

Response to the Recommendations Report for the Greater Parramatta and Olympic Peninsula Place-based Infrastructure Compact

The Government has considered the Recommendations Report prepared by the Greater Sydney Commission (GSC) for the Greater Parramatta and Olympic Peninsula (GPOP) pilot Place-based Infrastructure Compact (PIC). This document establishes the next steps that the Department of Planning, Infrastructure and Environment (DPIE) will take in the implementation of the PIC to deliver the vision for GPOP as the Sydney's Central City.

Overview

A growing GPOP is critical to the Greater Sydney Region Plan's vision for the creation of an economic corridor for the Central City to rebalance access to jobs, housing and opportunities for people in Central and Western Sydney. To deliver the economic corridor, the Greater Sydney Commission (GSC) piloted a new collaborative model, the Place Infrastructure Compact (PIC), with more than 20 NSW Government partners.

GPOP comprises 6,000 hectares at the heart of the Central River City, spanning 13 kilometres east-west from Strathfield to Westmead and seven kilometres north-south from Carlingford to Lidcombe and Granville. The PIC model was identified in the Metropolis of Three Cities as a new collaborative approach to infrastructure planning. GPOP was selected due to the need to enable high levels of projected growth with co-ordinated infrastructure delivery.

The GSC developed the PIC model, assessing infrastructure needs and costs, identifying scenarios and recommending sequencing for the delivery of infrastructure to support growth. The PIC identifies the opportunity for 'transformative' and 'visionary' scenarios, with ambitious growth targets, that can only be achieved if supported by infrastructure investment. The PIC was exhibited in November 2019 as *A City Supported by Infrastructure (Attachment A)*.

The PIC model recommended three phases of development for GPOP, as follows:

- a) **Phase 1** focuses on precincts where growth can be aligned with already committed infrastructure such as Parramatta Light Rail Stage 1 to support job creation and new development. These precincts include Parramatta (CBD, North and South), Westmead (Health and South), Wentworthville, Rydalmere to Carlingford, Wentworth Point and Carter Street precincts;
- b) **Phase 2** focuses on aligning growth with future city-shaping infrastructure such as Sydney Metro West and Parramatta Light Rail Stage 2 and recognises that these precincts should be subject to more intensive development when new transformative infrastructure is delivered. These precincts include: Sydney Olympic Park, Homebush-North Strathfield, Melrose Park and Ermington, Granville, Auburn, Lidcombe and Flemington precincts; and

- c) In the remaining precincts, the PIC model recommended that the existing uses be retained, with a potential review as new transformative infrastructure is delivered due to the relatively high cost of delivering these precincts compared to other precincts in GPOP. These precincts include Harris Park, Dundas Valley, Rydalmere, Camellia Industrial, Auburn, Lidcombe and Silverwater, and Camellia-Rosehill precincts.

Response to the Recommendations on the GPOP PIC

The recommendations report prepared by the GSC includes 23 recommendations that addressed both the GPOP PIC and the PIC model (**Attachment B**). The response to the GPOP PIC is provided in Table 1 below and the response to the PIC model is provided in Table 2. The GSC recommendations responded to feedback received during the community exhibition of the PIC model and their own findings in relation to the optimum staging and sequencing of precincts across GPOP. The response to the recommendations represents an implementation strategy for the GPOP PIC and how it will be used by DPIE, and partner Government agencies, to inform land use planning and ensure the detailed consideration of how development and growth should be co-ordinated to create great communities across GPOP.

