENT HEARING AND ASSESSMENT PANELS (IHAPS)	22	APPENDIX D – WITHDRAWALS 2006–07	37
STRATEGIC INQUIRIES.....	22		

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Minister's foreword



I am pleased to present the Major Development Monitor 2006–07. This document informs communities, councils, developers and government agencies on decisions taken during the year by the Minister for Planning and the Department of Planning

in regard to major development projects and proposed local environmental plans (LEPs).

During 2006–07, a total of 319 projects were determined, with a total value of \$14.5 billion and the potential to create 34,588 jobs. A key feature during the year was the assessment and approval of more than 70 infrastructure proposals. Highly significant infrastructure determinations included the Royal North Shore, Orange-Bloomfield, Liverpool, Auburn, Lismore and Queanbeyan hospital redevelopments, the Southern Sydney freight line and parts of the Pacific Highway upgrade and Western Sydney recycled water initiative.

The major projects assessment system, introduced in August 2005, demonstrated its value during the year. It enabled the key issues in projects to be identified early in the assessment process. It also increased public information and consultation about proposals and decisions, including via the Department's major projects website section which received an average 18,000 page views a month.

Furthermore, the NSW Government's LEP Review Panel also completed its first full financial year of operation. This panel approved more than 80 per cent of LEPs proceeding further. However, it also played a valuable role stopping some councils wasting considerable time and resources exhibiting LEPs which were highly unlikely to be approved.

Overall, the decisions outlined in this document helped implement a number of State Plan priorities, including jobs closer to home, housing affordability, increased business investment, better environmental outcomes and maintaining and investing in infrastructure.

Now it is time to look towards the future. The NSW Government is turning its attention to the local planning system, which is used every day by applicants such as "mums and dads" lodging house plans or small business people trying to establish new premises. We want to ensure this system is working as effectively and efficiently as it should. I expect a discussion paper will be available soon on this subject.

I commend this report to you.

Yours Sincerely,

A handwritten signature in black ink, which appears to read "Frank Sartor". The signature is written in a cursive, flowing style.

Frank Sartor
NSW Minister for Planning



Executive Summary

The Major Development Monitor 2006–07 outlines the work of the NSW Department of Planning and Minister for Planning assessing and determining development proposals and local environmental plans (LEPs).

It has a particular focus on the operation of the major projects assessment system. This system comprises Part 3A of the Environmental Planning and Assessment Act (EP&A Act) and the Major Projects State Environmental Planning Policy (Major Projects SEPP). The system is specifically designed to deal with the complexity of major projects.

The major projects assessment system package:

- Engages the community by improving consultation and transparency
- Ensures key environmental and planning issues are publicly identified and addressed early in the assessment process
- Provides, for the first time, a tailor-made assessment system for projects of regional or State significance
- Focuses on achieving the right integrated outcome, rather than simply relying on bureaucratic red tape

The Department continues to assess some projects, including alpine projects, under Part 4 of the EP&A Act.

The Major Development Monitor 2006–07 also reports on the work of the Department and Minister vetting and approving proposed LEPs. The Department's LEP Review Panel streamlines the LEP making process, by providing upfront advice and directions to councils during the preparation of LEPs.

Key 2006–07 outcomes include:

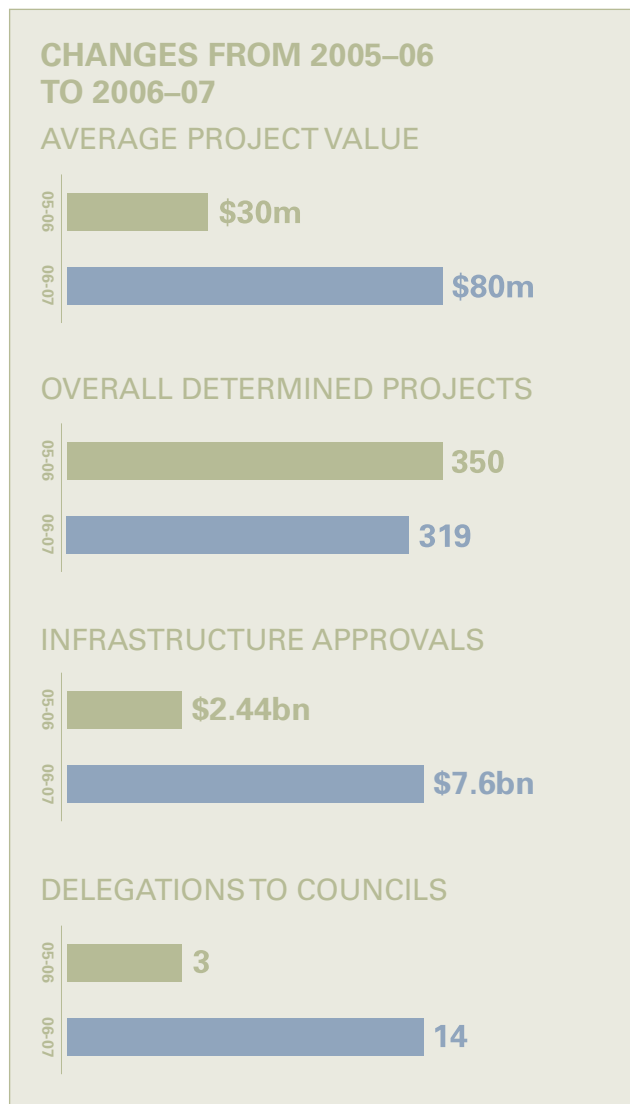
- Determination of 319 projects, of which 177 were new development proposals and 142 modifications of existing approvals.
- Approved projects across NSW had a total capital investment value of \$14.5 billion and the potential to create 34,588 jobs. Regional area approvals alone had a total capital investment value of \$4.7 billion and the potential to create 10,756 jobs.
- A high level of public participation in the assessment process, with more than 11,000 public submissions lodged to exhibited projects and an average 18,000 project proposal and determination website page views per month.
- A total of 170 new major development proposals accepted for lodgement, of which the vast majority automatically came to the Department because they met the set location, class, output, employment-generation or other criteria in the Major Projects SEPP.

- The loss of just 15 per cent of legal appeals against Departmental and Ministerial development decisions.
- The processing of 426 LEPs by the Department's LEP Review Panel, with more than 80 per cent of these LEPs being supported.
- Gazettal of 214 LEPs by the Minister.

Key trends from 2005–06 to 2006–07 include:

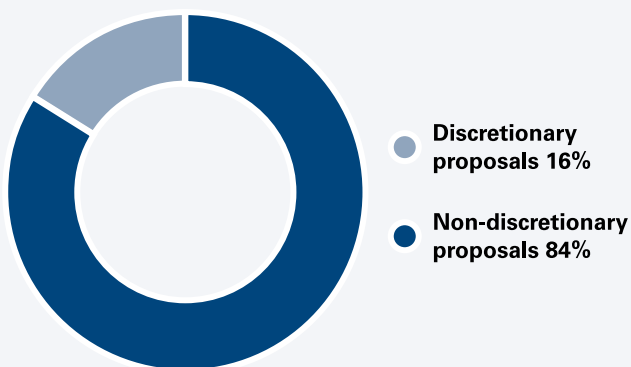
- The overall number of determined projects fell from 350 in 2005–06 to 319 in 2006–07. At the same time, there was a significant increase in the overall capital investment value of determined projects. This meant the average capital value of determined proposals (excluding modifications) rose from \$30 million to nearly \$80 million between 2005–06 and 2006–07.
- This increase in capital investment value per project is consistent with the aim of the major projects assessment system, which is to allow the NSW Government to concentrate on assessing NSW's most significant proposals. It also reflects the large capital investment value of some projects determined in 2006–07.
- The number of approved infrastructure projects rose from 41 in 2005–06 to 71 in 2006–07, with total capital investment value increasing from \$2.44 billion to \$7.6 billion. These planning approvals help lay the groundwork for a major increase in NSW Government infrastructure spending in coming years. The State Infrastructure Strategy states that \$110 billion is expected to be spent on infrastructure over the next decade.
- Infrastructure approvals included \$2.543 billion in health and education related projects, \$1.3 billion in transport projects, \$3.6 billion in utilities projects and \$138 million in waste projects.
- The number of assessment delegations to local councils increased, from three in 2005–06 to 14 in 2006–07. This reflects the NSW Government's ongoing policy to delegate assessments to local councils with the appropriate planning skills and capacity.

- The majority of determined new projects (106 out of 177 projects) were assessed under Part 3A of the EP&A Act. This compares to last year, when most determined projects had been assessed under Part 4 of the EP&A Act. This reflects the fact that proposals lodged after Part 3A came into place in August 2005 increasingly moved into the Departmental assessment and Ministerial determination phase.
- An increase in the percentage of LEPs supported by the Department's LEP Review Panel, from 66 per cent in 2005–06 to 82 per cent in 2006–07, following an improvement in the quality of work by councils along with the increasing use of strategic frameworks to justify LEPs.



Major development proposals lodged during 2006–07

Figure 1 – Breakdown of proposals lodged under Part 3A of the EP&A Act and Major Projects SEPP 2006–07



NON-DISCRETIONARY PROPOSALS

The Major Projects State Environmental Planning Policy (Major Projects SEPP) defines what projects always come to the Department for assessment, rather than the local council. These non-discretionary proposals typically fall into the following categories:

- agriculture, timber, food and related industries
- mining, petroleum production, quarries and associated processing industries
- chemical, manufacturing and related industries
- general manufacturing, distribution and storage facilities
- tourism and recreational facilities
- health and public service facilities
- transport, energy and water infrastructure
- resource and waste-related industries.

The Major Projects SEPP sets a threshold, such as capital investment value or employment generation, above which a proposal in one of the categories listed above automatically comes to the Department as a major project. These thresholds reflect proposals which are likely to have wider regional or State significance and impacts.

As well, some proposals in regionally-important locations, such as the coastal zone and specified urban sites including Sydney Olympic Park and Newcastle's Honeysuckle precinct, come directly to the Department through the Major Projects SEPP.

State Government infrastructure projects which would have previously been dealt with by the Minister under Division 4 of Part 5 of the EP&A Act are also considered non-discretionary.

During 2006–07, a total of 143 non-discretionary proposals were declared as major projects.

DISCRETIONARY PROPOSALS

The Minister does have the discretion under the major projects assessment system to 'call in' some proposals, which may have otherwise been dealt with by the local council, should the Minister consider them to be of State or regional significance. These projects are known as discretionary proposals.

Discretionary proposals may be major projects, such as commercial, retail or residential proposals valued at more than \$50 million outside locations specified in the Major Projects SEPP. Other discretionary proposals are areas the Minister has agreed to consider as State significant sites, because of their environmental planning significance to the State.



