

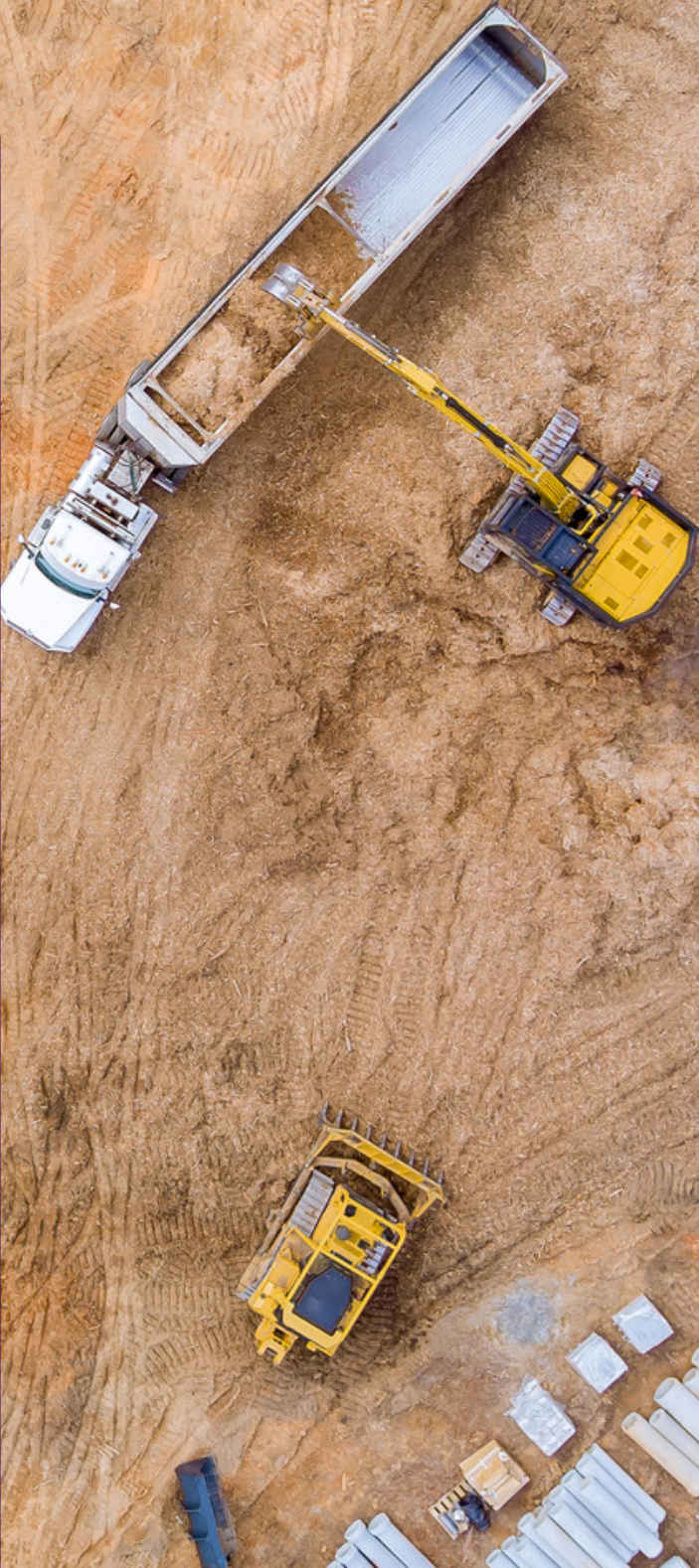
Western
Sydney
Leadership
Dialogue



Rebooting Delivery

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November 2023

Executive Summary



Rebooting Delivery

EXECUTIVE SUMMARY

INTRODUCTION

Place-based delivery agencies are a well-established tool of government used to maximise the utility of public land and to properly leverage catalytic investments in public infrastructure.

With the NSW Government simultaneously looking to establish a game-changing western economic hub in the Aerotropolis, investing in the largest expansion in public transport infrastructure since the original Bradfield Plan, and facing a critical housing crisis, there is a potential role for new and refocused state development corporations or delivery authorities.

It is important to understand how agencies will contribute to whole-of-government priorities before adding new layers of governance, creating new public service roles, new Ministers, and new acts of Parliament. This includes recognising that, in most cases, government involvement in place-based delivery has a 'shelf life'. A focus needs to be maintained to ensure that these agencies move through the key stages of their life cycle to their end point: a successful and self-perpetuating place. Without this progression, duplication and inefficient uses of scarce public funds proliferate.

