



Our reference: 8575408
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Senator The Hon. Zed Seselja
Assistant Minister for Treasury and Finance
Parliament House
CANBERRA ACT 2600

Dear Senator Seselja

Penrith City Council – 2019-20 Pre-budget submission

Thank you for the opportunity to make a submission ahead of the 2019-20 budget.

In Penrith we are not just building a city of the future, we look to reap benefits for communities well beyond our own boundaries. We want to play a strategic role in Sydney and Western Sydney's growth, supporting a strong economy for NSW and Australia.

Penrith City Council is proud of the role we played in the creation and implementation of the Western Sydney City Deal commitments. We have long advocated for a tri-partite approach to coordinating shared government investment into Western Sydney. We can already see the benefits of this approach with improved productivity, connectivity and liveability across our region. We are grateful for the Government's significant investment thus far but we know more is needed to keep pace with growth.

The Western Sydney City Deal is a 20-year commitment that will require ongoing Federal funding to realise the collective vision for Western Sydney. As such, there are significant opportunities to leverage existing infrastructure spending to reap further benefits for our community. These benefits are as follows:

- More jobs closer to home
- Planning for future growth and ensuring services and infrastructure keeps up
- Making sure we can move around the City and region by a range of transport modes

To do that, expenditure on additional infrastructure requirements for Penrith are contained in this submission (See attachment). If you would like to discuss any aspects of this submission, please contact Mr Nathan Burbridge, Economic Initiatives Manager on (02) 4732 8018.

Yours sincerely


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Penrith City Council – Federal Budget Submission 2019

EXECUTIVE SUMMARY

Penrith is the lifestyle and economic heartland of Western Sydney. Located at the entrance to the new Western Sydney Airport and Aerotropolis, Penrith is perfectly positioned to capitalise on new and emerging industry in the North South corridor as well as the uplift in existing business and industry on the established East West corridor.

Our City has experienced significant, sustained growth over many decades and will continue to grow, while also supporting a rapidly expanding catchment in one of Australia's fastest growing regions; outer Western Sydney.

We believe the Federal Government has a particularly significant role to play in the development of growth cities and regions. Your lead and role in the creation of the Western Sydney City Deal is indicative of the gradual proactive approach you are taking to this issue.

As you can appreciate, a focus on growth area infrastructure addresses the current infrastructure backlog in fast-growing outer suburbs like Penrith will also future-proof them, as they continue to grow.

Our submission covers the following infrastructure needs:

- The importance of long term funding and investment in the Western Sydney Airport to maximise benefits to current residents and the Western Sydney economy.
- Ongoing support for the projects identified in the Western Sydney City Deal Implementation Plan
- The importance of prioritising corridor acquisition and delivery of Stage 1 of the North South Rail Link in Western Sydney to be operational by 2026
- Cross regional connectivity and flood evacuation infrastructure to the North of Penrith.

POPULATION AND INFRASTRUCTURE BACKLOG

Penrith's population doubled between 1966 and 1976 and almost doubled again between 1981 and 2016 to reach its current population of just over 205,000¹. Penrith population is expected to peak at over 260,000 by 2031. Its economic catchment now covers some 1.5 million people.

To date, this sustained growth has not been matched by investment in important infrastructure and job creation has lagged significantly behind population growth, seeing low employment self-sufficiency and major shortfalls in some industries.

This has compounded issues of congestion, impacts on liveability and, created a concerned community who are frustrated by growth.

¹ <https://profile.id.com.au/penrith>

Already, more than 300,000 people travel out of the Western Sydney region every day for work, including almost 60,000 Penrith residents. Limited access to public transport; particularly to the north and south of Sydney means our community are forced into being high car dependent. Deloitte Access Economics (2016) found that 88% of Western Sydney workers use a car as their main mode of transport. The Transport Affordability Index found the average family from Western Sydney pays approximately \$22,000 a year in transport costs; \$3,100 more than the average for Australia²

Reducing the need to travel, particularly by car, is the key to enhancing:

- liveability, quality of life
- energy and resource reduction through less time spent on roads
- less congestion
- fewer adverse health impacts.

To achieve this there needs to be a pattern of settlement and associated infrastructure investment to support jobs and services closer to where people live with:

- better public transport connectivity,
- improved road networks and technology
- Education, health, recreation and cultural facilities and services are also critical to enable people and places to realise their potential.

This vision is clearly enunciated in the NSW government's 30-minute City concept and is something our community aspires to.

ACHIEVING THE 30 MINUTE CITY THROUGH INFRASTRUCTURE INVESTMENT

Council is committed to maximising the benefits and minimising the impacts of the airport for Penrith residents and recognises it is a truly significant investment in the region. In addition to critical road and rail connectivity, Council supports a world class airport that will be a catalyst for new industry and employment, both within the airport precinct and beyond.

To achieve this, a long term commitment to a North-South Rail Link is essential. It would help connect in the first instance, the rapidly growing populations of the north-west corridor and those locations within the global arc (Norwest, Macquarie Park) with employment at the airport. A future corridor to the south-west should also be preserved.

PRIORITY AREA 1: Western Sydney City Deal

Penrith has long voiced the need for a more collaborative approach to planning. This is now realised with Federal, State and Local governments working together to plan the future Western Parkland City as documented in the Greater Sydney Region Plan. This is evidenced through the adoption of 38 commitments under the City Deal implementation plan.

² Transport Affordability Index

The City Deal provides a framework to create a smart city that is more liveable, more productive, more skilled and more innovative. Penrith Council has and will continue to work hard on delivering; new local jobs, better connectivity to job centres, and greater housing and lifestyle options. The City Deal offers exceptional opportunities for Penrith, it is the start of something big for our region.