Hume Highway

Typically, the State significant site process allows a rezoning and development proposal to be considered at the same time which streamlines the planning process.

The Minister exercised his discretion to deal with 27 proposals during 2006–07, of which nine were major projects and 18 were State significant sites. This is a 30 per cent reduction from 2005–06, when there were 39 discretionary projects.

Appendix A gives a list of the discretionary proposals the Minister agreed to consider during 2006–07.

The statistics above include projects lodged under the major projects assessment system (Part 3A of the EP&A Act and the Major Projects SEPP). In addition, 52 proposals such as alpine projects were lodged with the Department under Part 4 of the EP&A Act.

CRITICAL INFRASTRUCTURE

Some proposals which are declared major projects can also be declared as a critical infrastructure project. The critical infrastructure provisions:

- Ensure the timely and efficient delivery of essential infrastructure projects
- Allow the Government and the planning system to rapidly and readily respond to the changing needs of the State
- Provide certainty in the delivery of these projects
- Provide for rigorous scrutiny to ensure environmental outcomes are appropriate

- Focus on delivering outcomes essential to the NSW community.

The environmental assessment process for critical infrastructure projects is the same as for any other major project. However, as the project has been declared essential to the State, there is no merit appeal available in relation to critical infrastructure and no procedural appeal without the Minister's support. The critical infrastructure provision is rarely used.

During 2006–07, the following projects were declared critical infrastructure:

- Hunter to Queensland gas pipeline
- Pacific Highway upgrade
- Hume Highway upgrade
- Royal North Shore Hospital upgrade
- Liverpool Hospital upgrade
- Western Sydney groundwater project

The Kurnell desalination plant, Royal North Shore hospital upgrade and Liverpool hospital upgrade were critical infrastructure projects approved during 2006–07.

CASE STUDY

KINGS FOREST

The NSW Government's major projects assessment system, introduced in August 2005, has helped resolve a 20-year debate about the 1095-hectare Kings Forest site near Kingscliff on the Far North Coast.

The site contains large areas of native vegetation and fauna habitat, including wetlands and koala habitat. Portions of the site have also been cleared for agriculture and forestry.

Kings Forest had been first identified for residential development in the early 1980s.

During 2006-07, the NSW Government considered the site as a discretionary proposal, by assessing it as a State significant site.

A State significant site study was prepared and publicly exhibited between April and May 2006. In November 2006, a new planning regime was created for the site through an amendment to the Major Projects SEPP.

More than one third of the site – 373.93 hectares – is now zoned environmental protection.

Endangered ecological communities to be preserved on Kings Forest site



This is almost double the area zoned environmental protection under the Tweed local environmental plan (LEP).

The environmental protection zoning will conserve areas of endangered ecological communities, including freshwater coastal wetlands and koala habitat, and will assist in providing wildlife corridors south to the Cudgen Paddock.

The new zonings will allow for a residential development, to assist in meeting the local area's housing needs, and also include new retail and office space, schools, libraries and emergency services.

The development is expected to create more than 250 jobs for the region.





Development decisions made during 2006–07

FAST FACTS BOX

177

NEW PROPOSALS DETERMINED

142

MODIFICATIONS DETERMINED

\$14.5

BILLION CAPITAL INVESTMENT VALUE

34,588

JOBS

Overall figures

During 2006–07, the Minister and Department determined a total of 319 projects, of which 177 were new proposals and 142 were modifications of existing approvals. Of these total determinations, 309 were approvals and ten refusals. There were a further 15 withdrawn projects. Approved projects had a capital investment value of \$14.5 billion and the potential to create 34,588 jobs.

Determinations down, capital investment value up

There was a reduction in the overall number of proposals determined, from 350 in 2005–06 to 319 in 2006–07. At the same time, there was an increase in overall capital investment value of determined projects. This meant the average

capital value of determined proposals (excluding modifications) rose from \$30 million to nearly \$80 million between 2005–06 and 2006–07. This increase in average capital investment value per project is consistent with the aims of the major projects assessment system, which is to allow the NSW Government to concentrate on assessing NSW's most significant proposals. It also reflects the large capital investment value of some projects determined in 2006–07.

The average capital value of determined projects rose from \$30 million to nearly \$80 million between 2005–06 and 2006–07

Tighter unsatisfactory project screening

The major projects assessment system was successfully used during 2006–07 to filter out unsatisfactory proposals before a determination decision.

Unlike the Part 4 assessment system it largely replaced, the Part 3A system ensures that the key issues specific to every proposal are publicly outlined early in the assessment process. These key issues are listed in a statutory document known as the Director-General's requirements. A developer when submitting a proposal must adequately address issues outlined in the requirements, before the proposal is allowed to proceed to public exhibition.

As of June 30, 2007, there were 190 proposals for which the Director-General had issued requirements but no adequate proposal

had yet been lodged. It is quite likely that a number of these proposals will have difficulty meeting the Director-General's requirements and therefore not proceed to exhibition.

Furthermore, after the public exhibition period, the developer can be required to prepare a response to submissions or to amend its project to minimise impacts on the environment.

The early screening of unsatisfactory proposals through the use of the Director-General's requirements, along with the amendment of proposals later in the assessment process, helps explain why there is expected to be a comparatively lower number of refusals under the Part 3A system, compared to the former Part 4 system.

Increased use of major projects assessment system

During 2006–07, the major projects assessment system was subject to increased use. The majority of new proposals assessed during 2006–07 were through Part 3A of the EP&A Act, instead of the Part 4 system it largely replaced in August 2005. This compares to 2005–06, when the majority of proposals were assessed under Part 4. This reflects the fact that proposals lodged after the Part 3A system came into place in August 2005 increasingly moved into the Departmental assessment and Ministerial determination phase.

Increased use of concept plans

A total of 19 concept plans were approved. Concept plans commonly give in-principle support for a broad overview of the project and require further project applications before actual works can commence. This gives a proponent certainty that the project has overall merit and is generally supported, while also allowing several stages of community consultation.

Figure 2 – Typical steps in the assessment of major projects

Under Part 3A of the Environmental Planning and Assessment Act 1979

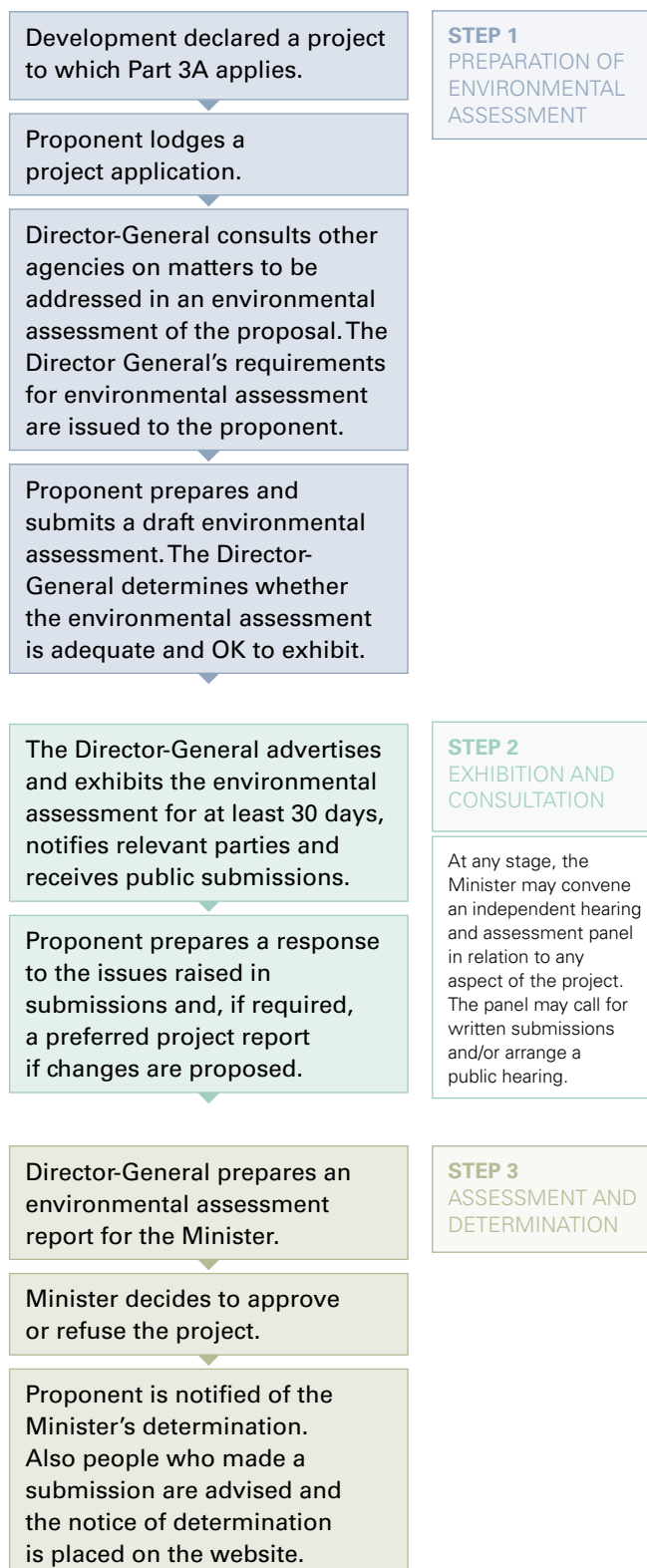


Table 1 – Determinations overall by application type 2006–07

Application Type	Applications Determined	Approved	Refused	Jobs	Capital Value of Approvals
Minister					
Part 3A of the EP&A Act	106	105	1	33,118	\$13.51bn
Part 4 & Part 5 of the EP&A Act	20	15	5	1,201	\$603m
Modifications	31	28	3	155	\$345m
Minister Sub-Total	157	148	9	34,474	\$14.46bn
Department					
Part 3A of the EP&A Act	–	–	–	–	–
Part 4 & Part 5 of the EP&A Act	51	50	1	82	\$29.5m
Modifications	111	111	–	32	\$13m
Department Sub-Total	162	161	1	114	\$42.5m
TOTAL	319	309	10	34,588	\$14.5bn

Categories have altered from last year, to better reflect the layout of the Major Projects SEPP and the increasing use of the Part 3A system for assessment.

Table 2 – Determinations overall by category 2006–07

Categories	Determinations	Capital value	Jobs
Industry	79	\$2.136bn	9,845
Infrastructure	71	\$7.630bn	12,716
Coastal	51	\$771m	955
Tourism/recreation	6	\$232m	2,490
State significant sites	10	\$3.068bn	3,884
Specified urban sites	30	\$301m	865
Alpine	58	\$119m	776
Other residential/commercial *	14	\$322m	3,057
TOTAL	319	\$14.5bn	34,588

* Other residential/commercial covers residential/commercial determinations outside State significant sites, specified urban sites, alpine or coastal areas.

