

## Questions on Notice

**The Hon LOU AMATO:** *Of those 28,000 claims in New South Wales, do you know the number in Shoalhaven?*

**Answer:**

600

**The Hon PETER PRIMROSE:** *You may wish to take this on notice. When your Council is considering the cost of maintenance of Crown land when preparing its budgets and forward estimates every year, what elements do you take account of in terms of the cost to the council to maintain that land: I am interested in that because I am interested in trying to ascertain across the whole State ultimately the cost to local government for the maintenance of Crown Lands. Even if you are not able to put a figure on it I would be interested in what element the council takes account of when it is preparing its budget. Could you take that on notice and maybe briefly comment now?*

**Answer:**

Council's park maintenance activities are scheduled based on category of park. More utilised parks, receive more frequent servicing and are funded accordingly. Budgets for the maintenance are based on this schedule and recurring from year to year with escalation for inflation pressures. The more utilised parks are often along the coast and are located on Crown land, therefore receiving increased servicing compared to a small local park in a suburban area.

In 2015/16 financial year, \$1.1m was spent to maintain formal open space (e.g. mown parks) that is on Crown land. This includes the cyclic mowing activities, management of trees and ad hoc maintenance activities. Funding is also provided for maintenance and servicing of ancillary infrastructure such as amenities, car parks, playgrounds, park shelters, seating, beach access and walking trails. Council also supports community groups to supplement Council's maintenance activities through the provision of supervision, small tools, training and safety equipment.

Council receives many requests for increased servicing across it's open space network and improvements to infrastructure, which is unfunded.

**The Chair:** *I have one in regards to Crown lands. As we travel further out into regional and rural areas I would be very interested in how you think "paper" roads should be managed.*

**Answer:**

### **Crown Public Roads**

Crown public roads provide lawful access to many privately owned and leasehold lands where little or no subdivision has occurred since the early nineteenth century.

These roads are part of the State's public road network. They are often referred to as 'paper roads' as the majority have not been formed or constructed. There are approximately 800kms of Crown roads in the Shoalhaven LGA.

### **Future Management of Crown Roads**

The Crown Lands White Paper is largely silent on the issue of Crown roads and how they are to be managed into the future. In the White Paper, the definition of Crown land includes "...land within the Crown public roads network" but it is not clear that local government is to assume responsibility for such lands. The White Paper does not otherwise discuss Crown roads and makes no comment on the significant role that the Crown Lands offices currently perform in matters related to road closures and the occupation of roads and whether or not that role is to be transferred to councils.

In general terms, Shoalhaven City Council has no issue with the current management of the Crown roads network but does have concerns that if the network is transferred to local government, councils across the board will have to deal with resourcing pressures in order to be able to adequately manage the network.

In the publication "*Government News*" dated 27 June 2016, Marie Sansom reports that "...councils are concerned that the NSW government will devolve other 'land of local interest' to them and give them responsibility for Crown public roads **without commensurate funding** or the choice of which parcels of land to accept or reject" (emphasis added).

In relation to the first part of the statement, there is no doubt that any transfer of Crown land to councils will have financial and resourcing impacts on those councils. This view has been reinforced by the Hon Mick Veitch, MLC who is on record as saying that the "...biggest issue (associated with the review of the management of Crown land) is the resources and funding required for councils to manage Crown land" (Government News 27 June 2016).

The latter part of the statement can be refuted by statements elsewhere in the White Paper which make it clear that the NSW Government will not force transfers of local lands on local government.

In its submission to the NSW government on the White Paper, Local Government NSW argued that councils "...are underfunded for their existing road responsibilities and certainly have no financial or resource capacity to absorb additional responsibilities for all Crown roads" (Government News 14 August 2014).

In summary, Shoalhaven City Council continues to be concerned about the funding and resourcing implications of a transfer of responsibility for Crown roads to local government.

### **Closing and Purchasing Crown Roads**

The NSW Government has been committed to managing the Crown estate to maximise outcomes for the community. This includes exploring the sale of road reserves which are not required for public access. In many cases there is considerable scope to rationalise the Crown road network without compromising the broader public interest.

Purchase of roads within and adjacent to freehold property provides many benefits including:

- certainty of ownership;
- consolidation of holdings;
- no requirement for an enclosure permit or need to pay rent once the road is closed and purchased;
- use of the land for purposes other than grazing;
- once closed and purchased there is no longer a need to make the road available for public access; and
- simplified conveyancing in rural areas.

