

Ms Liz Lamb
Senior Planner
Monteath & Powys
PO Box 726 Newcastle 2300

15/16491

Dear Ms Lamb

I refer to your letter dated 30 October 2015 regarding the review of security arrangements under the Southern Estates Planning Agreements.

Thank you for providing further information to assist the Department in reviewing the security requirements under the Southern Estates Planning Agreements.

The Department has now finalised its review of the security requirements. In brief, the Department is willing to accept a reduced level of security applicable under the Southern Estates Planning Agreements.

This decision was made in light of registration of the Agreements on title, the replication of the majority of the Planning Agreement obligations in Concept Plan/development approvals and/or Statement of Commitments, and changes in the approach to security requirements since these Agreements were executed in 2012.

The changes to security requirements will need to be formalised via a Deed of Amendment executed by all parties. Subject to agreement from all parties, the Deed will be drafted by the Department's Legal Services team, and will need to be placed on public notification for 30 days prior to execution.

In respect of security for emergency services, it is intended to delete this requirement under the Deed of Amendment and return the existing security for this obligation to the landowner.

In respect of security for remediation, it is also intended to delete this requirement under the Deed of Amendment and return the existing security for this obligation to the landowner. However any such reduction is subject to advice from National Parks and Wildlife that the relevant obligations have been met. Please provide any such advice as soon as possible. Please note that I have separately written to the Office of Environment and Heritage advising of the proposed reduction of security.

I note that the walking track work item under the Gwandalan Planning Agreement is separate to the other remediation items, and it is also proposed that security in relation to this item be deleted under the Deed of Amendment and returned to the landowner.

In respect of security for education, it is also intended to delete this requirement under the Deed of Amendment and return the existing security for this obligation to the landowner.

Finally, I note the Department currently holds 100% of the value of the roadworks as security under the three planning agreements. In this particular instance, I am willing to accept security that is set at 50% of the value of the roadworks.

Our records indicate that the Department currently holds \$4,275,634 in security across the three agreements to secure the obligations in respect of roadworks, therefore a 50% reduction in security would require the landowner to provide a new bank guarantee for \$2,137,817.

It is noted that the reduction in security outlined above will result in around \$4,000,000 of security returned to the landowner.

Please confirm the landowners agreement to the above changes in security requirements. Should you have any further queries on the matter, please contact Felicity No of the Department's Developer Contributions team on (02) 9228 6287.

Yours sincerely



Simon Officer
Chief Financial and Operating Officer