Figure 3 – Percentage breakdown of different determination categories

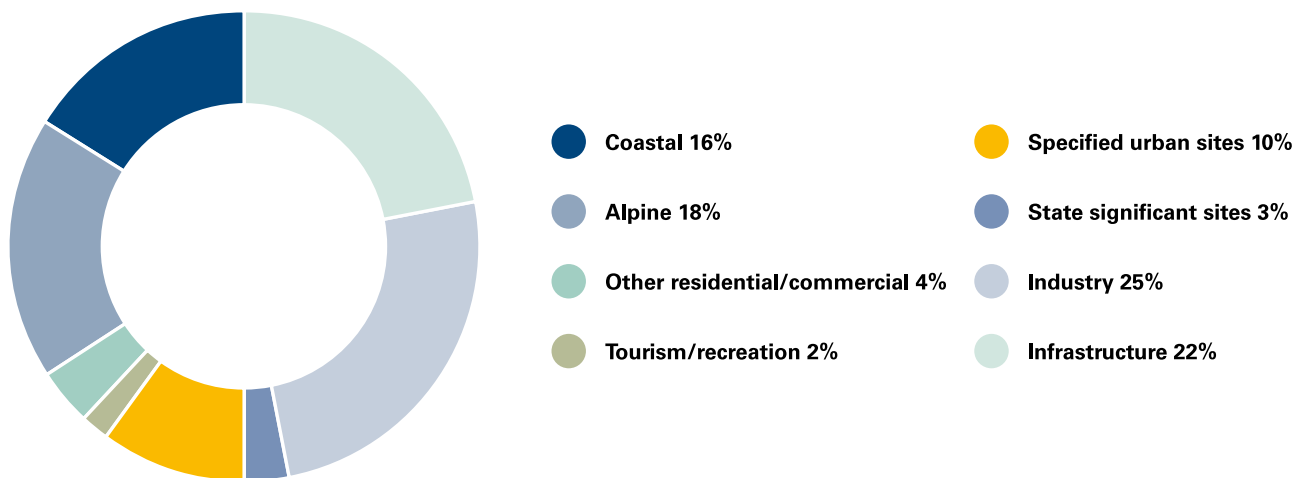
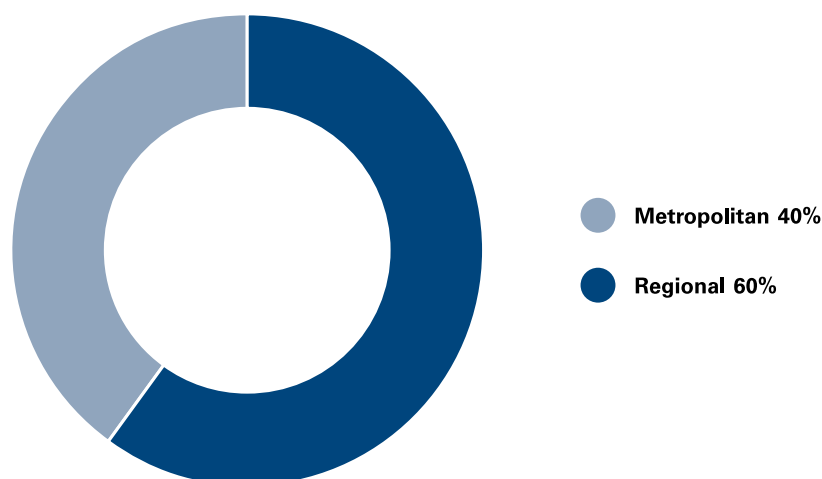


Figure 4 – Percentage breakdown of determinations by location



INFRASTRUCTURE

The Department has a role assessing major infrastructure projects. During 2006–07, there was an increase in approved infrastructure projects from 41 in 2005–06 to 71 in 2006–07, with total capital investment value increasing from \$2.44 billion to \$7.6 billion.

Major infrastructure approvals included a series of major hospital improvements, the Southern Sydney freight line, Bamarang and Munmorah gas-fired power stations, part of the Western Sydney recycled water initiative and the Kurnell desalination plant.

Table 3 – Infrastructure project determinations by sector 2006–07

Infrastructure sector	Determinations	Capital value	Jobs
Health & Education	17	\$2.543bn	8,840
Hospitals & Health Related	14	\$2.449bn	8,690
Education	3	\$95m	150
Correctional	0	0	0
Transport	17	\$1.349bn	1,360
Port & Wharf Facilities	8	\$902m	860
Rail & Related Transport	1	\$192m	300
Roads	8	\$255m	200
Utilities	19	\$3.6bn	2,102
Electricity Generation & Distribution	11	\$1.239bn	800
Water & Sewerage	5	\$2.289bn	1,212
Pipelines	1	\$10m	50
Telco Infrastructure	1	\$150,000	0
Cables	1	\$60m	40
Waste	18	\$139m	414
Resource Recovery or Waste	14	\$93.750m	392
Remediation	4	\$45.248m	22
Approvals Total	71	\$7.631bn	12,716
Refusals Total	0	0	0

CASE STUDY

HOSPITALS

During 2006–07, a total of 14 hospital and health-related developments worth more than \$2.4 billion were approved. The approved projects reflect the NSW Government's key priorities in catering for a growing population and providing greater flexibility and capacity in the State's health system. As well as this, they will also generate more than 1,700 construction and 6,900 operational jobs.

In assessing these developments, the Department considered a range of issues including traffic and transport impacts, contamination and remediation of land, heritage issues, urban design, overshadowing and provision of improved community facilities.

The largest project approved was the \$1 billion **Royal North Shore Hospital redevelopment**, which involves the development of a new state-of-the-art hospital building, a community precinct, research and educational facilities and private development opportunities.

Other hospital projects approved included:

- A \$390 million upgrade and expansion of **Liverpool Hospital**, which will generate 1,000 construction jobs and nearly 2,000 post-construction jobs.

- A \$170 million redevelopment of **Auburn Hospital**, to provide a new 204-bed hospital and relocation of St Josephs Hospital to the site and development on surplus land.
- A \$38 million upgrade of **Lismore Hospital**, including three new buildings for an adult, adolescent and child mental health facility, ambulatory care and an acute rehabilitation centre.
- A \$36 million upgrade of **Queanbeyan Hospital** to build a new four-level hospital building as well as new parking and landscaping.



Lismore Hospital redevelopment



Queanbeyan Hospital redevelopment



Proposed Conroy's Gap wind farm

CASE STUDY

WIND FARMS

In 2006–2007, the NSW Government approved three wind farms with a capital investment of \$320 million. The approved projects were the **Conroy's Gap** wind farm (west of Yass), **Capital** wind farm (south of Tarago) and **Cullerin** wind farm (south-west of Goulburn).

The wind farms will provide a clean, renewable source of energy for the State's growing population. In total, they will generate enough energy for about 76,000 homes, save 489,000 tonnes of greenhouse emissions each year and create more than 200 jobs.

All three wind farm projects are consistent with the State Government's target for 10 per cent of electricity consumed by NSW by 2010 to come from renewable energy sources.

The Department attached conditions to the approval of the projects, including noise limits, mandatory negotiation of landscaping for nearby residents and the implementation of a program to reduce adverse impacts on bird and bat species.

CASE STUDY

HEXHAM FLOODGATES

In November 2006, the Minister approved a \$7 million opening of the **Hexham Swamp floodgates**, to improve and restore the environment of the swamp.

The floodgates were installed in the early 1970s and since then have prevented natural tidal inundation causing a significant loss of estuarine habitat and reduction in fish, prawns, migratory waders and water birds.

The staged opening of eight floodgates is expected to improve the water quality, restore the environment to its full potential and provide increased fishing and tourism-based economic benefits.

If the major projects assessment system had not been introduced, two separate approval processes would have been required for the one project, meaning a more complicated and lengthy process.

Some proposed minor filling works would have required council and Department of Planning support under Part 4 of the EP&A Act, while changes to the flooding system would have required a separate natural resources approval under Part 5 of the EP&A Act.

Instead, the entire project was considered under Part 3A of the EP&A Act, allowing all the key issues to be considered and resolved in a single assessment. This is in line with a key aim of the major projects assessment system to focus on achieving the right integrated outcome and avoid unnecessary bureaucratic red tape.



Hexham Floodgates

INDUSTRY

The Department assesses major industry projects, including manufacturing, mining and rural industries. Most of these proposals are considered major projects only after meeting a set capital investment value or operational job thresholds. These thresholds ensure that projects of regional or State significance – which often have environmental, amenity or economic implications across council boundaries – are assessed by the Department. Furthermore, the proposals are often highly complex and require specialist assessment skills and resources which are available through the Department but not necessarily at the local council level.

Major development approvals during 2006–07 included the Anvil Hill and Abel coal mines in the Hunter region, the Marulan South quarry near Goulburn, the Coca-Cola warehousing and distribution facility at Sydney’s Northmead and the Molong regional resource processing facility in the Central West. There was strong interest from proponents in mining proposals, due to strong resource prices across a number of industry sectors. The Minister also approved a number of major distribution centres in the Western Sydney Employment Hub, as can be seen from the following case study.

Table 4 – Industry project determinations by sector 2006–07

Industry sector	Determinations	Capital value	Jobs
Rural Industries	5	\$450m	550
Intensive Livestock	1	0	0
Aquaculture	0	0	0
Agricultural Produce & Processing	3	0	0
Timber & Paper	1	\$450m	550
Mining & related	46	\$764.5m	2,265
Mines	31	\$601.65m	2,173
Petroleum Extraction	6	\$12.350m	32
Quarries	6	\$150.5m	60
Metal & Mineral Processing	3	0	0
Manufacturing & Storage	27	\$921.8m	7,030
Chemical Manufacturing	4	\$108m	145
Other Manufacturing	3	\$14.4m	200
Distribution & Storage	20	\$799.4m	6,685
Approvals Total	78	\$2.136bn	9,845
Refusals Total	1	\$120,000	70





Proposed Kimberly-Clark distribution centre

CASE STUDY

WESTERN SYDNEY EMPLOYMENT HUB

In March 2007, three major projects were approved at the Western Sydney Employment Hub, near the intersection of the M4 and M7 motorways. The creation of jobs in this area is a major feature of the State Plan and Metropolitan Strategy.

A \$200 million concept plan and stage one of the **CSR Warehouse and Distribution Centre** project was approved, which will provide up to 3,000 operational jobs.