THE NEED TO REVIEW AND ASSESS THE PURPOSE OF PLACE-BASED DELIVERY

The alienation of place delivery from typical local government planning controls is in most cases necessary either when the state holds strategic land or when councils do not possess the tools or powers to deliver what are usually ambitious visions for future places and precincts. Wherever local government functions are taken over by the state, there needs to be a compact with councils and communities that once the job is done, the state will step back, in recognition that local government is best equipped to deal with and respond to the needs of communities.

Rather than single out any specific agency, department, or cluster of government, we propose there is a need for constant review and response to the progression of places through the life cycle to keep them on track. We examine focuses on two specific places in Greater Western Sydney where government has 'skin in the game' in terms of land and infrastructure, the Aerotropolis in the Western Parkland City and Sydney Olympic Park in the Central River City, and calls for a refocusing of the delivery effort in these precincts, and a recognition of where each sits in terms of life cycle and the ultimate end goal.

The Place Delivery Life Cycle

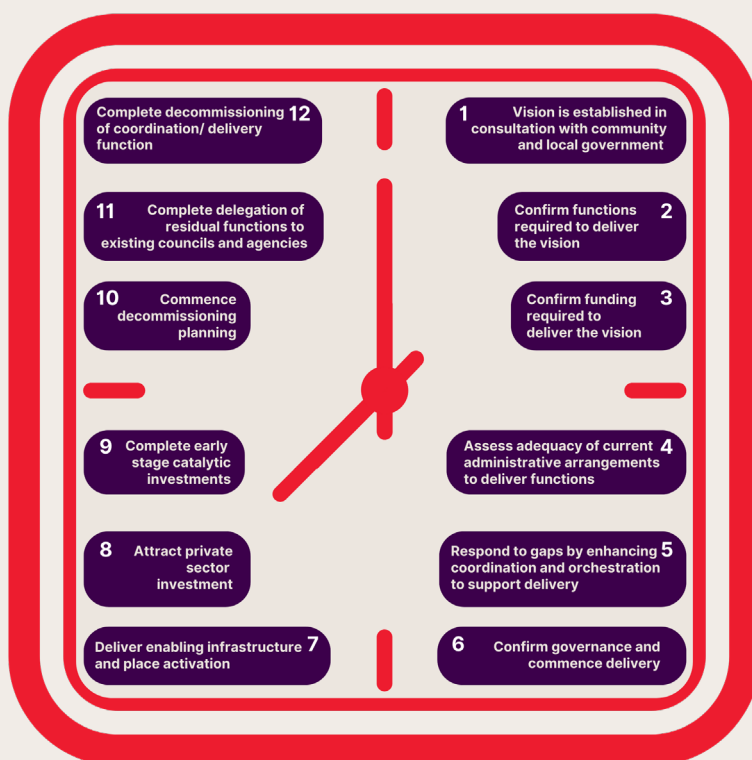
There are many examples of successful exercises in state-based management of place delivery, including the Sydney Olympic Park (delivered to a very strict, obvious deadline), the Honeysuckle precinct in Newcastle and the Rocks and Pyrmont, which were both gradually handed back to Council.

The Dialogue suggests that successful placemaking on strategic land holdings supported by public infrastructure requires bespoke place delivery agencies, authorities or development corporations that are built around delivering a successful and self-perpetuating place and working towards clear public good outcomes.

From the establishment of the place delivery agency through to the delivery of place, there are distinct stages in what we have called the **Place Delivery Life Cycle**.

While the timeframe and metrics for progression will be different for each place or precinct, the stages and priorities of government at each stage are essentially the same. In each case, eventually government eventually needs to step back, wind down delivery and let remaining functions fold back into the ordinary business of government departments.

Some agencies may move on to a logical extension by geography or associated need somewhere else. We believe, however, that observance of the life cycle is important to avoid the existence of place delivery agencies being extended merely for the sake of internal self-interest, at which point they may lose sight of their original purpose.



Findings | Aerotropolis

1 The Aerotropolis has been dutifully conceived and planned by the Western Parkland City Authority (WPCA). This includes comprehensive strategic land use planning which has helped establish the vision for the wider precinct and the places within, and garnered significant interest from potential investors.

2 With Western Sydney Airport on track to open in late 2026, and Sydney Metro – Western Sydney Airport soon thereafter, there is limited remaining time to generate momentum for the Aerotropolis. While it presents a relatively unique investment within Australia, intransigence now may cost us opportunities to secure transformative, economy-shaping investment. Government needs to make it easy for footloose global capital to land here.

3 The delivery of inter-agency and inter-governmental coordination has not yet been achieved by WPCA. Effective delivery in this space may require the establishment of a Coordinator General with the authority for direct dealing with prime local and global investors, where there is a demonstrable, clear long-term public good in avoiding regular market procurement processes.