Table 1. Response to the Recommendations report in relation to the GPOP PIC

	Recommendation	Response and Implementation Strategy
1	<p>The Commission recommends that:</p> <ul style="list-style-type: none"> i. consistent with Greater Sydney Region Plan, Future Transport 2056 and the Building Momentum: State Infrastructure Strategy 2018-2038, the NSW Government progress the 'Transformative' scenario tested in the PIC Pilot for GPOP over the next ten years, and transition to the 'Visionary' scenario as outlined in <i>A City Supported by Infrastructure</i>; ii. DPIE ensures the 'Transformative' and 'Visionary' scenarios are reflected in the NSW Government's population and employment distribution forecasts, known as Common Planning Assumptions*, for use by all infrastructure and services agencies; and iii. Local character values are identified and considered in a way that supports good place outcomes in implementing the PIC through district and local plans in consultation with councils and the community. <p>*NSW Government's standard population and employment distribution forecasts are available at www.planning.nsw.gov.au/Research-and-Demography</p>	<p>The PIC is valuable as a policy tool to inform decision-making in the preparation of Strategic Plans. In particular, the PIC identifies constraints that need to be overcome to enable rezoning and development to proceed.</p> <p>DPIE will prepare a Strategic Plan for GPOP, supported by a section 9.1 Ministerial Direction and Special Infrastructure Contribution, drawing on the infrastructure requirements embedded in the PIC and incorporating a vision for each of the precincts, along with local character values that support place outcomes.</p> <p>This is consistent with the GSC recommendation to update the strategic planning framework. The GPOP Strategic Plan will replace the existing section 9.1 Ministerial Direction that applies to the Greater Parramatta Interim Land use and Implementation Plan (ILUIIP).</p> <p>Common planning assumptions will be built into the Strategic Plan.</p>

	Recommendation	Response and Implementation Strategy
2	<p>The Commission recommends that DPIE develop a targeted strategy/s over the next 12-18 months to support regulated utility and private providers in implementing the ‘Transformative’ and ‘Visionary’ scenarios for GPOP, as presented in A City Supported by Infrastructure, including recycled water, resource recovery and waste to energy services, to promote better efficiency, resilience, resource management and low carbon precincts.</p>	<p>A Utilities Strategy will be prepared for GPOP to inform the Strategic Plan. DPIE will work with utility agencies to embed key principles and actions in the Strategic Plan.</p>
3	<p>The Commission recommends that the NSW Government:</p> <ol style="list-style-type: none"> i. retain the existing GPOP boundary, with the potential to include Epping considered when the mass transit link from Parramatta to Epping (as identified in Future Transport 2056 for investigation in the next 10-20 years) commences; and ii. request that DPIE in implementing the PIC subsequently engage with: <ul style="list-style-type: none"> • the City of Parramatta, Cumberland, Canada Bay and Strathfield Councils, with respect to significant land use and infrastructure issues in the vicinity of the GPOP boundary where state agencies and the councils can work better together; and • Canada Bay and Strathfield, with respect to the North Strathfield Precinct, recognising the location of a future North Strathfield metro station has been confirmed. 	<p>It is agreed that the existing GPOP boundary should be retained. The GPOP Strategic Plan will be the implementation mechanism that will ensure land use and infrastructure is co-ordinated, as identified in the PIC, but also further consider place outcomes for each of the 26 precincts across GPOP, prepared in consultation with the community, key stakeholders and Council.</p> <p>DPIE will engage with the Councils in and adjoining GPOP particularly the City of Parramatta, Cumberland, Canada Bay and Strathfield Councils to investigate options for the alignment of infrastructure and land use planning tailored to the needs of the place, rate of change and new transformative infrastructure.</p>

