



PARLIAMENT OF NEW SOUTH WALES

Joint Select Committee on the Greater Sydney Parklands Trust Act

Supplementary questions – 14 March public hearings

Friends of Fernhill and Mulgoa Valley Inc ([sub 20](#))

1. Should the Greater Sydney Parklands Trust be able to transfer funds between the associated trusts?

Transfer of funds currently occurs between Western Sydney Parklands (WSP) and Fernhill Estate because Fernhill Estate comes under the Western Sydney Parklands Trust Act (2006). While many of the functions of WSPT Act may be applicable to Fernhill, some definitely are not¹. Fernhill should have a separate section within the WSPT Act.

Fernhill has benefited from limited funding from WSP to:

- Commission a condition assessment of the house and the other early colonial-built heritage of the estate eg Commission a Historical Archaeological Test Excavation Study of the two 1840s sandstone bridges on Fernhill's colonial drive²
- Maintain and repair Fernhill House, the Cox stables and stone bridges, including restoring the slate roof on Fernhill house
- Repair some of the fencing around paddocks leased to the Fernhill Agistment & Equestrian Centre.

The above are/were urgent needs for Fernhill in the absence of any core funding for Fernhill.

In November 2024 it was reported to the Fernhill Community Trustee Board that a new GSP Parklands West maintenance contract had been awarded to provide landscape and infrastructure maintenance, as well as cleaning and waste management services to Parramatta Park, Western Sydney Parklands and Fernhill Estate. **Does GSPT fund this contract from state revenue? Why aren't GSPT finances more transparent?**

Why the need for funds transfers between Trusts?

The parks can be divided into three income classes of properties:

- a) those that can never generate income in excess of costs;
- b) those with a profit potential; and
- c) those with a profit history.

¹ NB While many of the functions of WSPT Act may be applicable to Fernhill, some **definitely are**

not: (c) "provide or facilitate the provision of a diverse range of recreational, entertainment and tourist facilities and opportunities in the Parklands, such as **major sporting facilities, private amusement and recreational attractions and accommodation**

(d) "cater, at a regional level, for a diverse range of community interests, organisations and groups, including through the provision of facilities such as **multi-use community halls**"

(j) "undertake or provide, or facilitate the undertaking or provision of, **commercial, retail and transport activities and facilities** in or in relation to the Parklands with the object of supporting the viability of the management of the Parklands

(i) The Trust may, in accordance with a precinct plan, use or permit the use of a part of the Trust land for the purposes of a **cemetery or crematorium**, or both.

“Ring fencing” funding raised by parks with a profit history will force “poor” parks to embark on money raising exercises which may jeopardise the heritage and/or biodiversity attributes of the park.

To protect these attributes, the GSPT Act needs to require that the Plans of Management for each park has a Statement of Significance for each park (a summary of the cultural and natural heritage values currently attached to it and how they interrelate, which distils the particular character of the place) and the constraints which relate to those natural and heritage values. Such statements for individual parklands enable the significance and special character of each to be understood and consequently retained in a sustainable way with adequate funding as the parks continue to evolve. Currently there is no framework to ensure the integrity of each individual park in perpetuity.

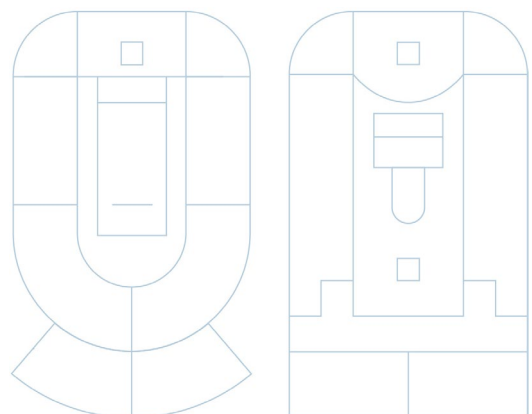
According to the Fernhill's Plan of Management”, *“Plans of management are statutory documents that establish the vision, objectives, key strategies and management priorities for a place”*. GSPT has indicated Fernhill is operating a deficit, but there is nothing in the Fernhill POM for increased revenue raising.

If grants/loans are proposed to be made to parklands whose present funding is nil or insufficient and in future repayable by the recipient parklands, it creates an uneven status for each parkland, leading to the “haves and have nots”, with the latter unlikely to reach an even status. For example, without massive income or state government support (infrastructure, etc.), Fernhill could not become as profitable as Centennial and Moore Park and still retain its intrinsic character.

2. ***How should the financial needs of the respective trusts be determined?***

I’m surprised GSP has not already costed and modelled this. Surely once the GSP management planning team drafted the strategic and management plans for each park, the GSP financial planning team would then estimate the program costs ie a financial forecast to assess the park’s viability, including projected costs, revenue, and cash flow?

GSP Corporate Plan 2023-2028 states: *“Our Asset Management Strategy improves how we manage assets throughout their life cycle. It identifies requirements to manage and develop public assets valued at around \$3 billion”*:



Operational strategies and plans

Asset Management Strategy

Our Asset Management Strategy improves how we manage assets throughout their life cycle. It identifies requirements to manage and develop public assets valued at around \$3 billion.

The strategy is moving us towards a more mature approach to asset management. It means we can align with NSW Treasury's Asset Management Policy, a strategic and systematic approach to physical asset and infrastructure planning and management across the NSW Government.

As part of this work, we are enhancing and integrating asset management system software, which helps us to ensure physical assets support our services within the limits of available resources. While the system helps us to manage assets, it also helps us to meet the objectives set out in plans of management.