The \$42.3 million **Kimberly-Clark Distribution Centre**, also approved, will generate up to 140 operational jobs, while the \$41.2 million **Woolworths Liquor Distribution Centre** warehouse and distribution facility will provide up to 190 operational jobs.

Over time, about 36,000 jobs are proposed to be created in the Hub, which spans the local government areas of Penrith, Blacktown, Fairfield and Holroyd.

As part of approval conditions, each project must provide infrastructure to allow rainwater to be harvested from roofs and other areas, to allow them to participate in a regional water harvesting scheme.

Furthermore, 57 hectares of land will be set aside for environmental offsets as part of a broader biodiversity strategy.



Kooragang Island coal terminal

CASE STUDY

COAL LOADERS

During 2006–07, the Minister approved \$1 billion worth of port infrastructure upgrades at Kooragang Island in Newcastle that will help to address delays in the processing of coal export ships and create 500 construction jobs.

This infrastructure investment consists of two projects – a new \$922 million coal export terminal by **Newcastle Coal Infrastructure Group** (NCIG) and a \$78 million expansion of the existing Kooragang Coal Terminal operated by **Port Waratah Coal Services**.

The new NCIG export terminal will initially process up to 33 million tonnes of coal per annum, expanding to a maximum of 66 million tonnes, while the expansion of the existing Port Waratah Coal Services terminal will increase the capacity of the terminal from 77 million tonnes per year to 120 million tonnes.

An independent panel appointed to review the NCIG proposal held public hearings in November 2006.

In approving the projects, the Minister imposed more than 90 conditions on the NCIG proposal, including recommendations from the panel and more than 40 conditions on the Port Waratah terminal expansion.

Conditions include requirements to monitor and address dust and noise issues throughout the construction and operation of the projects. In the case of the NCIG proposal some of the noise controls are more stringent than those recommended by the panel.

CASE STUDY

PARKES INTERMODAL TERMINAL

The Minister approved a concept plan for the \$135 million **Parkes intermodal terminal**, which will help move freight from road to rail and provide up to 600 jobs.

The terminal will be strategically located 5km west of Parkes on the junction of key road and rail corridors linking Australia's eastern seaboard with southern and western Australia.

The project highlighted the value of concept plans, which are supported by the major projects assessment system.

The terminal's concept plan provided a broad overview of development on the site.

The Minister's approval provided planning certainty for the site's developer that the project had in-principle NSW Government support. It also highlighted issues which required further assessment in future project applications, including traffic and noise assessment.

The proponent, Terminals Australia, will now be required to submit detailed project applications to Parkes Shire Council, before the terminal can begin to operate.



Proposed Parkes intermodal terminal

STATE SIGNIFICANT SITES

Table 5 – State significant site approvals 2006–07

	Approvals	Capital value	Jobs
State significant sites	10	\$3.068bn	3,884

The Minister is able to determine that some sites are State significant because of their environmental planning significance to NSW. The State significant site process allows appropriate planning provisions applicable to the subject land, including zoning changes, to be considered at the same time as a specific development proposal. During 2006–07, some protracted and complex planning issues for sites of high importance for NSW were resolved through the State significant site process.

Employment generation for some State significant sites will be confirmed as future project applications are lodged.

Barangaroo

Approval of the \$1.5 billion concept plan for the 22-hectare former container terminal at the Barangaroo site followed an international design competition. The site will include at least 233,000 square metres of commercial office space – providing much-needed new office accommodation for Sydney's CBD. It will also restore public access to 1.4 kilometres of harbour foreshore for the first time in over a century and create an 11-hectare headland park.

The project has a restrictive parking rate, under which there will be 605 fewer commercial parking spaces than allowable under the City of Sydney council's development control plan. The Department also modified the concept plan to ensure that a transport management and access plan is lodged with the first major project application for the site.



Proposed Barangaroo development

Carlton and United Breweries

The Central Sydney Planning Committee in mid-2006 requested Chippendale's \$800 million Carlton and United Breweries project be considered as a State significant site, to help streamline the planning process. Plans to prepare a site-specific local environmental plan had been in the pipeline for three years, but had not been resolved.

The approved concept plan will transform a redundant industrial site into a vibrant new office and residential precinct. As part of the assessment process, the site's total floor space was cut back to less than what was allowed under local planning controls, the heights and size of the building next to a 5,000 square metre central park reduced and a proposed public carparking facility refused.

Detailed measures to meet water and energy savings targets will be assessed as part of future project applications. The project will also contribute \$23 million towards affordable housing in Redfern-Waterloo.



Proposed Brewery Yard area at CUB development

Sandon Point

The NSW Government decided to consider the Sandon Point site as State significant in late 2005. This followed a lengthy and unresolved planning history, with a rezoning for the site first being mooted in 1992. A concept plan approval for the site in late 2006 allows a \$153 million housing and aged care development, while delivering an additional seven hectares of land for environmental protection – an increase of 20 per cent compared to the current zoning. It also ensures industrial uses are removed from the beachfront and foreshore public access improved.

Dan Lands

The Dan Land at Fletcher in the Hunter had been identified in a local strategy as being suitable for residential land since 1994, but had not been the subject of rezoning support. After the NSW Government decided to consider it as a State significant site in late 2005, the \$100 million development, which is expected to create 400 new homes, was approved in November 2006. The project will maintain an environmental buffer zone to protect the Hexham Wetlands, while 32 courtyard homes were deleted.

Huntingwood West

A concept plan was approved for a 61-hectare employment precinct at Sydney's Huntingwood West. The site is part of the Western Sydney Employment Hub.

SPECIFIED URBAN SITES

The Major Projects SEPP outlines the Minister’s role determining development in some regionally-significant sites. This includes sites listed in Schedule 2 of the Major Projects SEPP such as Sydney Olympic Park, Sydney Harbour foreshore sites and the Honeysuckle precinct in Newcastle. Control of these sites is typically returned to

local councils when State planning objectives have been achieved. For instance, in early 2007–08, decision making for development in the Rhodes Peninsula – except in relation to the remediation of contaminated land – was returned to Canada Bay Council. This is due to the fact development on the peninsula is well-progressed and clear planning controls are in place.

Table 6 – Specified urban site determinations by site 2006–07

Specified urban sites	Determinations	Capital value	Jobs
Chatswood Railway Interchange	3	\$1.3m	0
Honeysuckle	2	\$75.411m	N/A
Rhodes	14	\$51m	120
Sydney Harbour Foreshore Sites	2	\$18.5m	25
Taronga Zoo	1	\$33m	20
Sydney Olympic Park	6	\$122m	700
Approvals Total	28	\$301m	865
Refusals Total	2	0	0

CASE STUDY

SYDNEY OLYMPIC PARK

Seven years after it hosted the “best games ever”, the 640 hectare Sydney Olympic Park precinct is on track to become a dynamic and diverse work, residential, education and sport and recreation precinct.

In 2006–07, the NSW Government approved six projects at Sydney Olympic Park with a combined capital investment of \$122 million and the potential to generate 700 jobs.

The Major Projects SEPP lists Sydney Olympic Park as a regionally-important planning precinct, with projects valued at more than \$5 million coming to the Department for assessment.

One of the most significant approvals was for a \$63 million, 208-unit residential apartment complex including a new childcare centre and 283 car parking spaces. The building’s detailed design was developed through a rigorous review process, which included the Sydney Olympic Park Design Review Panel. The water and energy efficiencies of the building will significantly exceed requirements under the NSW Government’s BASIX scheme.

Other projects approved in 2006–07 include the 5-star Sofitel Hotel and the budget Formule 1 hotel. The Sydney Olympic

Park site is expected to house about 18,000 workers, 16,000 residents and 6,000 students over the next 20 years.



COASTAL

Since 2002, the Department has assessed major projects along the State's coastline, including subdivisions, tall buildings and recreation and tourist projects. This allows the NSW Government to implement the objectives of its various coastal policies, including State Environmental Planning Policy 71 (Coastal Protection), the NSW Coastal Policy and NSW Coastal Design Guidelines. These policies support aims such as retaining and improving public access, encouraging high-quality design, preventing Gold Coast-style developments creeping south of the border and protecting sensitive areas such as wetlands and rainforests. In 2006–07, the NSW Government released a series of coastal regional strategies to further guide long-term growth and environmental protection.

Before 2002, there was an inconsistent approach by councils to coastal development. Some councils approved inappropriate projects with limited foreshore access, excessive heights, little strategic value or which damaged environmental values, while others deferred projects for many years or effectively locked up suitable sites in the coastal area from any growth. The NSW Government's role is to ensure a more consistent approach to development along our prized 1,500km coastline, in line with the important policies mentioned above.

Coastal projects which come to the Department are outlined in Schedule 2 of the Major Projects SEPP.

Table 7 – Coastal determinations by coastal development type 2006–07

Coastal development type	Determinations	Capital value	Jobs
Marinas	2	\$100m	N/A
Subdivisions	19	\$359.22m	84
Tourist Developments	16	\$72.750m	433
Tall Buildings	4	\$235.3m	436
Other	4	\$3.6m	2
Approvals Total	45	\$770.87m	955
Refusals Total	6	\$71.5m	415

Coastal approvals



During 2006–07, significant coastal approvals included concept plan approval of \$90 million redevelopment of the Pelican Beach Resort at Sapphire Beach near Coffs Harbour. This will allow the construction of a tourist and residential development including 124 dwellings and a formalised public pedestrian access way to the beach.

This \$90 million Ballina Gateway project, which is a hotel, apartment and retail development, was also approved. This development will help

fulfil Ballina's role under the Far North Coast Regional Strategy as a major regional centre. As part of the approval conditions, a public foreshore walkway adjoining the Richmond River was widened from three metres to 18m.

The first stage of the Becton tourist development at Byron Bay was approved, allowing two-thirds of the 89-hectare site to be set aside for conservation. This conservation area contains threatened species such as ospreys, long-nosed potoroos, flying foxes, bats and frogs.

Coastal refusals

A proposed extra storey to a beachfront apartment development at Coast Avenue, Cronulla was refused partly because of concerns it would overshadow public foreshore areas and neighbouring apartments. The proposal was the first to be lodged with the NSW Government after it extended the State's gazetted coastal zone to cover the greater metropolitan area, from Newcastle to Shellharbour, in November 2005. This change has allowed the NSW Government to implement its coastal policies in the metropolitan region.

Two related applications to undertake a 33-lot subdivision and build four apartment buildings at Hawks Nest on the NSW mid-north coast were refused largely over concerns about their impact on the koala population.

An application for a \$50 million tourist resort at Anna Bay, near Port Stephens, was also refused. The Department had several concerns about the proposal, including impacts on 28 hectares of vegetation and threatened species such as koalas, squirrel gliders and grey-headed flying foxes.