	Recommendation	Response and Implementation Strategy
4	<p>The Commission recommends that subject to the NSW Government's consideration of <i>Recommendations 6 to 12</i>, that DPIE be nominated as the responsible agency for implementation of the GPOP PIC Pilot, and that:</p> <p>i. DPIE and the Commission concurrently update and/or prepare, exhibit and finalise amendments to the <i>Greater Sydney Region Plan, Central City District Plan, the Eastern City District Plan, the Greater Parramatta Interim Land Use and Infrastructure Implementation Plan</i> and the Special Infrastructure Contribution Framework for GPOP to implement the PIC Pilot, within 12-18 months; and</p> <p>ii. DPIE and the Commission subsequently work with councils to align <i>Local Strategic Planning Statements</i> and <i>Local Environmental Plans</i> to the amended District Plans as they relate to GPOP, within 18 months.</p>	<p>DPIE will commence preparation of a Strategic Plan in 2021, which will also be accompanied by a Special Infrastructure Contribution (SIC) to provide a mechanism to fund identified State and regional infrastructure across GPOP.</p> <p>The Strategic Plan will be given statutory weight through a Section 9.1 Ministerial Direction, which will ensure it is required to be taken into account in the consideration of planning proposals.</p> <p>DPIE will work with the GSC and local Councils on any required amendments to the Greater Sydney Region Plan, District Plan(s) and Local Strategic Planning Statements required as a result of this process.</p>
5	<p>The Commission recommends that DPIE work with the Commission and relevant Councils over the next 6-12 months to ensure that Local Housing Strategies and Affordable Housing Contribution Plans are completed as a matter of priority to ensure any affordable housing contribution is recognised in the preparation of a Special Infrastructure Contribution Framework for the GPOP area.</p>	<p>This recommendation is already being implemented as all Councils within GPOP have prepared a new Local Housing Strategy as part of the LEP review program.</p> <p>Councils are required to address housing affordability in their Local Housing Strategies and the GPOP Strategic Plan will consider the issue of affordable housing, noting that the implementation mechanism for affordable housing is established through SEPP 70 – Affordable Housing, and not Special Infrastructure Contributions.</p> <p>DPIE are currently reviewing Council's Local Housing Strategies with a view to complete endorsement of Strategies in Q1 2021.</p>

	Recommendation	Response and Implementation Strategy
6	<p>The Commission recommends that the NSW Government:</p> <ul style="list-style-type: none"> i. adopt the sequencing plan proposed in <i>A City Supported by Infrastructure (Appendix 2)</i>; ii. in implementing the sequencing plan through the hierarchy of regional, district and local plans, address the potential for early intensification of existing land uses in parts of the Rosehill-Camellia and Harris Park Precincts, as outlined in <i>Recommendation 8</i>; and iii. enable the Melrose Park, North Strathfield and Sydney Olympic Peninsula Precincts to intensify in line with the timing of the delivery of light rail and metro rail. 	<p>The sequencing plan in <i>A City Supported by Infrastructure</i> will be further interrogated and implemented in the preparation of the GPOP Strategic Plan. In preparing the Strategic Plan, it is recognised that GPOP is a locality already undergoing significant change and the Strategic Plan will further identify opportunities, constraints and infrastructure needed to support growth.</p> <p>Given the number of planning proposals already in the planning system, it is appropriate to assess these planning proposals on their merit, taking into account the ability to provide and fund infrastructure to support the proposed development and the ability to resolve environmental constraints.</p> <p>Where it is considered appropriate to undertake a precinct approach to resolving issues, site-specific planning proposals will be discontinued to enable the holistic consideration of issues, this is particularly relevant for Camellia-Rosehill (refer recommendation 7).</p>

