



19 July 2022

The Hon. Anthony Roberts, MP
Minister for Planning

By email: office@roberts.minister.nsw.gov.au

Dear Minister

Ministerial call-in request – Sydney Flight Training Centre

I refer to the enclosed letter of 27 June 2022 from the Department of Planning and Environment (**Department**) seeking advice from the Independent Planning Commission (**Commission**) on the potential State significance of the Sydney Flight Training Centre (**FTC**), following a Ministerial call-in request by LOGOS Development Management Pty Ltd (**LOGOS**) in partnership with Qantas Airways Limited (**Qantas**) and CAE Inc. The Sydney FTC is proposed to be located at 28-30 Burrows Road, St Peters (**Site**), within the City of Sydney local government area (**LGA**).

Professor Mary O'Kane AC, Chair of the Commission, appointed me to constitute the Commission Panel for this matter.

In considering this matter, I reviewed the following documents:

- report titled 'Request for State Significant Development Declaration', prepared by Urbis on behalf of LOGOS, Qantas and CAE Inc., dated May 2022;
- letter from City of Sydney Council (**Council**) to the Department, dated 27 May 2022;
- the Department's Report to the Commission, dated June 2022;
- the Department's letter of referral to the Commission, dated 27 June 2022 (received by the Commission on 29 June 2022); and
- the Department's *Guideline on 'call-in' of State significant development under the Environmental Planning & Assessment Act 1979* (**Guideline**).

The development as currently proposed does not trigger the criteria for State significant development (**SSD**) under Schedule 1 of the *State Environmental Planning Policy (Planning Systems) 2021* (**SEPP Planning Systems**) and the Site is not identified as a site of State significance under Schedule 2 of SEPP Planning Systems.

LOGOS has requested the proposed Sydney FTC be declared SSD by the Minister for Planning, pursuant to section 4.36(3) of the *Environmental Planning and Assessment Act 1979* (**EP&A Act**), which states:

The Minister may, by a Ministerial planning order, declare specified development on specified land to be State significant development, but only if the Minister has obtained and made publicly available advice from the Independent Planning Commission about the State or regional planning significance of the development.

Based on my review of the material listed above, I note:

- The Site is zoned IN1 'General Industrial' under the *Sydney Local Environmental Plan 2012 (SLEP 2012)*. The proposed Sydney FTC is defined as an 'industrial training facility', which is permitted with consent in the IN1 zone.
- The development as currently proposed complies with the principal development standards (height of buildings and floor space ratio) of the SLEP 2012.
- An FTC located in Sydney would provide facilities for pilots and flight crew to undertake regular mandatory testing and training to maintain their qualifications to comply with Civil Aviation Safety Authority (CASA) regulations.
- The proposed Sydney FTC would operate 24 hours, 7 days a week.
- The proposed Sydney FTC has an indicative capital investment value (**CIV**) of \$60 million.

In addition, I note the following context:

- The former Qantas FTC, located within the Jetbase at Sydney Kingsford Smith Airport (**Sydney Airport**), was vacated in April 2022 and partly demolished to make way for the Sydney Gateway Project – a NSW Government project to widen Qantas Drive and improve transport connections around Sydney Airport.
- The decommissioning of the former Qantas FTC has necessitated the temporary use of flight training simulators outside of NSW (in Brisbane and Melbourne).
- I understand the NSW Government has recognised the strategic and economic benefit of an FTC in Sydney under a Funding Agreement between the NSW Government and Qantas (dated 13 December 2021), which includes a commitment by Qantas to provide an operational FTC in Sydney by July 2024.
- In December 2018, the Department sought advice from the Commission on the potential State significance of the development of a Qantas FTC to be located at 297 King Street, Mascot (**King Street FTC**), following a Ministerial call-in request by Urbis on behalf of Qantas. The Commission subsequently provided advice to the Minister recommending the proposed King Street FTC be declared State significant.
- Consent was granted by the Commission on 29 November 2019 for the King Street FTC (SSD 10154).
- The approved King Street FTC was not developed, and the land was subsequently sold by Qantas during the COVID-19 pandemic period.

I have considered LOGOS's justification for the Sydney FTC to be declared SSD, which is summarised in the Department's report (section 2.2) as follows:

- *the proposal would ensure airline industry users, including Qantas, and the broader operations of Sydney Airport are supported by providing flight training infrastructure not available elsewhere in Australia*
- *the proposal will provide the essential infrastructure to train airline pilots and crew for the new A350 aircraft as part of Qantas Project Sunrise, which will only operate from Sydney Airport*
- *the proposal is vital to maintaining aviation safety regulations and legislative requirements for all other aircraft models supporting the broader and Qantas airline industry users*

- *without a functioning flight training centre in Sydney, Qantas and other airline industry users cannot carry out future operations without compromising safe and efficient operations*
- *the proposal would ensure Qantas and other airline operations and the broader operations of Sydney Airport are not impaired while also supporting airport-related land uses and infrastructure in the area around the airport and Port Botany*
- *the proposal would require coordination between multiple Government agencies with the Department experienced in coordinating assessments of this nature.*

I understand the Department has engaged with Council in relation to the call-in request. In its letter to the Department dated 27 May 2022, Council notes the critical nature of the proposed development, however it is of the opinion that the development is not of a scale to be considered SSD and therefore objects to the Applicant's request for use of the 'call-in' power under section 4.36(3) of the EP&A Act. Council considers that it is appropriate for Council to remain the consent authority for the proposal and notes that it has the necessary skills and expertise to determine the application. Council also notes that applications of this scale should not set a precedent for declaring such development as SSD.