TOURISM/RECREATION



Major sporting facilities, film or television studios and tourist or convention facilities which have clear regional importance are assessed by the Department. During 2006–07, the Minister approved a \$63 million grandstand at the Sydney Cricket Ground, which will provide the opportunity for an extra 2,762 people to watch events such as cricket matches, AFL games and other sporting and cultural events. Conditions placed on the approval ensure that the grandstand materials and colour do not cause glare and also place limits and controls on construction noise.

A modified concept plan was approved for a six-star eco-tourism resort proposed by Emirates Hotels in the Wolgan Valley, north of Lithgow. A total of 22 conditions were placed on the consent to address issues such as the management of native plants and animals and environmental monitoring. The original concept plan was modified to adjust the layout and design of the 40-villa resort, including the final design for a 10km fence to deter feral animals.



The Minister also approved a project plan for Channel 7's new \$123 million studio complex at the Australian Technology Park, Redfern, which will create up to 2,600 new jobs. Following submissions, the communications tower above the building was reduced and a noise management plan was required to be established.

Table 8 – Tourism/recreation determinations by development type 2006–07

Tourism/recreation development type	Determinations	Capital value	Jobs
Major sporting facilities	1	\$63m	N/A
Film or television studios	3	\$169m	2,240
Tourist or convention facilities	2	0	250
Approvals total	6	\$232m	2,490
Refusals total	0	0	0

ALPINE



The Minister is the consent authority for development in the alpine resorts located within the Kosciuszko National Park. The resorts include Thredbo, Perisher Valley, Smiggins Holes, Blue Cow, Guthega, Charlotte Pass, Selwyn Snowfields and other smaller accommodation facilities.

After the tragic road collapse and landslide in Thredbo in 1997, Bret Walker SC conducted an inquiry into resort and road maintenance responsibilities. The Walker report made a recommendation, which was adopted by the NSW Government, to transfer planning responsibility to the Minister under Part 4 of the EP&A Act. In 2002, the Department established an Alpine Resort Team in Jindabyne.

In 2006–07, the Alpine Resort Team assessed 57 resort projects including snow making infrastructure, redevelopments and alterations and additions to lodges, with a combined value of nearly \$120 million. The largest project to be assessed during 2006–07 was the \$112 million Perisher Village concept plan, which is proposed to include new retail, commercial and recreational facilities and 239 apartments providing more visitor accommodation. Conditions were imposed on the proposal to ensure the pristine local environment is protected or enhanced. The team also approved 20 construction certificate applications.

Table 9 – Alpine determinations 2006–07

Alpine	Total	Capital value	Jobs
Approvals	57	\$118.842m	776
Total			
Refusals	1	0	0
Total			

OTHER RESIDENTIAL/COMMERCIAL

Under the Major Projects SEPP, the Minister can choose to determine residential, retail or commercial projects worth more than \$50 million, if these are important for achieving regional or State planning objectives. The Minister also has a defined role

dealing with some projects on surplus public lands. The Minister determined a small number of these projects during 2006–07.

Table 10 – Other residential/commercial approvals 2006–07

	Approvals	Capital value	Jobs
Other residential-commercial	14	\$322m	3,057

The Minister approved a \$125 million concept plan for the redevelopment of the Royal Newcastle Hospital site, after cutting back the height of the two proposed towers from 20 storeys to 16 and 18 storeys, to better reflect community expectations. More than one architect must be engaged for each part of the project, to help achieve architectural diversity, while public access must be maintained through the site from King St to the beachfront.



The Minister determined Sydney Water’s proposed new head office at Civic Place, in Parramatta’s CBD. The 17-storey building is designed to cut greenhouse gas emissions by 30 per cent and reduce drinking water use by 75 per cent compared to a typical office building. The building is part of a NSW Government push to build the employment role of the Parramatta CBD, where an additional 30,000 jobs are planned from 2006-31.





Public participation

The major projects assessment system increases community consultation and transparency. Table 11 shows the increased number of documents which are required to be publicly available under Part 3A, compared to the Part 4 assessment

system which it has largely replaced. In addition, community submissions are given a much higher status, with the proponents asked to respond to issues raised and if appropriate amend the project to reduce impacts.

Table 11 – Comparison of publication requirements between Part 3A and Part 4

Documents	Part 3A (Major projects assessment system)	Part 4 (Assessment system replaced by Part 3A for major projects but still used by local councils)
Director-General's requirements for environmental assessment	Available on website	Not part of Part 4 system
Detailed environmental assessment for public exhibition	Available on website and exhibited	Environmental impact statement for "designated development" and development application for "advertised development" exhibited Notification of other applications depends on council policy
Assessment of proposal by Department	Available on website after determination	No publication requirement, depends on council policy
Determination	Available on website	Notification depends on type of application and council policy

During 2006–07, the Department received more than 11,000 submissions on projects placed on public exhibition. Projects which had a high level of community feedback included the Anvil Hill mine proposal (2,039 submissions) and the Rosecorp proposal for Gwandalan and Catherine Hill Bay (2,155 submissions).

The Department's website was a vital source of information. During 2006–07, there was an average of 18,000 views each month of the project register and exhibition pages, where documents and information about projects can be downloaded. This equates to about 600 page views a day.

During 2006–07, the Department received more than 11,000 submissions on projects placed on public exhibition

INDEPENDENT HEARING AND ASSESSMENT PANELS (IHAPS)

Independent hearing and assessment panels (IHAPs) may be convened by the Minister at any stage in the assessment of a project. The panel may be called on to provide independent technical advice on important issues of concern and related planning matters before the Minister makes a decision whether or not to approve a project.

There are two types of panels under the EP&A Act: a panel of experts and a panel of officers representing the Department or other relevant public authorities. One of the major benefits of the IHAP process is that chosen expert panel members often have long-standing experience and knowledge about particular complex issues to be examined.

A panel may receive or hear submissions from interested people and hold public hearings to provide input to the panel's assessment and recommendations.

During 2006–07, three panels were established and held public hearings. These panels were for the following projects:

- NCIG coal export terminal, Kooragang Island
- Anvil Hill coal mine, Wybong
- Moolarben coal mine, Ulan

In addition, a panel for the Rosecorp proposal at Catherine Hill Bay and Gwandalan produced an interim report after visiting the site and meeting with a stakeholder reference group.

IHAP reports are published on the Department's website, usually once the Director-General's assessment and Minister's decision have been finalised. There is no obligation under the EP&A Act to publish an IHAP report until this time.

STRATEGIC INQUIRIES

From time to time, strategic inquiries will also be established by the Department and Minister. These are not project-specific inquiries, like IHAPs, but nevertheless often help inform the assessment of major projects and development of broader NSW Government planning policies.

Such inquiries established during 2006–07 examined:

- Underground coal mining in the Southern Coalfield
- Potential coal mining impacts in the Wyong local government area
- Warnervale town centre options
- Sensitive urban lands on the South Coast
- Queanbeyan land releases
- Central West rural lands



How proposals were determined

DEPARTMENT'S ASSESSMENT ROLE

The Department of Planning assesses proposals of State and regional planning significance. These proposals have implications for the broader community and are often highly complex requiring specialist assessment skills and resources available within the Department.

The Department has established assessment units skilled in particular development areas. These are as follows (in alphabetical order):

Coastal Assessments, which deals with coastal developments such as residential subdivisions, tall buildings, tourist resorts and marinas along the coastline north of Newcastle to the Queensland border and south of Wollongong to the Victorian border. It also covers coastal developments in Lake Macquarie.

Major Development Assessments, which deals with major industrial, agricultural, mining, extractive industry and waste developments.

Major Infrastructure Assessments, which deals with infrastructure projects such as road, rail and other transport facilities, energy generation and transmission and water and sewerage supply.

Strategic Assessments, which deals with proposed State significant sites and major projects involving social infrastructure, such as hospitals, universities and jails.

Urban Assessments, which deals with major projects (other than State significant sites) in the greater metropolitan area including Sydney, Newcastle, Gosford, Wyong and Wollongong. These are typically retail, commercial and residential

projects. It also handles Crown development application referrals from local councils or applicants and oversees alpine assessments.

The Department's average assessment time was 77 days in 2006–07. This time was measured from:

- The end of the public exhibition period, or the date the proponent responded to submissions, or issued a preferred project report, whichever is later; to
- The date of determination.

STATE PLAN

The Department is the responsible agency for the State Plan priority E5 (Jobs closer to home) and E6 (Housing affordability). The Department is also a partner agency with responsibilities under:

- E3 (Cleaner air and progress on greenhouse gas emissions)
- E4 (Better environmental outcomes for native vegetation, biodiversity, land, rivers and coastal waterways)
- E8 (More people using parks, sporting and recreational facilities and participating in the arts and cultural activity)
- P1 (Increased business investment)
- P6 (Increased business investment in rural and regional NSW)
- S3 (Improved health through reduced obesity)

The Department's development assessment role plays an important part in achieving these priorities.

DELEGATIONS TO COUNCILS

The Department will from time-to-time delegate its assessment functions to local councils. This trend to utilise council's functions and work collaboratively with local government is expected to continue. In 2006–07 this happened for the following projects:

Table 12 – Assessment delegations to councils 2006–07

Project	Council to which assessment delegated
66-lot residential subdivision, Maclean	Clarence Valley
17-lot rural residential subdivision, Laurieton	Clarence Valley
Integrated Eco-Residential and Mixed-Use Subdivision, South Forster	Great Lakes
Orange-Bloomfield Hospital	Orange
144-lot rural residential subdivision, Port Macquarie	Port Macquarie-Hastings
3-lot residential subdivision, Swan Bay	Port Stephens
University of NSW student housing project	Randwick
University of NSW cancer research facility	Randwick
Little Bay subdivision	Randwick
Elm St and McDonalds Place, Evans Head	Richmond Valley
Mixed-use retail and commercial development, Tweed Heads	Tweed
Tweed Terrace residential flat development	Tweed
Mixed-use retail and tourist development, Chinderah	Tweed
Chatswood Chase shopping centre expansion	Willoughby

APPEALS AGAINST DEVELOPMENT DECISIONS

A proponent or in some cases an objector can appeal to the Land and Environment Court against a development decision by the Department or Minister. This could include an appeal against the procedures followed in the making of the decision or the merits of the decision.

Objectors to NSW Government approvals have far greater rights compared to objectors challenging local council consents. In the first eighteen months of the operation of the major projects assessment system, objector appeals against the merits of the decision were available for about 30 per cent of projects considered by the Minister, compared to less than 0.1 per cent of proposals considered by NSW local councils. This is due to the nature of the development that is subject to the major project assessment system.

The Department's Legal Services Branch manages appeals against decisions of the Department and Minister. During 2006–07, the Department and Minister lost just 15 per cent of appeals. External legal costs associated with these cases amounted to approximately \$867,000.