<p>7 The Commission recommends that the NSW Government:</p> <ol style="list-style-type: none"> i. enhance the important Camellia-Rosehill-Camellia Industrial-Rydalmere-Silverwater cluster of precincts for urban services vital to the success of the GPOP Economic Corridor, the Central City and Greater Sydney (Appendix 3); ii. support synergies in water, waste, energy and transport services in Camellia-Rosehill-Camellia Industrial-Rydalmere-Silverwater to continuously evolve, generating a range of employment types, including new highly skilled jobs and industries (including the circular economy); iii. safeguard existing and future strategic urban services in the Camellia-Rosehill and Camellia-Industrial Precincts from incompatible residential encroachment; iv. retain the existing zoning (B5 – Business Development) for lands in the north-western corner of the Camellia-Rosehill Precinct to: <ul style="list-style-type: none"> • provide for a business land use to allow a transition to the adjacent industrial zones in the Camellia-Rosehill and Camellia Industrial Precincts; • optimise the new light rail stop in Camellia, with development controls for the site to be reviewed to enable intense business/employment uses; and • avoid the costly relocation of an existing sewer pumping station. v. reconsider the servicing requirements and value of the proposed Parramatta Light Rail Stage 2 through the Camellia-Rosehill and Camellia Industrial Precincts. 	<p>DPIE recognises the strategic role that Camellia-Rosehill could play in delivering the economic corridor for GPOP through advanced urban services; activation of the Parramatta River and Duck Creek foreshore and capitalising on investment in Parramatta Light Rail and synergies with Rosehill racecourse, leading to opportunities for amenity led mixed-use development.</p> <p>DPIE will work with Council, agencies, community and industry to further investigate alternative development scenarios for Camellia Rosehill that retain productivity and long-term investment, but also considers alternative place outcomes that contributes to the critical development of Parramatta as the Central City.</p> <p>In order to support any land use planning outcome in Camellia it is essential to resolve key environmental constraints in a co-ordinated manner. This includes remediation, flooding, and hazardous pipeline risks. Further work is also required to be carried out to consider traffic and transport issues and the infrastructure required to support the whole precinct, and how it may be funded.</p> <p>Retaining the existing B5 Business zone within Camellia may result in development outcomes (such as bulky goods retail) that would impact on infrastructure and traffic, limit place making opportunities and have additional infrastructure demands.</p> <p>As a result, DPIE will work with Council, landowners, State agencies and the community to prepare a Place Strategy for the Camellia-Rosehill precinct, commencing in 2021. A Place Strategy is considered the best mechanism to explore detailed land use planning solutions for Camellia-Rosehill.</p> <p>In this context, it is not considered appropriate to continue the planning proposal at 181 James Ruse Drive as precinct issues are not able to be addressed through the planning proposal process.</p>
---	---

	Recommendation	Response and Implementation Strategy
8	<p>The Commission recommends that the potential for the early intensification of existing land uses in parts of the Camellia-Rosehill Precinct and Harris Park Precinct, as shown in Appendix 4 is considered in implementing the PIC. Subsequent planning by DPIE and the City of Parramatta Council should have regard to:</p> <ul style="list-style-type: none"> i. leveraging new light rail stops at Camellia and Tramway Avenue and minimising car parking in new developments; ii. enhancing the development of a tourism, recreation and entertainment precinct by leveraging the existing Rosehill Racecourse, to create an attractive visitor destination within the Central City; iii. the movement function of the James Ruse Drive corridor and the capacity of the surrounding road network before significant upgrades are proposed to be funded and delivered; iv. prioritising the use of any latent capacity in the road network for special, urban services and employment uses; v. recognising the James Ruse Drive/Grand Avenue/Hassell Street intersection as a limiting factor to intensive development in both the Rosehill-Camellia and Harris Park Precincts without significant investment; and vi. the preclusion of residential uses on the eastern side of James Ruse Drive in the Camellia-Rosehill Precinct to avoid the development of isolated communities, land use conflict with adjacent industrial areas and encroachment on industrial activities. 	<p>This will be further considered in the GPOP Strategic Plan and Camellia-Rosehill Place Strategy.</p>
9	<p>The Commission recommends that, working with local councils, the NSW Government:</p> <ul style="list-style-type: none"> i. leverage NSW Treasury’s existing investor relationships, both foreign and domestic, to attract a pipeline of future-focused industries to the Camellia-Rosehill and Camellia Industrial Precincts to promote renewal and the circular economy; and ii. focus on attracting the infrastructure and environment industries as identified in the NSW 2040 Economic Blueprint, as they are compatible with the long term industrial and urban services function of this part of the Central City. 	<p>This matter can be considered further, in liaison with Treasury following the interrogation of land use planning options for Camellia as part of the preparation of the Place Strategy.</p>