As such, we ask for the Federal government, through its budget and forward estimates continue to plan for and fund the 38 commitments under the Western Sydney City Deal.

PRIORITY AREA 2: North South Rail (Stage 1 – WSA to St Marys)

Rail will reshape the region and stimulate jobs and innovation by ensuring the airport is embedded in Western Sydney. A new North South Rail Link will deliver more efficient movement across the region, supporting the 30-minute City and reducing vehicle congestion.

North South Rail represents a unique opportunity to create a network of strategic employment centres, and vibrant local centres. Residents will have access to diverse housing, employment, education, services and green open spaces within just 30 minutes by public transport.

North South Rail will also support a Greater Penrith Economic Corridor, which will comprise well connected employment centres, including The Quarter health and education precinct and the vibrant city centres of Penrith and St Marys.

These hubs will benefit from strong connections to Western Sydney Airport and the Western Parkland City through integration with the North South Rail corridor, which will act as a catalyst for future change and progress.

Council welcomed the Federal Government's \$50m commitment to a business case for this critical infrastructure and is working closely with the Sydney Metro team undertaking this work. This business case is anticipated to be complete in December 2019.

We are currently preparing a structure plan that highlights the enormous potential of this nationally significant economic corridor. This structure plan will ensure we leverage opportunities from the airport and capitalise on current strengths to take full advantage of these opportunities and excel in its role in providing homes, jobs, education attainment, and access to goods and services.

We're looking at a range of options in relation to station locations and opportunities to have smart, concentrated centres that intensify density while supporting the blue green grid to be preserved.

A critical element of the North South Rail concept includes tunnelling between Orchard Hills and St Marys to minimise impacts on current residential communities and allow the rail link to service The Quarter (Penrith's Health and Education Precinct) where 6000 additional jobs will be created in the next decade as well as a growing university and TAFE presence.

With the business case to be completed in December 2019, allocation of funding in 2019-20 budget and inclusion in forward estimates for land acquisition, planning and delivery of the North South Rail Line to ensure Stage 1 will be delivered by 2026 is essential.

We also request confirmation that, as currently proposed in the designing of the rail line project, delivery includes tunnelling between Orchard Hills and St Marys to support The Quarter and future university City.

PRIORITY AREA 3: Castlereagh Connection

Past and current population growth in Western Sydney and investment in the Western Sydney Airport and surrounding Aerotropolis will increase demand for easier movement North South and East West. A corridor for the Castlereagh Connection has been identified since the 1950s with around 80% of this land under NSW Government ownership and the remaining portions subject to acquisition clauses. This runs through Llandilo, Londonderry and Castlereagh. It will connect to the M7 Motorway and the broader Motorway network. This project is currently unfunded.

In the longer term, there may be opportunities to extend the Castlereagh Connection across the blue mountains, providing swift, safe access to Sydney for residents of the Central West of NSW.

One of Penrith's major arterials, the Northern Road is currently experiencing significant congestion with residents required to travel south along it to join the major East-bound connections of the Great Western Highway or M4. New communities in Jordan Springs have exacerbated traffic on the Northern Road and often rely on back roads for their journeys.

As well as providing access for current and future residents, the Castlereagh Connection can reduce this north-south movement and provide much needed flood evacuation capacity for residents in the Hawkesbury and those living in the north of Penrith. Delivery of this important connecting infrastructure would support additional flood evacuation capacity, with areas of the Hawkesbury-Nepean currently severely constrained in the event of a significant flood event.

Penrith is experiencing significant investment, particularly in our City Centre, largely due to changing market conditions making feasibility of quality development more viable. This has also been driven by a number of Council-initiated activation and marketing activities. Our City also has an obligation, as outlined in the Greater Sydney Commission's housing target outlined in the West District Plan, to provide a further 6,600 homes by 2021. The Hawkesbury-Nepean Flood Taskforce (HNFT) has advised of concerns regarding evacuation capacity due to the potential for an increased population.

It is imperative that the Government consider a funding contribution towards delivery of flood evacuation grade Castlereagh Connection to assist current and future residents as well as future regional connectivity. We seek the prioritised funding and delivery of Stage 1 of the Castlereagh Connection – M7 to The Northern Road as per the 1951 gazetted corridor to address the issues raised above.

CONCLUSION

We acknowledge the significant work and initiatives in place to support Western Sydney's rapidly growing population, changing economic environment and the region's infrastructure needs. However, there is great opportunity for it to be realised by further expediting infrastructure investment that will connect the region to itself, Sydney and the rest of the state, as well as the rest of the world.

Sydney is one of the top cities of the world. To all governments, this status matters we should collectively strive for it. Infrastructure that supports and accelerates Western Sydney's potential will go a long way towards achieving such an outcome.

Through this submission we ask that the Federal government:

- a) Through its budget and forward estimates continue to plan for and fund the 38 commitments under the Western Sydney City Deal.
- b) Allocate funding in 2019-20 budget and inclusion in forward estimates for land acquisition, planning and delivery of the North South Rail Line to ensure Stage 1 will be delivered by 2026.
- c) Consider a funding contribution towards delivery of flood evacuation grade Castlereagh Connection to assist current and future residents as well as future regional connectivity.

In Penrith we are not just building a city of the future, we look to reap benefits for communities well beyond our own boundaries to play our strategic role in Sydney and Western Sydney's growth, supporting a strong economy for NSW and Australia.