Table 13 – Legal results of appeals against development decisions 2006–07

Appeal Type	Won	Lost	Withdrawn/ Settled/ Discontinued/ Consent orders	Appeals pending as at July 1, 2007	Summary 2006–07
Consent authority (Merit)	6	1	6	–	13
Procedural	2	3	3	2	8
Concurrence issue (merit)	2	–	1	1	3
Other	–	–	3	1	3
TOTAL	10	4	13	4	27

Appeal types definitions used in the table:

A **Consent authority (Merit)** case refers to a case where the Minister or the Department is the approval authority and a proponent or objector takes issue with the merits of the decision.

A **Procedural** case refers to a case where any person takes issue with the procedures followed in the making of a decision.

A **Concurrence issue (Merit)** case refers to a case challenging a decision by the Director-General to either give or refuse concurrence for a proposed council decision.

BILATERAL AGREEMENT WITH THE COMMONWEALTH

The Commonwealth Government has a role approving some development and other activities under its Environment Protection and Biodiversity Act (EPBC Act). Any development which needs Commonwealth approval is called a "controlled action". Developments which need Commonwealth approval include those that the Commonwealth determines are likely to have a significant impact on matters of national environmental significance, such as World Heritage properties, wetlands of international importance, migratory species and threatened species and communities listed under the EPBC Act. It may also include some development by the Commonwealth, or which is on or affects Commonwealth land.

During 2006–07, a bilateral agreement was signed between the NSW Government and the Commonwealth. Under this agreement, the NSW assessment process – covering Parts 3A, 4 and 5 of the EP&A Act – was accredited to fulfil the Commonwealth's assessment requirements under the EPBC Act.

This means that the Commonwealth uses the Department's assessment of major projects to make its determination on "controlled actions". This agreement is recognition of the robust assessment procedures under NSW law. It also reduces red tape by removing the need for the NSW assessment system to be re-accredited for each new "controlled action" on a project by project basis, which was the case before the signing of the bilateral agreement.

During 2006–07, three projects were assessed, or as of June 30, 2007 were still in the process of being assessed, under the bilateral agreement.

- Cadia Holding P/L – Cadia East Copper/ Gold Mine Extension (Part 3A)
- Rosecorp – Catherine Hill Bay / Gwandalan Residential Subdivision (Part 3A)
- Daracon Quarries – Ardglen Quarry, Murrurundi (Part 3A)

Major projects policy changes

This section reports on a range of planning policy changes which were introduced in 2006–07, specifically for major projects and State significant sites. It is not an exhaustive list.

Guidelines

The Department published two guidelines, one explaining the criteria for declaring retail, residential or commercial development valued at more than \$50 million to be a major project and another explaining the criteria and procedures for consideration and assessment of State significant sites.

Fees

A new fee structure was gazetted, which more appropriately reflected the complexity of issues raised in the assessment of major development proposals and ensured environmental and amenity issues will continue to be thoroughly addressed. The fees will allow the Department to employ additional resources and technical specialists as required. The new fee structure received development industry support.

Major Projects SEPP changes

The Department made some changes to the Major Projects SEPP in April and July 2007, after reviewing its first 18 months of operation. The amendments cover a range of different industries and have been made to primary clauses and schedules. Some of the amendments add projects to those which are assessed under Part 3A, while others remove projects from the Part 3A regime and pass them back to local councils for assessment and determination.

For instance, the changes gazetted in July 2007 mean councils, not the Department, will now assess and determine the following coastal projects:

- Buildings proposed to be more than 13m high which comply with the relevant local environmental plan (LEP) and are not in a sensitive coastal area;
- Proposed changes to an existing building's use to a recreational or tourist facility;
- Subdivisions, small-scale recreational or tourist facilities or tall buildings which are determined to be of only local significance.

Environmental Planning Legislation Amendment Act

On 23 November 2006, NSW Parliament passed the Environmental Planning Legislation Amendment Act, which amended the EP&A Act. It made a series of miscellaneous changes to the major projects assessment system, including:

- Making a proponent's statement of commitments in its concept plan enforceable;
- Strengthening the EP&A Act's enforcement provisions by allowing an authorised officer when conducting a site inspection to be accompanied by individuals who can assist with the inspection, such as environmental experts;
- Empowering authorised officers to compel persons who are subject to investigation to attend meetings and answer questions, and for interviews to be recorded;
- Enabling proceedings for alleged offences to be commenced within two years of an authorised officer becoming aware of the alleged offence, rather than when the offence was alleged to have been committed;
- Ensuring there is a single assessment process where a concept plan for the project and the project application are being assessed concurrently;
- Clarifying the respective roles of the Director-General and the Minister in the assessment and approval process, following legal uncertainty raised by case law;
- Simplifying procedures for declaring major projects;
- Enabling the Minister to consider and determine major projects and, concurrently, amend the zoning for the land. This would be similar to existing powers local councils have to deal with joint development/rezoning applications under Part 4 of the EP&A Act.



Outcomes

FULLY OR SUBSTANTIALLY COMPLETED PART 3A PROJECTS



A number of projects approved following the introduction of the major projects assessment system in August 2005 have now been fully or substantially completed.

One of the first projects to be completed was the 20 hectare **Blaxland Common Riverside Park** along the Parramatta River at Sydney Olympic Park.

The two-stage \$15 million development includes the creation of a foreshore esplanade, visitor facilities and new grassed terraces on a site which previously had limited access.

Following its approval in early 2006, stage one of the project including waterfront access, a children's playground, BBQ facilities and water features was opened in March 2007.

Expert advice from the former Department of Environment and Conservation (DEC) on

Green and Golden Bell frog issues assisted the Department in its assessment.

Construction of the \$55.6 million **St Vincent's Research and Biotechnology Facility** at Darlinghurst is well underway and on target to meet its completion date of mid-2008.

The proposal was declared a major project in September 2005, publicly exhibited in January-February 2006 and approved in March 2006.

The eight-storey facility with on-site parking was proposed by St Vincent's Hospital Research in conjunction with the Victor Chang Cardiac Research Institute and Garvan Institute of Medical Research.

A total of 47 conditions were attached to the project, including measures to minimise traffic impacts on local residents and control construction amenity impacts.

As reported in last year's Major Development Monitor, the NSW Government gave approval to the \$140 million **Port Kembla expansion** in April 2006. The expansion, which includes the construction of a 290-metre berth, will transform Port Kembla into Australia's leading car import centre.

The first stage of this expansion, which includes the cargo, container and some vehicle storage areas and the relocation of Tom Thumb Road, opened in June 2007.

Audit and Compliance Activity

Table 14 – Compliance activities 2006/07

SECTOR	Compliance Audits	Follow-up Audits	Compliance Inspections	Follow-up Inspections	Enforcement Actions
Coal Mines	1	2	4		20
Quarries/extractive	1		13	2	16
Manufacturing/rural			5		12
Infrastructure			2		2
Commercial/residential			5	8	2
Marinas					7
Waste management			2	1	5
Contaminated land remediation				4	1
TOTALS	2	2	31	15	65

Definitions of terms in the table:

Compliance audits are comprehensive audits of projects, with findings given in correspondence and a detailed written report. Follow-up audits evaluate whether the findings of the original audit have been addressed.

Compliance inspections are site inspections of projects, with findings given in correspondence.

Follow-up inspections evaluate whether the findings of previous investigations have been addressed.

Enforcement actions are actions such as the issuing of statutory non-compliance orders, or statutory notices for information and records, or the issuing of penalty infringement notices, or the issuing of letters reporting on the outcomes of an inspection or audit.

The Department monitors compliance of projects with their approval conditions. The Department's compliance unit conducted 50 audits and inspections and initiated 65 enforcement actions during 2006–07.

The unit increased its use of enforcement powers under the EP&A Act during 2006–07. For instance, it utilised order powers more frequently to require compliance where breaches had been identified, in a shift away from negotiation and correspondence. It also more frequently issued notices to proponents to provide information and records to assist its investigation of potential breaches. This approach was successful in helping to remedy consent breaches in a timely manner.

Where possible the unit increased its use of site inspections, in favour of conducting lengthy compliance audits, to increase the number of projects which could be subject to scrutiny. Projects were inspected or audited either as part of routine compliance monitoring or following complaints or other information received.

It should also be noted that the Department often requires proponents of major projects to commission independent audits to evaluate their compliance with their conditions of approval.

The Department utilised order powers more frequently to require compliance where breaches had been identified, in a shift away from negotiation and correspondence.

CASE STUDY AUDIT WORK

Below are some case studies of the unit's 2006–07 work.

- Complaints were received in early 2006 about noise from a steel reinforcement fabrication and distribution facility. A formal “notice of intention to give an order” was issued in January 2007 and ongoing negotiation has occurred. As a result, the facility has developed and committed to implementing a \$5 million noise mitigation program.
- A follow-up audit was conducted on a coal mine which had been subject to an earlier audit, which had made adverse findings about noise, blasting, dust control, revegetation and reporting. Significant improvements were found in many areas, however an order was issued to reduce noise by May 2007 and this was complied with.
- An uncovered, laden truck was seen leaving the premises of a rock quarry during an inspection. A penalty notice was issued for a breach of approval conditions and a \$600 fine was paid by the company.
- A follow-up audit was conducted in late 2006 on a coal mine which had been previously found to have a number of non-compliances with its approval conditions, including noise and dust emissions. The audit found a significant improvement in environmental performance.



Decisions on local environmental plans (LEPs)

LEPs are statutory instruments which include local planning rules such as zonings, heights, subdivision sizes and other development controls. Major changes to LEPs can have significant impacts on adjoining property owners and long-term local planning.

LEP REVIEW PANEL

The LEP Review Panel has been established to streamline the LEP making process, by providing upfront advice and directions to councils. This reverses the previous situation where councils wasted considerable time and energy, and community time, exhibiting and submitting unacceptable 'dead-end' LEPs to the Minister which were ultimately refused.

The panel comprises the Director-General of the Department (or nominee), senior Departmental executives and a nominee from the Local Government and Shires Associations. The panel, which convened 49 times during 2006–07, receives advice from the Department's regional teams on proposed LEPs. It also seeks input from relevant councils as necessary to clarify proposals as part of panel meetings.

During 2006–07, the panel supported 82 per cent of proposed LEPs, compared to 66 per cent in 2005–06

During 2006–07, the panel supported 82 per cent of proposed LEPs proceeding to public exhibition and consideration for making by the Minister compared to 66 per cent in 2005–06. This followed an improvement in the quality of work by councils, the increasing use of 'housekeeping' LEPs containing numerous different land-use changes and the use of strategic frameworks to justify LEPs.