	Recommendation	Response and Implementation Strategy
10	<p>Should the NSW Government seek to progress a Camellia Town Centre (in its current or a modified form), the Commission recommends that, before any rezoning decisions are made, the NSW Government give consideration to:</p> <ul style="list-style-type: none"> i. industrial and urban services land objectives and priorities set out in the Greater Sydney Region Plan and Central City District Plan (see Appendix 1); ii. a precinct-wide remediation strategy for the Camellia-Rosehill and Camellia Industrial Precincts, supported by independent cost estimates; iii. an affordable traffic and transport solution to support the intensity of trips generated by a town centre in this location, with the funding required for this infrastructure; and iv. land use conflict matters that may arise from noise, odour, lighting, hours of operation and heavy vehicle traffic impacts from industrial activities in the area. 	<p>It is agreed that all of these matters need to be considered in the preparation of the Place Strategy for Camellia-Rosehill and prior to consideration of any rezoning..</p>
11	<p>Should the NSW Government proceed with Recommendation 10 and landowners and/or proponents seek to contribute to the funding or delivery of state and regional infrastructure, the Commission recommends that:</p> <ul style="list-style-type: none"> i. a contribution is secured to deliver the infrastructure, in whole or part, as needed to enable the town centre to occur (e.g. relocation of the sewer pumping station) and to address the demands generated by the development; ii. owing to the scale, complexity and risks involved in delivering the proposed Camellia Town Centre, any offers are diligently assessed, leveraging principles of the NSW Government’s Public Private Partnership Guidelines (2017) and Unsolicited Proposals – Guide for Submission and Assessment (2017); and iii. the timing of contributions from landowners and/or proponents are coordinated with investment required by the NSW Government (e.g. for road network upgrades), as the latter would need to be prioritised amongst other needs across Greater Sydney and NSW. 	<p>These matters will be further considered as part of the detailed planning for Camellia-Rosehill. The need to work collaboratively with landowners and industry is recognised and supported.</p>

	Recommendation	Response and Implementation Strategy
12	<p>The Commission recommends that Melrose Park Precinct remain in Phase 2 – Align growth with future city-shaping infrastructure, acknowledging:</p> <ul style="list-style-type: none"> i. the potential for more intense urban renewal in the Precinct that may be enabled with a new north-south regional public and active transport link across the Parramatta River, connecting to Sydney Olympic Park and the future Sydney Metro station; ii. that any such intensification would need to be considered with other liveability and sustainability objectives and priorities outlined in the Greater Sydney Region Plan and Central City District Plan; iii. the potential for the Precinct to proceed earlier, if a north-south regional public and active transport link could be delivered prior or separate to the proposed Parramatta Light Rail Stage 2; iv. developer contributions could enable earlier delivery of a north-south regional public and active transport link than if funded primarily by the NSW Government; and v. the benefits that a north-south regional public and active transport link would provide to both the Central and North Districts 	<p>There is an existing planning proposal in Melrose Park North that has been given a Gateway determination and infrastructure to support the development of the whole of Melrose Park precinct is being identified as part of the planning proposal, including traffic and transport, education, open space and community facilities. It is anticipated that the planning proposal for Melrose Park North will be exhibited in early 2021 to enable further consideration of this matter.</p> <p>DPIE will continue to assess the development of Melrose Park based on strategic and site-specific merit and consider infrastructure needs to support the future population on a holistic basis.</p>

