



# Property Acquisition

**Sydney Water may need to acquire privately owned freehold land or an easement to build or upgrade infrastructure. This fact sheet sets out the process for the acquisition of land or an easement by Sydney Water. It should not be considered as legal advice.**

Sydney Water, wherever possible seeks to avoid acquiring private property. In some cases, however, there is no alternative but to purchase land or easements over private property for its water, wastewater and stormwater networks.

## When will I know if my property is affected?

Sydney Water will make direct contact with owners whose property is directly affected by a project which requires the acquisition of freehold land or an easement.

A formal commencement letter will be issued, confirming that a portion of or an interest in a property you own is required to accommodate Sydney Water infrastructure. The commencement letter marks the start of a minimum six-month consultation and negotiation period unless agreement can be reached sooner.

You will also find within the letter details of your delegated property acquisition manager who will guide you through the acquisition process and answer any questions you may have.

## What is the acquisition process?

### Step one: notification

Property acquisition in NSW is governed by the Land Acquisition (Just Terms Compensation) Act 1991. Once Sydney Water has contacted you, a meeting may be arranged at a time convenient to you, if required to discuss the process in greater detail. At this meeting you will be taken through the acquisition process and given the opportunity to ask your acquisition manager any questions you may have. Following the meeting, Sydney Water will issue a letter of commencement to formalise its intention to proceed with the acquisition.

### Step two: offer to purchase

Following the issuing of a commencement letter Sydney Water will instruct an independent valuer to inspect your property and carry out a valuation at a time convenient to you. It is recommended you similarly consider engaging a qualified independent valuer. Sydney Water will reimburse reasonably incurred valuation and legal fees as part of the overall compensation payable for any acquisition.

Once Sydney Water's independent valuation is completed, a formal letter of offer to purchase your property will be issued to you.

### Step three: negotiation

Sydney Water's preference is to reach a mutually acceptable agreement with you in relation to any compensation payable. Compulsory acquisition will only occur after all reasonable attempts to reach a commercial outcome by agreement have been exhausted.

### Step four: acquisition

If an agreement on compensation is reached, our solicitors will prepare the required legal documentation and finalise the acquisition with your nominated solicitor.


Compensation is determined in accordance with section 55 of the Land Acquisition (Just Terms Compensation) Act 1991, regardless of whether the land is acquired by agreement or by compulsory process.

Compensation including all reasonably incurred costs such as valuation and legal fees will be paid upon settlement of the matter.

Regardless of whether the land is acquired by agreement or by compulsory process compensation will include payment for the market value of the property and reimbursement of disturbance items (e.g. for costs reasonably incurred by the landowner such as legal and valuation fees).

## What if we can't agree on market value?

If the value of the property cannot be agreed between the parties Sydney Water will need to initiate steps to acquire the land under the compulsory acquisition process while continuing negotiations.



Where land is acquired by compulsory means the amount of compensation is determined by the Valuer General.

You may disagree with the amount of compensation determined by the Valuer General and appeal the amount of compensation to the Land and Environment Court.

### Centre for Property Acquisition

For more information about the land acquisition process in NSW and the payment of compensation, please refer to the NSW Government's Centre for Property Acquisition website at [propertyacquisition.nsw.gov](http://propertyacquisition.nsw.gov)

### Does Sydney Water always require an easement?

We decide whether to take an easement on a case-by-case basis, but there are some circumstances where we generally wouldn't take an easement. This decision depends on the type of infrastructure we're building, its location, land zoning and other variables. In these cases, we rely on our statutory powers under s.44(1) of the Sydney Water Act 1994 to access and maintain our infrastructure.

An example of where we wouldn't normally take an easement is for a gravity wastewater pipelines with a diameter less than 600mm.

For more information, please refer to Sydney Water's Easement Guidelines Procedure at [Procedure: Easement guidelines.](#)

### What about above ground infrastructure?

If we need to build infrastructure above the ground on your property you will be compensated as required by s 41(3) of the Sydney Water Act 1994.

Compensation amounts in relation to certain types of above ground infrastructure have been determined as follows:

- \$1,250 for access chamber (maintenance holes)
- \$635 for air valve chambers
- \$2,750 for ventilation shafts.

Compensation of these amounts is made for each asset on the property and is paid when the above ground infrastructure has been built. For more information about compensation for above ground infrastructure, please read the related fact sheets:

- [ventilation shafts](#)
- [maintenance holes.](#)

### Contact us

You can find out more information by:

- visiting our website at [sydneywater.com.au](http://sydneywater.com.au)
- calling us on 13 20 92