The panel has seen a decline in site-specific LEPs proposing to reclassify council land (which usually happens to allow land to be sold or developed). This has followed regular advice from the panel to councils that they should be more strategic in their management of land rather than making 'ad hoc' or incremental land holding decisions. The panel has also seen an increase in precinct plans, as councils look to plan for significant parts of their areas rather than on a site by site basis.

Furthermore, 38 councils informed the panel during 2006–07 they have resolved to prepare new council-wide LEPs using the standard LEP. The standard LEP is designed to provide a simpler and easier to understand planning system by for the first time providing standard zones, provisions and definitions for new LEPs. It is pleasing that councils are moving to implement the standard LEP.

The majority of LEPs not supported were inconsistent with State or regional strategies and/or policy, while others were unnecessary to deliver the outcome the council desired. A total of 253 LEPs considered were from regional areas and 173 were from the Sydney metropolitan area.

Table 15 – LEP Review Panel decisions 2006–07

Type of LEP	Panel recommendation to proceed with LEP	Not proceed	TOTAL	%
Comprehensive	40	0	40	9.4
Policy	51	11	62	14.6
Precinct	48	12	60	14.1
Reclassification	21	3	24	5.6
Section 73A of the EP&A Act (Minor changes)	8	2	10	2.3
Spot Rezoning	177	50	227	53.3
Surplus Government Land	3	0	3	0.7
TOTAL	348	78	426	100

Definitions of the terms in the table are as follows:

Comprehensive LEPs – council-wide LEPs.

Policy LEPs – Involving a change in general and specific planning policy and provisions across the LGA or part of it, e.g. adding prohibited uses to a number of zones, changing development standards, introducing provisions inconsistent with SEPPs, Ministerial directions or other policies.

Precinct LEPs – Involving part of a local government area, e.g. city centre, including a review of general and specific planning policy and provisions.

Reclassification LEPs – LEPs to reclassify council land from community to operational uses (or vice versa) under the Local Government Act.

Section 73A – Allows certain types of minor amendments to be made to environmental planning instruments without following the usual procedures for preparing an instrument (particularly public exhibition) under Part 3 of the EP&A Act.

Spot rezoning LEPs – Usually involve a change of zoning for a single site, or additional permitted uses and/or development controls that relate to the development of that site.

Surplus government land LEPs – Involving the rezoning of surplus State and local government sites

Figure 5 – Percentage breakdown of LEP types considered by the LEP Review Panel

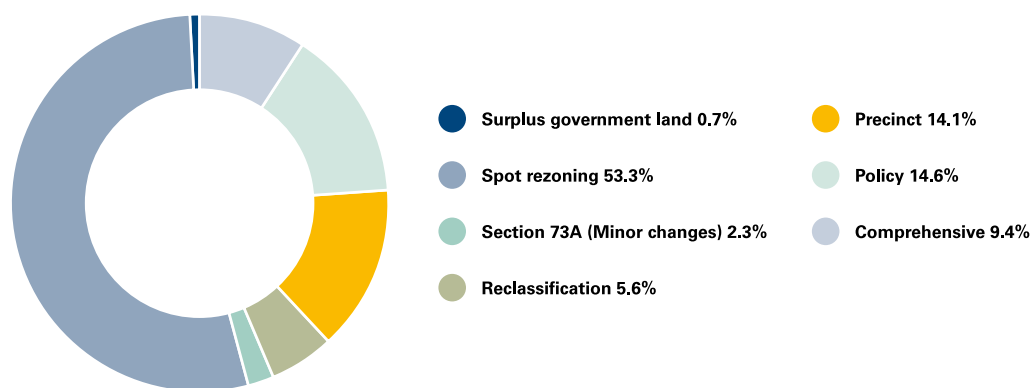


Table 16 – Number of LEPs submitted by individual councils to LEP Review Panel in 2006–07

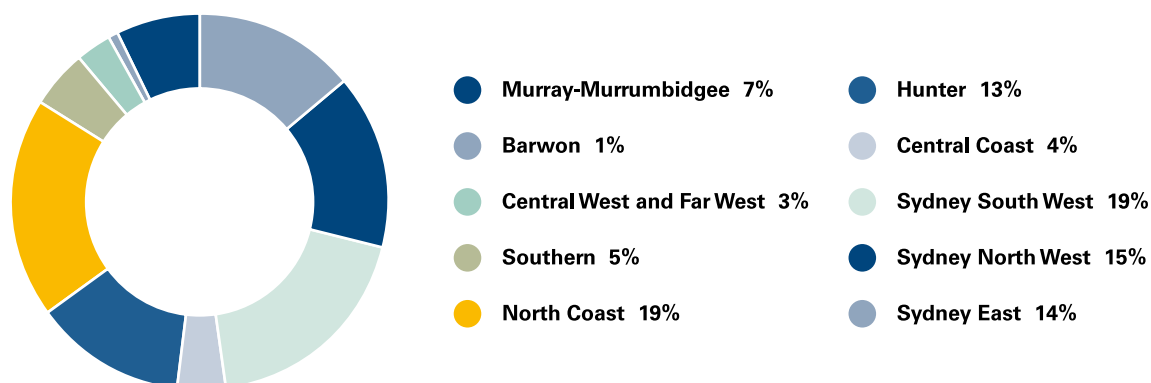
Local government area	No of LEPs submitted	Area
Lake Macquarie	18	Regional
Cessnock	17	Regional
Great Lakes	14	Regional
Camden	10	Metropolitan
Shoalhaven	10	Regional
Gosford	9	Metropolitan
Port Macquarie-Hastings	9	Regional
Bankstown	8	Metropolitan

Local government area	No of LEPs submitted	Area
Baulkham Hills	8	Metropolitan
Clarence Valley	8	Regional
Coffs Harbour	8	Regional
Hornsby	8	Metropolitan
Kempsey	8	Regional
Maitland	8	Regional
Tweed	8	Regional
Wollongong	8	Regional
Byron	7	Regional
Campbelltown	7	Metropolitan
Greater Taree	7	Regional
Penrith	7	Metropolitan
Wingecarribee	7	Regional
Ballina	6	Regional
Fairfield	6	Metropolitan
Pittwater	6	Metropolitan
Rockdale	6	Metropolitan
Wyong	6	Metropolitan

Table 17 – LEPs gazetted during 2006–07 by region and delegation

Region	Referred to Minister direct from council	Referred to Minister through Department	Minor changes (73A of the EP&A Act)	Total
Sydney East	18	9	2	29
Sydney North West	22	10		32
Sydney South West	26	13	2	41
Central Coast	8	1		9
Hunter	19	9		28
North Coast	10	31		41
Southern	4	7		11
Central West and Far West	1	5		6
Barwon	2			2
Murray-Murrumbidgee	4	11		15
	114	96	4	214

Figure 6 – Percentage breakdown of LEPs gazetted by region



Appendices

APPENDIX A DISCRETIONARY PROPOSALS ACCEPTED 2006-07

Major projects

Major project	Potential capital investment value	Potential jobs
GPT retail, residential and commercial project, Wollongong	\$310m	2,000
Western Sydney Recycled Water Initiative – Replacement Flows Project	\$265m	142
Dwyers site, mixed-use development, Crown St, Wollongong	N/A	N/A
North Nowra Link Road	\$7.3m	50
Casuarina Town Centre	\$300m	N/A
University of NSW student housing project	\$100m	N/A
Sydney Water Building, Parramatta	\$130m	2,000
Chatswood Chase expansion	\$150m	900
West Dapto transport link	\$32m	70

State significant sites

Sites	Potential capital investment value	Potential jobs
Freeway North business park, Beresfield	\$430m	2,000
BHP Steelworks, Newcastle	N/A	N/A
St Vincent's/Caritas, Darlinghurst	\$41m	325
Carlton and United Breweries site, Chippendale	\$800m	Up to 4,800
Huntingwood West employment site	\$10m	800
Hilltop Regional Shooting Facility	\$5.2m	N/A
Albion Park airport business park	\$365m	1,500
Tomago industrial site	N/A	N/A
Wyong employment zone	N/A	Up to 6,000
Rosecorp lands at Catherine Hill Bay and Gwandalan	\$200m	N/A
Penrith Lakes site	\$1.5bn	N/A
Huntlee New Town, Cessnock and Singleton	\$1.8bn	8,000
Sanctuary Villages site, near Cessnock	N/A	N/A
UTS Ku-ring-gai concept plan	N/A	N/A
Coal and Allied lands at Catherine Hill Bay	\$50m	N/A
Coal and Allied lands at Gwandalan	\$120m	N/A
Australian Federal Police site, North Head	\$20m	N/A
Coal and Allied lands at Nords Wharf	\$20m	N/A

NOTE: All figures are preliminary and may change as projects progress

**APPENDIX B – APPROVALS WITH A CAPITAL INVESTMENT
VALUE MORE THAN \$30 MILLION 2006–07**

Project Name	Proponent	LGA	Capital Investment Value	Determination Date	Region
Munmorah Gas-Fired Power Station	Delta Electricity	Wyong	\$382m	31/07/2006	Regional
Becton North Beach Byron Tourist Facility	Becton	Byron	\$51m	28/08/2006	Regional
Kurnell Desalination Plant	Sydney Water	Sutherland, Botany Bay, Kogarah, Sydney, Canterbury, Ashfield, Marrickville, Rockdale	\$2bn	16/11/2006	Metro
Eraring Power Station Blackstart Generator and Ash Dam Expansion	Eraring Energy	Lake Macquarie	\$41m	14/12/2006	Regional
Former Pasmenco Site Remediation	Fitzwalter Group	Lake Macquarie	\$45m	27/02/2007	Regional
Bamarang Gas-Fired Power Station	Delta Electricity	Shoalhaven	\$400m	28/02/2007	Regional
NCIG Kooragang Coal Loader	Newcastle Coal Infrastructure Group Pty Ltd	Newcastle	\$922m	13/04/2007	Metro
PWCS Kooragang Coal Loader Expansion	Port Waratah Coal Services Limited	Newcastle	\$78m	13/04/2007	Metro
Visy Pulp and Paper Mill Expansion	Visy Pulp and Paper Pty Ltd	Tumut	\$450m	2/05/2007	Regional
Bayswater Power Station Hunter River Low Pressure Pumping Station	Macquarie Generation	Muswellbrook	\$35m	23/05/2007	Regional
Western Sydney Recycled Water Initiative	Sydney Water Corporation	Penrith, Blacktown, Parramatta, Baulkham Hills	\$245m	20/06/2007	Metro
Kelso Intermodal Freight Terminal	Slobobax	Bathurst	\$100m	12/08/2006	Regional
Jacks Gully Alternative Waste Treatment Facility	WSN Environmental Solutions	Camden	\$39m	7/09/2006	Metro
Coles Myer Chilled Distribution Centre	Macquarie Goodman	Blacktown	\$89m	18/09/2006	Metro
Austar Mine	Austar	Cessnock	\$57m	27/09/2006	Regional
Shellcove Marina	Shellharbour Council	Shellharbour	\$100m	1/11/2006	Regional
Bengalla Mine modification	Bengalla	Muswellbrook	\$105m	9/11/2006	Regional
Coca-Cola Northmead	Coca-Cola Amatil	Parramatta	\$140m	21/12/2006	Metro
Marulan South Quarry	Boral	Goulburn Mulwaree	\$150m	28/02/2007	Regional
Northparkes Mines	North Mining Limited	Parkes	\$72.6m	28/02/2007	Regional
Vopak Site b3 Expansion	Vopak Terminals Pty Ltd	Botany Bay	\$80m	28/02/2007	Metro
Woolworths Warehouse and Distribution Centre	Macquarie Goodman	Penrith	\$41.2m	1/03/2007	Metro
Kimberly-Clark Warehouse and Distribution Centre	Macquarie Goodman	Penrith	\$42.3m	1/03/2007	Metro