	Recommendation	Response and Implementation Strategy
13	<p>The Commission recommends that the NSW Government:</p> <ul style="list-style-type: none"> i. direct stakeholders to the unprecedented level of information on the PIC Pilot for GPOP that is already publicly available; ii. publicly share the additional supporting information in Appendix 5, which compares net benefits analysis at the precinct level as a complement to the cost effectiveness analysis published in A City Supported by Infrastructure; iii. provide details of infrastructure needs, costs and apportionment as part of the process of preparing and determining a Special Infrastructure Contribution Framework for a PIC area; and iv. establish the principles for the release of information on future PICs in the proposed guide for the new PIC model, as outlined in Recommendation 15. 	<p>The PIC will be used as an input into the GPOP Strategic Plan. The GPOP Strategic Plan will be publicly exhibited which will enable increased opportunities for transparency and collaboration and allow further interrogation of infrastructure required to support growth, and explore opportunities for alternative funding streams, including a Special Infrastructure Contribution.</p> <p>In the future, a PIC should be prepared at the same time as a strategic plan, to enable improved transparency and collaboration in relation to the land use planning outcomes that can be generated through the co-ordinated delivery of infrastructure and new transformative infrastructure.</p> <p>Strategic Plans and Place Strategies will both be given statutory weight through a section 9.1 Ministerial Direction and will both inform, and be informed by, the District Plan. Not every precinct in GPOP will have a Place Strategy prepared. Where a Strategic Plan and Place Strategy are prepared (eg. Camelia-Rosehill and Westmead), the Place Strategy will provide further detail regarding the resolution of issues, barriers to implementation and enablers of growth. The GPOP Strategic Plan will provide a high-level vision, incorporating staging and sequencing and identify infrastructure required to support growth. The GPOP Strategic Plan will then inform Council's Local Strategic Planning Statement.</p>

Table 2. Response to the Recommendations report in relation to the PIC model

	Recommendation	Response and Implementation Strategy
14	<p>The Commission recommends that the NSW Government adopts the new PIC model for use in strategically significant areas, and:</p> <ul style="list-style-type: none"> i. that areas for PICs are nominated by the Commission, the Department of Planning, Industry and Environment (DPIE) and/or any other relevant agency for NSW Government consideration; ii. all PICs approved by the NSW Government, regardless of the delivery agency, are overseen by the Commission's Infrastructure Delivery Committee; and iii. the findings and actions resulting from PICs are used to inform updates to the Greater Sydney Region Plan and the relevant District Plan/s consistent with Recommendation 2 of Building Momentum: State Infrastructure Strategy 2018-2038. 	<p>DPIE and the GSC will prepare a guide to inform where and when a PIC should be employed in the future. The PIC guide will include the methodology for implementation, principles for improved transparency with all stakeholders and collaboration across Government.</p> <p>The preparation of any future PICs should be decision of Government, with governance arrangements and planning pathways developed that are tailored to the place.</p>
15	<p>The Commission recommends to the NSW Government that by the end of 2020:</p> <ul style="list-style-type: none"> i. the role of the PIC process is confirmed in the hierarchy of plans in the NSW planning system, jointly by the Commission and DPIE; and ii. the role of the PIC process and the place-based Strategic Business Case (SBC) is confirmed in relevant NSW Government policies and, if required, the Infrastructure Investor Assurance Framework, jointly by Infrastructure NSW and NSW Treasury. 	<p>The PIC model is recognised as an important tool that can be used to inform strategic plans, particularly where there are competing demands for infrastructure.</p> <p>The preparation of a Strategic Business Case to deliver infrastructure is one implementation mechanism available to Government and will be included as a potential delivery mechanism for infrastructure in the PIC guide. The PIC guide should explore a range of funding mechanisms to support growth.</p>
16	<p>The Commission recommends the NSW Government endorse:</p> <ul style="list-style-type: none"> i. releasing a guide detailing the new PIC model and how to prepare a PIC by the end of 2020, to be developed jointly by the Commission and DPIE; and ii. the guide focusing on enabling wider application of the PIC model, continuous improvement in methods, better collaboration, transparency and capacity building of all involved. 	<p>The PIC model guide will be released early in 2021 and will include further detail regarding the future use of PICs and how they can be used to inform planning processes.</p>