4 Ineffective corridor preservation for transport and utilities has been a significant whole-of-government failure, impacting the timely and cost-effective delivery of the Aerotropolis.

5 The signing of 15 MOUs between a range of major local and global investors and the NSW Government for commitments to establish a presence in the Aerotropolis was encouraging early evidence of its value proposition.

MOUs were entered into on the broad understanding that investment would be 'concierged' through the various departmental and regulatory gateways to realise the public good (job creation and industry development) that each would generate.

6 The remit of WPCA became too broad over time, often encroaching upon functions and priorities that would ordinarily rest with other parts of state and local government.

The movement of WPCA into the Department of Planning and Environment (DPE) will streamline some of its functions related to land use and land servicing. However, there is a need for greater focus on its crucial investment attraction functions, with scope to engage directly with industry.

Assessment of progress | Aerotropolis

We believe WPCA is currently stuck at stage 2 of the Place Delivery Life Cycle, and needs to progress quickly through to stage 6. This will give the Aerotropolis the best chance of succeeding in becoming an attractor of new investment, industry creation, and a volume of high value jobs to rebalance the east-west economic geography of Sydney and leverage the once-in-a-century opportunity presented by the opening of a new international Airport and metro line.



The following is required for this progression:

- Confirmation of the functions required for WPCA to succeed. The Dialogue suggests that the remit of WPCA be reduced to focus solely on Aerotropolis delivery, and the success factors outlined in this paper.
- Securing requisite funding to deliver a successful place. This needn't cover the entire long-term Aerotropolis project, but certainly must be sufficient to catalyse early momentum-generating investment.
- Assessment of how fit for purpose the current governance arrangements (legislation, administration and reporting lines etc.) are.
- Responding to the governance gap analysis with appropriate coordination and delivery arrangements. As outlined, we believe some capacity and authority to act outside of the Planning cluster and coordinate between departments is an immediate obvious starting point.
- Confirm new governance arrangements and commence delivery, including the appointment of a Coordinator General.

Ultimately this will require top-down leadership to empower WPCA and its various stakeholders to 'conierge' investments through our planning, procurement and regulatory systems where there is a clear and demonstrable regional economic benefit, and adhering to the appropriate bounds of probity and the public interest.

Findings | Sydney Olympic Park

1 The Sydney Olympic Park Authority (SOPA) performs many functions that would typically fall to local government, however its residents pay council rates to the City of Parramatta Council.

2 The delivery of Sydney Metro West and Parramatta Light Rail Stage 2 will deliver the transformative missing piece that is required for SOP to meet its potential as a high-density mixed-use precinct.

3 The remarkable environmental remediation and regeneration project within and around SOP is one of the NSW Government's great success stories and a key achievement of SOPA over the last 22 years. This, along with the precinct's enviable parks and open spaces, will be key ingredients for its future success.

4 SOP has been widely identified as having major potential to provide a large volume of new housing to help address the housing supply and affordability crisis.

5 In SOP, the NSW Government has established a host of valuable legacy assets and land, located in the geographic heart of Greater Sydney. Due to a range of factors, primarily, budgetary constraints and political will, the opportunity to leverage the Olympic-era investment was lost relatively soon thereafter. Consequently, SOP has been Sydney's planning 'problem child' for the last 20 years.

6 While it is appropriate for Government to remain in the precinct as a custodian of strategic land holdings and assets, SOPA may not be the most efficient delivery agency.

Other parts of government possess the relevant expertise. For example, Parramatta City Council can do civic management, DPE or Council can do master planning, Greater Sydney Parklands can manage public parks, the Office of Sport can manage venues, and Property NSW would be well-placed to oversee development and management of long-term leases.

Assessment of progress | Sydney Olympic Park

Sydney Olympic Park has spent most of the last 20-years in between stage 6 and stage 8 of the Place Delivery Life Cycle. With its catalytic investment (Metro West) now in the pipeline, the NSW Government needs to move SOPA into stages 10-12 over the coming years and determine an appropriate time to divest its various functions to council and other appropriate arms of government.



Ultimately this timeframe will depend upon the sequencing of urban renewal that occurs off the back of Metro West and the economic activity that it triggers. All indications are that passenger take up of this new metro line will be rapid from its expected opening in 2030. With public transport connectivity providing the final and key ingredient for a successful place, the function of SOPA a dedicated place delivery agency for SOP is diminished.

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The Dialogue is a not-for-profit, community initiative leading a national conversation about Greater Western Sydney.


The Dialogue facilitates interaction between key opinion leaders, across industry, government, academia and the community, to inform public policy debate and to advance a Western Sydney regional agenda through research, analysis, advocacy & events.

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