Where appropriate, Crown roads may be closed for public access with an easement granted over the land to give legal access to a neighbour or other affected party.

Where an application is unsuccessful, an Enclosure Permit may be applied. The holder of the Enclosure Permit will be required to pay rental or take steps to fence out the road. The closing and purchasing of a road is a time consuming and costly exercise involving the expenditure of many hundreds of dollars in fees in addition to the purchase price of the land.

Responsibility for the majority of this work (administration of road closures under the Roads Act 1993) where it involves a road dedicated to Council (i.e. a Council public road) has devolved to councils in recent times.

At an information session conducted by Crown Lands Nowra on 28 May 2016, it was announced that there is an intention to allow councils to deal with road closures and openings without referral to Crown Lands. Council supports this initiative whilst flagging a concern with Section 38(2)(b) of the Roads Act 1993 which provides that the land within a closed public road reverts to the Crown in circumstances where no construction has ever taken place and therefore Council is denied the funds generated from the sale of that land. Council is of the view that this section of the Roads Act should be repealed to ensure that funds generated from the sale of all public roads when such roads are closed, are received by Councils.

### **Crown Roads - Asset Values**

Vacant and undeveloped Crown roads (i.e. paper roads) require little or no 'roads-related' management although councils may have to deal with some environmental issues e.g. erosion; dangerous trees; weeds; rubbish dumping.

Crown roads with formed roads and tracks are problematic, especially the financial implications e.g. assume Council 'inherits' 100km of formed Crown roads, 4m wide with 100mm of gravel:

- the inherited asset value is \$4,000,000 (100km at \$40,000/km);
- the annual depreciation expense is \$400,000 (for a 10 year life of the gravel pavement);
- the annual maintenance cost is \$200,000 (for one grade/year at \$2000/km); therefore
- \$600,000 off the 'bottom line' per year plus more for inspections, emergency response, signs, drainage upgrades etc.

There needs to be reasonable ways to recoup this expenditure such as through ex gratia payments to Council or perhaps through the sale of unformed Crown roads to compensate for the outlays required.

In addition, if these assets are to be transferred to Council they should be transferred at a written down value of \$0 to avoid unreasonable and punitive depreciation expenses which will have an adverse impact on Council's balance sheet and which will put at risk Council's "fit for the future" status.

**The Chair:** *Secondly, in the Shoalhaven City Council submission you have written about specific issues to further inform the upper House inquiry into Crown lands. I would like for you to say what you think is the way through those issues and challenges.*

## **ISSUE 1**

A disparity exists between Crown land (Council is Trust Manager or has Care Control and Management responsibilities) and Natural Areas (owned and managed by Council) where land management objectives do not align even though environmental values are the same.

### **Comment:**

- Council owned reserves that are categorised as Natural Areas need to be managed to the following core objectives
  - To conserve biodiversity and maintain ecosystem function in respect of the land, or the feature or habitat in respect of which the land is categorised as a natural area, and
  - To maintain the land, or that feature or habitat, in its natural state and setting, and
  - To provide for restoration and regeneration of the land, and
  - To provide for community use of and access to the land in such a manner as will minimise and mitigate any disturbance caused by human intrusion, and
  - To assist in and facilitate the implementation of any provisions restricting the use and management of the land that are set out in a recovery plan or threat abatement plan prepared under the Threatened Species Conservation Act 1995 or the Fisheries Management Act 1994.

Often the vacant or TM/CC Crown land which has the same environmental values and occurs side by side with the Council reserves are not managed to the same core objectives rather the objectives of the Crown Land Act which are not as strong in environmental values.

## **ISSUE 2**

Community Land Care and Bush Care groups (volunteers) are currently required to obtain a lease or licence from Crown Lands in order to undertake environmental works such as pest, plant and animal control that are improving public land.

### **Comment:**

On vacant Crown Land Bushcare groups undertaking environmental restoration work are required obtain authorisation via the issuing of a license to undertake environmental works. This has recently changed, it used be a requirement that a letter of authorisation was issued but recently a license is required under the Crown Land Act 1989.

### ISSUE 3

Crown Lands reporting requirements are onerous.