	Recommendation	Response and Implementation Strategy
17	<p>The Commission recommends that NSW Government agencies continue to reorientate their service and infrastructure planning to support better place-based planning, further PICs and place-based SBCs, and their implementation consistent with the Greater Sydney Region Plan and Building Momentum: State Infrastructure Strategy 2018-2038.</p>	<p>The value of the PIC model in enabling operating expenditure budgets of proponent agencies to be managed where there are competing issues is recognised.</p> <p>The PIC can be used to inform staging and sequencing outcomes, which may then be embedded in Strategic plans and infrastructure funding mechanisms to ensure the co-ordinated delivery of infrastructure.</p>
18	<p>The Commission recommends to the NSW Government that the PIC model guide, proposed in Recommendation 16, incorporates a framework and principles for consulting and engaging with:</p> <p>i. local council officers, local elected officials, the community (including First Nations People), peak groups, not-for profit providers and regulators, on:</p> <ul style="list-style-type: none"> • aspirations for the future of places; • scenario development and land use needs; • defining PIC boundaries and precincts; • establishing principles for sequencing precincts; • the identification of infrastructure needs and priorities; • more dynamic and innovative solutions to meeting needs; and • the implementation of PICs. <p>ii. the development industry and landowners to gain insight into market conditions, customer needs and preferences, and development feasibility.</p>	<p>This can be addressed in the PIC guide, noting that the preparation of a Strategic Plan at the same time as a PIC will allow further interrogation of place outcomes with the community and stakeholders, as well as identification of infrastructure required to support growth.</p>
19	<p>The Commission recommends to the NSW Government that the PIC model guide, proposed in Recommendation 16, confirms:</p> <p>i. arrangements for partnering with local council officers on the technical work of the PIC, including governance;</p> <p>ii. that the existing statutory membership of the Commission’s Infrastructure Delivery Committee continues to be limited to State agencies only; and</p> <p>iii. arrangements for senior executives and/or elected officials of local, state and where relevant federal governments to convene through the PIC process.</p>	<p>As above, the PIC guide will outline the approach for future PICs, and the governance arrangements will be tailored to the needs of the place, taking into account the potential for the PIC model to be applied outside of Greater Sydney.</p>

	Recommendation	Response and Implementation Strategy
20	<p>The Commission recommends that the NSW Government work to better support utility providers, regulators and the community in developing and delivering resource-efficient, resilient and low carbon precincts to implement PICs consistent with the relevant objectives and priorities in the Greater Sydney Region Plan and relevant District Plans.</p>	<p>This can be addressed through the strategic planning process and engagement with key utility providers, regulators and the community.</p>
21	<p>The Commission recommends to the NSW Government that for future PICs, the scope of infrastructure be extended to include:</p> <ul style="list-style-type: none"> i. regional green, blue, social, community and cultural infrastructure requiring co-delivery by local and State governments; ii. non-government schools, working with the not-for-profit sector through the Department of Education and Schools Infrastructure; and iii. social and affordable rental housing provision to the extent practical. <p>Further, to enhance the delivery of (i) above, the NSW Government should consider the sustained delivery of these regional facilities in PIC areas by supplementing existing grant programs and developer contributions.</p> <p>With regard to affordable rental housing, while essential infrastructure, the Commission recommends that it be planned and delivered consistent with the NSW Government's Affordable Housing Targets Policy set out in the Greater Sydney Region Plan and adopted Affordable Housing Contributions Plans.</p>	<p>Future PICs would benefit from the inclusion of these matters to ensure a holistic infrastructure schedule is developed.</p> <p>The PIC guide will outline the approach for future PICs.</p>