Our Asset Management Strategy has helped us to:

Develop asset maintenance plans

for each asset class within each park

Improve financial management

by articulating the financial commitments to operate, maintain and renew assets over their life cycle

Inform decision-making and planning

for future works, including provisions for development, operations, maintenance, depreciation and asset renewal

Create robust processes for NSW Government reporting

including asset attestation, maturity assessments, strategic asset management plans, asset management plans and cost plans

A key challenge over the life of this corporate plan will be to improve the integration of new operational and financial asset data into the system as part of 'business as usual' as well as adequately supporting operational staff in the further input of detailed data about individual assets.

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While conservation is the ultimate goal of setting aside parks and protected areas, this goal cannot be achieved and sustained without a fundamental understanding of the social and financial implications of the level of management and protection sought. Once the management planning team has drafted the strategic and management plans, the financial planning team must estimate the program costs. Without this information, the financial needs of the respective trusts cannot be determined.

Each parkland should have a business plan and a financial plan forms part of the overall business plan. It should set out key objectives, time lines for implementation, key performance indicators (KPI's) and persons responsible. It may be updated in the course of a financial year. The financial plan should set out a budget profit and loss account and show comparisons against the previous year(s). It will also show a balance sheet setting out the parkland's assets and liabilities. This is all standard fare in efficiently and effectively running any large business. Finally, there should be a consolidation of all parklands into a GSP document. Individual and consolidated reports should be structured along proper accounting lines and available to the public.

³ Greater Sydney Parklands Corporate Plan 2023-2028, p. 22.
<https://www.greatersydneyparklands.nsw.gov.au/sites/default/files/2024-01/greater-sydney-parklands-corporate-plan-2023-2028.pdf>

Will funding provided by off-park business hubs go into a central GSPT fund available to all parks?

Off-park business hubs are described in the Greater Sydney Parklands Corporate Plan 2023-2028: *We will look to extend our partnerships with a model that also allows sustainable long-term funding (both capital and operational expenditure) to ensure the ongoing sustainability of our parklands. Off-park business hubs – like those already in place on-park at Western Sydney Parklands – will enable us to generate revenue to support the capital and operational funding deficit for Parramatta Park, Callan Park and Fernhill Estate, and any future parklands. By having business hubs outside of existing parks, we can continue to protect the landscape and heritage values of our parks, while also allowing us to build partnerships with businesses and broader communities.*⁴

But there are many questions unanswered with this proposal:

Q: Should GSP be in the real estate business? Who will be responsible for such management? Or will management be outsourced to another government department or private contractor such as an accounting firm?

Q: Where and from whom does GSP obtain the land? At what cost?

Q: Will the acquisition of land for off-park business hubs reduce land available for the blue-green corridor?

Q: Who manages the funds generated? GSPT? Financial accountability? Will GSPT be then required to provide the financial reports not provided now?

Q: Is there a business plan for the off-park business hubs funding proposal?

FFMV refers you to the following response by Emeritus Professor James Weirick (UNSW) to questions taken on notice at the 2022 hearings into the draft Greater Sydney Parklands Trust Bill:

“3.6 Within a decentralised system, each major park would have its own budget with no cross-subsidies between the parks. Recurrent expenses would be met from the general fund and appropriate commercial operations. The differing income from commercial operations and differing recurrent expenses among the major parks would be reconciled by differing appropriation rates from the general fund, overseen in a transparent way by the Greater Sydney Parklands Council.

3.7 Commercial operations could take two forms, development within the parks subservient to public open space values, and development outside the park on publicly-owned land generating rents on a leasehold basis to support the park. The latter would be similar to the centuries-old precedent of ‘glebe lands’ supporting parish churches in the Anglo-Norman tradition of estate management in Britain.

The key to ensuring public endorsement of the ‘glebe’ strategy would be to ensure that the publicly-owned lands are not excised from public open space, as is the case of the Entertainment Quarter, Moore Park excised from Governor Macquarie’s Sydney Common, for example.

⁴ <https://www.greatersydneyparklands.nsw.gov.au/sites/default/files/2024-01/greater-sydney-parklands-corporate-plan-2023-2028.pdf> p. 25

The ‘glebe’ lands would also have to be held in public ownership in perpetuity, not converted to freehold and sold by a future government.

3.9 Funding parklands expansion, however, presents formidable difficulties. There is a pressing need to secure public open space across the Cumberland Plain in the North West and South West Growth Areas, the Aerotropolis/’Parkland’ City at Badgery’s Creek/South Creek, and at Penrith Lakes.

3.12 In the absence of more powerful mechanisms to address the problem of high land values in the remaining rural lands across the Cumberland Plain, there would appear to be only three ways to purchase land for new parks in Western Sydney:

- pay the high price;*
- declare the extensive floodplains of the stream systems within the Hawkesbury River catchment, and the floodplain of the river itself, to be undevelopable and purchase these lands at rural prices as at least initial elements of the riparian corridors needed for the Sydney Blue-Green Grid;*
- zone the developable land in the growth areas of the Cumberland Plain to very high densities so some land can be acquired for public parks through Section 94 Contributions and Voluntary Planning Agreements (creating a highly problematic pattern of high density development on the periphery of the city with many other costs).*

3.13 There is serious concern in the community that the provisions of the Greater Sydney Parklands Trust Bill are aimed at large-scale commercialisation of public parks to not only make the great parks of Sydney ‘self-funding’ but to also raise funds to pay the high price for new parks in Western Sydney, the legacy of poor public policy over decades.

3.14 The funding implications of the Bill most certainly need full disclosure.”

FFMV endorses Prof. Weirick’s sentiments.

Yours sincerely,

Patricia Barkley PSM, AM

Secretary,

Friends of Fernhill and Mulgoa Valley Inc.