The Department considers the proposal is of State significance and would benefit from an SSD declaration. In considering Part 5 of the Guideline, the Department is of the view the proposal:

- would support the efficient operation and growth of Sydney Airport and is thereby consistent with the objectives of relevant strategic plans, including the *Metropolis of Three Cities*, the *Eastern City District Plan* and the *Future Transport Strategy 2056*;
- delivers public benefit by supporting the safe and efficient operation of domestic and international travel from Sydney Airport;
- would not result in significant environmental impacts; and
- would provide significant economic benefits to NSW by maintaining the efficient operation of Sydney Airport and protecting its function as an international gateway for passengers and freight.

The Department notes it has previous experience assessing an FTC as SSD and concludes that it is best placed to undertake the assessment under the SSD pathway.

Having carefully considered the Department's Guideline and the information before me, I have formed the opinion that the proposed development is not of State significance and I recommend the Minister decline the call-in request. The reasons for my opinion are set out below:

1. The application is not sufficiently consistent with the criteria under Part 5 of the Guidelines to be considered State significant. I do not agree with some of the Department's conclusions in respect of the criteria under Part 5 of the Guidelines. I have considered each item below:
 - *Issue 1* – although it is clear the proposal will support operations at Sydney Airport, the proposed development itself cannot be considered critical for advancing relevant State policies, plans or strategies. The Site is not in an identified strategic location and site selection is not a critical factor for the proposed development.

- *Issue 2* – the proposed development itself cannot be considered large-scale essential transport, utility infrastructure, or a provider of social services to the community. I acknowledged the proposed development will support Sydney Airport to provide essential transport services, however it will not provide these public benefits itself. I agree with Council's view in this regard.
- *Issue 3* – based on the material currently before the Commission, the proposed development is not anticipated to cause significant environmental, social or economic impacts. I agree with the views of the Department, Council and the applicant in this regard. As outlined above, the development is permitted with consent in the IN1 zone and is compliant with the principal development standards under the SLEP 2012. I note the development is not expected to be hazardous and is not anticipated to impact the adjoining Alexandra Canal.
- *Issue 4* – the operation of the proposed development will provide long-term employment generation and economic benefits by maintaining the efficient operation of Sydney Airport. I agree with the Department's opinion in this regard. I also note that employment opportunities will be generated during construction.
- *Issue 5* – the development, as currently proposed, would not impact a wide area beyond a single LGA. The development is proposed to be entirely contained on a relatively small site within the City of Sydney LGA, and the Site is not identified as a site of State significance.
- *Issue 6* – based on the material currently before the Commission, the proposed development is not complex, unique or multi-faceted and will not require specialist expertise or State coordinated assessment. I agree with Council's view in this regard.

2. Council has objected to the proposal being declared SSD.

3. I am not aware of any reason why Council, via the Central Sydney Planning Committee, cannot determine the application in a timely manner.

I note the Commission is not aware of the details of the Funding Agreement between Qantas and the NSW Government. Although the agreement is provided at Appendix A of the applicant's SSD request, it is almost entirely redacted.

With regard to the Commission's 2019 advice that the proposed King Street FTC be declared State significant, I note that there are significant differentiating factors between the call-in request currently before the Commission and that previous request, including the location of the Site; the scale and CIV of the development; and, that the relevant local council (Bayside Council in that case) was supportive of the call-in request.

Yours sincerely



Juliet Grant
Member of the Commission

Cc: Michael Cassel, Secretary, Department of Planning and Environment

Department of Planning and Environment

Received by IPC
Wed 29 June 2022

Professor Mary O'Kane AC
Chair
Independent Planning Commission
Suite 15.02, 135 King Street
Sydney NSW 2000

27 June 2022

Subject: Ministerial Call-In Request Sydney Flight Training Centre

Dear Professor O'Kane,

The Department of Planning and Environment (the Department) has received a Ministerial call-in request from LOGOS Development Management Pty Ltd in partnership with Qantas Airways Limited (Qantas) and CAE Inc. The request seeks the proposed Sydney Flight Training Centre at 28-30 Burrows Road, St Peters to be called in as State significant development (SSD) under Section 4.36(3) of the *Environmental Planning and Assessment Act 1979* (EP&A Act). The proposed facility is located in the City of Sydney local government area.

Section 4.36(3) provides that the Minister for Planning may declare development SSD, but only if the Minister has obtained and made publicly available advice from the Independent Planning Commission about the State or Regional planning significance of the development.

The call-in request, advice from City of Sydney Council and the Department's report are attached for your consideration.

Should you have any further questions about this matter, I have arranged for Mr Chris Ritchie, Director for Industry Assessments to assist you. Mr Chris Ritchie can be contacted on telephone number 9274 6413.

Yours sincerely,



Clay Preshaw
Executive Director
Energy, Resource and Industry Assessments