	Recommendation	Response and Implementation Strategy
22	<p>The Commission recommends to the NSW Government that determining the source of funds for infrastructure should be an important but secondary question for PICs, which is focused on identifying the orderly development of precincts and infrastructure priorities in the first instance.</p> <p>Further, in future PICs:</p> <ul style="list-style-type: none"> i. the results of cost and benefits analysis at the precinct level should be publicly reported, so stakeholders can be assured that precincts delivering higher benefits relative to costs are sequenced early, rather than the lowest cost precincts regardless of benefits; and ii. the capacity of developers to feasibly make a financial contribution to infrastructure be considered after a PIC is completed, and only once net benefits are demonstrated for a precinct and sequencing is established. 	<p>It is recognised that if the PIC is informing land use and planning decisions, industry and Councils will want to see evidence of how wider economic benefits are considered in the economic evaluation of costs and benefits.</p> <p>In the final analysis of a preferred staging and sequencing strategy it is essential that other factors are also given weight, such as desirability, liveability of a place and market demand and feasibility.</p> <p>For these reasons, the PIC process should be used to inform strategic plans and the delivery of infrastructure funding mechanisms to support growth.</p>
23	<p>The Commission recommends that where a PIC is accepted by the NSW Government, a small dedicated coordination office is established in the relevant agency (most often DPIE) to progress the timely implementation of a PIC, including:</p> <ul style="list-style-type: none"> i. through a review and update of the relevant strategic and statutory plans, through the hierarchy of plans in the NSW planning system within 12-18 months; iii. preparation of a Special Infrastructure Contributions Framework (and potentially value sharing arrangements in very high value parts of precincts) within 12-18 months; ii. preparation of place-based Strategic Business Cases and project Final Business Cases by agencies for the delivery of infrastructure priorities; and iii. regular monitoring and public reporting on progress, including actual development compared to the forecast assumptions in a PIC. 	<p>Where a PIC is accepted by NSW Government, implementation mechanisms will be considered and tailored to the place.</p>

Next Steps

The response to the recommendations identifies that the PIC model is a valuable policy tool to inform strategic planning, however, the PIC will not be appropriate in all circumstances and is ideally suited to places where there are complex, large-scale land use planning processes

involving multiple agencies. For this reason, DPIE and the GSC will prepare a PIC model guide in 2021 to guide the future application of the PIC model across New South Wales.

In order to deliver the vision for GPOP, it is necessary to prepare a Strategic Plan for GPOP. The Strategic Plan will further consider the staging and sequencing of precincts within GPOP and translate this into a planning document that is given statutory weight under the Environmental Planning and Assessment Act, 1979.

The GPOP Strategic Plan will be prepared in 2021 and be supported by a Special Infrastructure Contribution, utilising the infrastructure lists identified through the PIC process in collaboration with 20 Government agencies. It is also appropriate to engage with developers and landowners on how they may co-contribute to the provision of infrastructure to mitigate the impacts of growth.

Further studies are required to be prepared to support place outcomes, including a Green-blue Infrastructure Strategy, Property and Utilities Strategy and Aboriginal heritage. The GPOP Strategic Plan will be prepared in collaboration with Councils and State government agencies, drawing on the extensive collaboration that has already occurred in the preparation of the PIC.

It is recognised that there are a number of existing planning proposals in GPOP that are in varying stages of the planning process. It is appropriate that these planning proposals continue to be assessed on their strategic and site-specific merit.

With regard to Camellia-Rosehill, the PIC process has highlighted the significant issues that need to be resolved to enable this precinct to transition to either higher order urban services, or a mixed use precinct. For this reason, it is considered appropriate that a Place Strategy be prepared for the whole Camellia-Rosehill precinct, commencing in 2021, drawing on the significant body of work that has already been undertaken. In preparing the Place Strategy, collaboration with Council, landowners, state agencies and the community will be undertaken. Following the preparation of the Place Strategy, if a rezoning response is required, there is potential for Camellia-Rosehill to be a State-led precinct. For this reason, it is considered that site-specific planning proposals in Camellia-Rosehill should be discontinued to enable this strategic work to be undertaken.

Conclusion

The PIC model is a valuable tool that facilitates collaboration across Government to understand the needs of a place and identify infrastructure that is required to support the growth and development of communities. In order to embed the PIC outcomes into planning processes, a Strategic Plan is required to be prepared that will further entwine infrastructure delivery with outcomes relating to place, liveability and sustainability outcomes.

The Government recognises the significant contribution of all partner agencies in the preparation of the PIC and its value as a collaborative process.

© State of New South Wales through Department of Planning, Industry and Environment 2020. The information contained in this publication is based on knowledge and understanding at the time of writing (December, 2020). However, because of advances in knowledge, users should ensure that the information upon which they rely is up to date and to check the currency of the information with the appropriate departmental officer or the user's independent adviser.