Project Name	Proponent	LGA	Capital Investment Value	Determination Date	Region
Parkes Intermodal Terminal	Terminals Australia	Parkes	\$135m	1/03/2007	Regional
CSR – Erskine Park Warehouse and Distribution Facility	CSR Ltd	Penrith	\$200m	1/03/2007	Metro
Anvil Hill Mine	Centennial Coal	Muswellbrook	\$240m	7/06/2007	Regional
Abel Underground Mine	Donaldson	Cessnock, Maitland & Newcastle	\$83.5m	7/06/2007	Regional
Capital Wind Farm	Renewable Power Ventures	Palerang	\$220m	7/11/2006	Regional
Moorland to Herons Creek (Pacific Highway Upgrade)	RTA	Greater Taree Port Macquarie Hastings	\$230m	14/12/2006	Regional
Wollar to Wellington Transmission Line	TransGrid	Wellington; Mid Western Regional	\$43m	19/12/2006	Regional
Southern Sydney Freight Line	ARTC	Campbelltown Bankstown Fairfield Liverpool	\$192m	21/12/2006	Metro
Cullerin Wind Farm	Epuron	Upper Lachlan	\$50m	21/02/2007	Regional
City West Cable Tunnel	Energy Australia	City of Sydney	\$60m	21/02/2007	Regional
Bray Park Water Treatment Plant Augmentation	Tweed Council	Tweed	\$44m	23/05/2007	Regional
Conroy's Gap Wind Farm	Epuron	Yass Valley	\$50m	31/05/2007	Regional
Redevelopment of Royal Newcastle Hospital site	Landcom	Newcastle	\$125m	3/01/2007	Regional
Sofitel Hotel, Sydney Olympic Park	MG Planning on behalf of Accor Hotels	Auburn	\$45m	31/07/2006	Metro
Fern Bay – 85 Nelson Bay Road – 947 lot residential estate	Fern Bay Joint Venture	Port Stephens	\$350m	8/08/2006	Regional
New upper entry, Taronga Zoo	Zoological Parks Board of NSW	Mosman	\$33m	14/10/2006	Metro
Australian Film, Television and Radio School, Fox Studios	BBC Consulting Planners on behalf of Gandel Retail Management	City of Sydney	\$35m	4/12/2006	Metro
Tweed Citimark Multi storey building	Planit Consulting	Tweed	\$60m	9/12/2006	Regional
Honeysuckle (Lee Wharf Stage 3) Buildings A3, A4, A5 & A6	Caverstock Group Pty Ltd	Newcastle	\$35m	24/01/2007	Metro
Production Studio and office complex at the Australian Technology Park, Eveleigh	Architectus Sydney Pty Ltd	City of Sydney	\$123m	25/01/2007	Metro
New commercial office building Lot 231 Honeysuckle Drive, Newcastle	JBA Planning	Newcastle	\$40m	25/01/2007	Metro
University of Sydney Faculty of Law building	Capital Insight Pty Ltd	City of Sydney	\$95m	26/01/2007	Metro
Sydney Water office building	Sydney Water	Parramatta	\$129m	1/03/2007	Metro
117 tourist/residential units Pacific Hwy Sapphire Beach	Sapphire Beach Development P/L	Coffs Harbour	\$90m	9/05/2007	Regional

Project Name	Proponent	LGA	Capital Investment Value	Determination Date	Region
3 Residential flat buildings – Lot 100, 42 Walker Street Rhodes	Meriton Apartments	Canada Bay	\$51m	12/06/2007	Metro
Mixed use residential apartment building on Site 3, Sydney Olympic Park	Urbis JHD on behalf of Site 3 Development Company	SOPA	\$63m	21/06/2007	Metro
Ballina Gateway Project	Sundowner Developments NSW	Ballina	\$70m	25/06/2007	Regional
Long Bay Gaol – Hospitals	NSW Health Long Bay Correctional Complex	Randwick	\$130m	6/07/2006	Metro
Channel 7 site residential development	KCW Partners & Rebel Property Group	Parramatta	\$160m	22/08/2006	Metro
Dan Lands	Northwest Residential (Planning Workshop Pty Ltd)	Newcastle	\$100m	26/09/2006	Regional
Orange-Bloomfield Hospital	NSW Health	Orange Council	\$141m	9/12/2006	Regional
Sandon Point	Stockland & ARV	Wollongong	\$152m	21/12/2006	Regional
Vincentia Coastal Village	Stocklands	Shoalhaven	\$150m	25/01/2007	Regional
Queanbeyan Hospital	NSW Health	Queanbeyan City	\$36m	25/01/2007	Regional
Lismore Hospital	NSW Health	Lismore	\$38.5m	25/01/2007	Regional
Auburn Hospital	NSW Health	Auburn	\$170m	26/01/2007	Metro
Royal North Shore Hospital – Research and Education Building	NSW Health	Willoughby	\$110m	29/01/2007	Metro
Liverpool Hospital	NSW Health	Liverpool	\$390m	2/02/2007	Metro
Sydney Cricket Ground	Sydney Cricket & Sports Ground Trust.	City of Sydney	\$63m	2/02/2007	Metro
Barangaroo (East Darling Harbour)	SHFA	City of Sydney	\$1.5bn	9/02/2007	Metro
Carlton and United Breweries site	JBA Planning Consultants (on behalf of Fosters Group)	City of Sydney	\$800m	9/02/2007	Metro
Royal North Shore Hospital	NSW Health	Willoughby	\$1bn	13/04/2007	Metro
St Vincent's Caritas site and O'Brien Building	St Vincent's & Mater Health	City of Sydney	\$41m	13/04/2007	Metro
Auburn Hospital	NSW Health	Auburn	\$170m	13/04/2007	Metro
Macquarie University Private Hospital	JBA on behalf of Macquarie University	Ryde Council	\$86m	13/05/2007	Metro
University of NSW – Cancer Research Facility	University of NSW	Randwick	\$100m	20/06/2007	Metro
Masterplan for resort village, Perisher Valley & Smiggins Holes	Perisher Blue Pty Ltd	Snowy River	\$112.6m	14/11/2006	Regional

APPENDIX C – REFUSALS 2006–07

Project Name	Proponent	LGA	Determination Date	Region	Category
Pisces Fish farm	Pisces Aquaculture holding	Port Stephens	26/11/2006	Regional	Industry
Anna Bay Nature Resort	Spacecon Pty Ltd	Port Stephens	8/08/2006	Regional	Coastal

Project Name	Proponent	LGA	Determination Date	Region	Category
Rhodes, modification	Walker Corporation Pty Ltd	Canada Bay	23/08/2006	Metro	Development at specified urban sites
Rhodes, modification	Walker Corporation Pty Ltd	Canada Bay	23/08/2006	Metro	Development at specified urban sites
Hawks Nest, 33 lot subdivision	Northwest Residential c/o Monteath & Powys	Great Lakes	10/09/2006	Regional	Coastal
Hawks Nest, 3 residential unit buildings and strata subdivision	Northwest Residential	Great Lakes	10/09/2006	Regional	Coastal
Cronulla, 5 storey residential flat building	David Crane & Associates on behalf of Sammut Developments	Sutherland	28/09/2006	Metro	Coastal
Byron Bay, tourist apartments/mixed retail	Logan Baud Partnership	Byron	9/12/2006	Regional	Coastal
Woombah, 4 rural residential lots subdivision	Justin Sherrif	Clarence Valley	9/12/2006	Regional	Coastal
Lease boundary amendments – The Man From Snowy River Hotel, Perisher Valley	ARC Architects	Snowy River	11/09/2006	Regional	Alpine

APPENDIX D – WITHDRAWALS 2006–07

Project Name	Proponent	LGA	Region	Category
Ashton Coal Mine, modification	White Mining	Singleton	Regional	Industry
Karuah Hard Rock Quarry	Hunter Quarries	Great Lakes	Regional	Industry
White Bay Cement Loading Facility	Independent Cement and Lime	Leichhardt	Metro	Industry
Cross City Tunnel Modification 4 (removal of cycle lanes on Kings Cross Road and Craigend Street)	Roads and Traffic Authority	City of Sydney	Metro	Infrastructure
No. 72 South Street, Ulladulla – tourist units to residential units modification	Elderslie Property Investments	Shoalhaven	Regional	Coastal
Terralong Street, Kiama, finishes and colours modification	King Design	Kiama	Regional	Coastal
Rhodes, modification	Walker Group Constructions	Canada Bay	Metro	Development at specified urban sites
Leafs Gully Power Station	AGL	Campbelltown	Metro	Infrastructure
Narrawallee, 200 lot subdivision	Rygate & West	Shoalhaven	Regional	Coastal
Industrial Subdivision and Filling of Land, Lots 28, 32 & 33, Pacific Highway Hexham	Pacrim Environmental	Newcastle	Regional	Other residential / Commercial
85 lot residential subdivision, Walmsley Rd & Stott St, Bilambil Heights	Darryl Anderson	Tweed	Regional	Coastal
6 Cabin Eco-tourism Resort, Micalo Road, Yamba	A & N McLennan	Clarence Valley	Regional	Coastal
Rhodes, Oulton Avenue Subdivision Certificate	Walker Corporation Pty Ltd	Canada Bay	Metro	Development at specified urban sites
5 lot rural subdivision, Patemans Rd, Ashby	Geoff Smyth Consulting	Clarence Valley	Regional	Coastal
Tree removal, Blue Calf T-bar, Guthega	Perisher Blue Pty Ltd	Snowy River	Regional	Alpine

