

# Exhibition of the draft Leppington Plan

Department of  
Planning &  
Environment

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# Introduction

The draft Leppington Precinct Plan (dLPP) relies on outdated reports that do not reflect existing legislation and regulation around water infrastructure provision.

It also ignores the establishment of an independent water market providing alternative water servicing strategies to developers and Government.

The NSW Water Industry Competition Act (WIC Act) 2006 is removing land release delays and improving housing affordability by providing developers with alternative water based services to public centralised solutions.

However the dLPP ignores the WIC Act and its' regulations and does not include advice from independent licensed water utilities on the benefits and cost savings of WIC Act led approaches. Instead, it relies solely on advice and related studies from Sydney Water and presumes the only water servicing options are for gravity sewers.

As a result, the dLPP approach effectively locks in centralised water infrastructure servicing solutions, which can cost up to 50 per cent more and take much longer to deploy – delaying land release.

The dLPP therefore fails to recognise the short term (two year horizon) land supply shortages in this critical Sydney growth area and the need to enable

alternative, faster approaches to water servicing.

Alternative servicing approaches supported by WIC Act are currently transforming the housing market. Developments no longer have to choose centralised catchment-driven water servicing solutions. Instead WIC Act is enabling a wide range of alternatives that can be deployed faster and in a more sustainable way taking a flexible, modular approach. This is delivering recycled water and along with it the benefits to catchment supplies, while speeding up land release by as much as 18 months.

Flow Systems is already providing, or committed to provide sewer and refined water to over 30,000 dwellings in NSW, utilising decentralised water centres. Decentralised water centres are also being proposed for growth corridors in Queensland and other states.

**It is essential the Department of Planning and Environment look beyond Sydney Water advice and systems when considering water servicing strategies for Sydney growth areas. It must reflect the WIC Act and more up to date approaches to water servicing available to the market enabling much needed land release.**

# Water Cycle Management

The dLPP is flawed. It relies only on outdated advice from Sydney Water

## Section 4.4 refers to Water Servicing Strategy.

This strategy is based on information provided by Sydney Water in 2012. While the document refers to the revised Sydney Water strategy review in 2013 – the advice precedes this.

The section must be updated with the outcomes of the 2013 review, so that the water supply strategy for Leppington is based on current information.

Parsons Brinkerhoff (PB) prepared the Water Cycle Management Strategy for the dLPP. The PB report mentions other strategies and studies dating from 2009 suggesting stormwater harvesting and recycled water as potable water replacement. However, the water strategy confirmed in the dLPP ignores current opportunities, committing only to conventional full potable supply from nearby elevated reservoirs. This is misinformed and locks out current alternatives available to the market.

## Section 4.5 is the Wastewater (Sewer) servicing strategy.

Here, the reference document utilised was the “Proposed water and wastewater infrastructure plan for the South West Growth Centre”. This plan was prepared in about 2007, and was included in an Environmental assessment submitted to

the Department of Planning and Infrastructure in 2009 for a Part 3A Project Approval. In March, 2012, Sydney Water withdrew the application, as recycled water had been withdrawn from the servicing requirements for the Growth Centres.

Despite this, WIC Act licensed water utilities are able to step in and deliver recycled water to communities for less cost.

## Section 4.6 reference to Recycled Water

Section 4.6 discusses Recycled Water as though it is part of the Sydney Water strategy.

The PB report is based on information provided by Sydney Water in 2012. Since then, Sydney Water has been working on alternative wastewater treatment programs in the Growth Centres (perhaps the Joblin, 2013 reference). In Aug 2014, SWC held a seminar to indicate that decentralised sewer systems, including recycling of refined water, was now part of Sydney Water’s sewer solutions for the Growth Centres.

The PB report, and the Planning Report accompanying the exhibition, are both silent on these alternative servicing potential solutions.

Further, the WIC Act, now allows licensed water utilities to compete in the provision of water cycle strategy solutions. Flow Systems is already providing, or committed to provide sewer and refined water to over 30,000 dwellings in NSW, utilising decentralised water networks.

# Growth Centre Plan Unworkable

The Exhibited material also fails to point out that the now defunct Growth Centre plan is unworkable due to the EPA license conditions regulating discharges to South Creek (and its tributaries including Kemps Creek).

The gravity based sewer solution proposed is dependent upon sewer being pumped out of the Kemps Creek catchment to the Liverpool system.

The Exhibited material is therefore deficient in that it does not offer alternatives to the conventional gravity based sewer system provided under WIC Act.

# Costly

Delays to land release are costly to developers and to the State.

Public centralised water systems are also substantially more expensive than private decentralised systems - in some cases 50 per cent more. This is because decentralised solutions can be deployed in flexible modules following the development schedule, include recycle water which reduces the size of potable water mains and treatment plant upgrades. Shutting out decentralised solutions may increase costs.

# Stopping land release

The Planning Report subdivides the Leppington Precinct (as modified) into five sub-catchments. It also adopts the PB servicing strategy, and Sydney Water's current construction program. The program is to provide a sewer carrier to parts of Austral and North Leppington (including Leppington Railway Station) in 2015, with an extension to the northern boundary of one of the Leppington sub-catchments (Stage 1) by 2016.

Only this Stage 1 sub-precinct is currently proposed for rezoning, with the remaining four stages planned, but not rezoned until "demand" is demonstrated. Demand is defined as development applications and servicing certificate applications being made.

Land holdings are fragmented in Leppington. It will be difficult for larger professional developers to acquire, over a reasonable time, and at a competitive price, sufficient land to establish the scale necessary to fit their business model. Smaller developers may not have the capital to fund sewer main extensions to future sub-precincts. Therefore an approach that enables only centralised water infrastructure which costs more, will further restrict land release and housing. As a result, sub-precincts may be left unzoned and un-serviced for many years.

Given this scenario, land supply is likely to be constrained. NSW Planning and Environment needs to consult more broadly with industry to determine alternative servicing scenarios, and release land in locations where services can be provided, and larger developers can produce volume, cost effective and better coordinated communities.

# Conclusion

The re-zoning proposal for Leppington is based upon a deficient Servicing Strategy, which neither accounts for the water industry's current delivery models nor provides for the ongoing volume of homesites demanded in the South West over the next two to ten years. Fragmented precincts are traditionally slow to develop, especially where servicing is dependent upon service authority funding.

Importantly the dLPP does not consider the WIC Act and its provision for alternative water servicing strategies including recycled water that enables new and highly effective, affordable water servicing that can release land faster and in a more flexible manner.



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