#### **Comment:**

The annual Crown Land reporting regime is a task that currently takes Council approximately 2 months of investigation, collation and report configuration by approximately 20 staff. The data required for each Reserve is covered by:

- Usage - the primary use and any other uses of the Reserve, along with its common name;
- Number of staff, volunteers and contractors engaged on each Reserve;
- Number of visitors, daily, overnight, weekly and long stay to each Reserve;
- Marketing of Crown Reserves, including types and costs;
- Funding applied for/received for each Reserve;
- Leases and Licenses on the Reserves;
- Insurance details for the Reserves, including types of cover and items noted on the policy;
- Assets on the Reserves > \$5,000;
- Improvements on Reserves > \$5,000;
- Financial statements/reports;
- Number of sites/facilities at Caravan Parks; and
- Management programs in place.

The above noted information is collected and collated in 20 different spreadsheets, across the following areas of Council:

- Aquatics;
- Assets;
- Bush Care;
- Bushfire Bushland;
- Cemeteries;
- Coast & Estuaries;
- Community Facilities;
- Finance;
- Holiday Haven Holiday Parks;
- Insurance & Risk Management;
- Leasing/Licencing Agreements;
- Natural Areas;
- Natural Resources & Floodplain;

- Parks Programs;
- Parks;
- Recreation & Community;
- Social Infrastructure;
- Telecommunications;
- Tree Management; and
- Ulladulla Civic Centre.

Then the above are reduced to 3 or 4 high level template spreadsheets that are in the required format for entry into Crown Reporting. Council's and Crown Lands' systems don't talk to each other. The data has to be manually entered into Crown Land's web interface which takes a further 4 to 6 weeks. The Crown Lands' system cannot upload a CSV file and continually times out requiring re-enter of the data starting from scratch.

See the following report with regard to the deficiencies of the Crown Reporting database which was sent to the Crown after submitting Council's report in 2014. It is disappointing that despite the problems having been identified, there have been no changes to the reporting requirements.

Furthermore, it is questionable what Crown Lands does with the information given that when grants are applied for it is often a requirement that Council provide the information again despite the fact that it had previously been provided as part of the reporting regime.

# **REPORT**

## **Problems with the Crown Land Spatial Information Exchange Site**

**Pamela Gokgur CFO**

**Shoalhaven City Council**

**Matt Crowe**

**Trainee Accountant**

**Shoalhaven City Council**

**November 19, 2014**

### **SUMMARY**

The user experienced several difficulties and frustrations using the SIX site to enter data for the Crown Land Financial Statement.

Twelve (12) problems were identified using SIX and each is presented briefly here.

Some suggestions for improvement are contained within the context of the twelve (12) identified problems.

Feedback would be most appreciated as to how to better use the existing site and also as to what improvements might be made to SIX to make it more user friendly.

### **TABLE OF CONTENTS**

#### **Problems with the SIX site**

1. Efficiency e.g. data entry time
2. Duplication of requests
3. Speed issues with 'saving'
4. Page Instability
5. Organisation of Reporting tabs and Excel spread sheets
6. Lack of Auto save facility
7. Repetition of message 'The Proxy server isn't responding'
8. Limited search list i.e. 10 reserve lines limitation
9. Funding tab issues with PRMF grants
10. Sensitivity of the SIX site
11. The Management Program tab
12. Inability to duplicate Reserve numbers



## **INTRODUCTION**

The time taken to enter data for the Crown Land Financial Statement took almost 40 hours because of the inadequacy of the Crown Land Spatial Information Exchange site (SIX). The inefficiency of the SIX site meant the actual time value of completed work was half i.e. 20 hours.

There were twelve (12) problems identified with the use of SIX that will be discussed briefly. Some recommendations are included.

The purpose of this Report is to outline the problems identified and suggest improvements to SIX.

## **PROBLEMS**

### 1. Efficiency e.g. data entry time

- Data entry time takes almost 40 hours
- The actual work time value of the data entered is 20 hours

### 2. Duplication of requests

- Identical terms and conditions have to be accepted twice
- This seems unnecessary and time wasting, therefore inefficient

### 3. Speed issues with 'saving'

- It takes approximately 34 seconds to save a page
- This time appears excessive

### 4. Page instability

- This issue means that frequent 'saving' is required throughout the data entry process
- The seemingly small issue of instability causes a further waste of time in entering data

### 5. Organisation of Reporting tabs and Excel spread sheets

- The Crown reserve order leads to more time wasting in searching for the corresponding reserve number, further reducing efficiency
- Pages should be formatted i.e. reserve numbers in order regardless of how they were entered; the alignment of both spread sheets and SIX site
- This would help reduce time searching reserve and data, making data entry more accurate and efficient

### 6. Lack of Auto save facility

- The lack of page stability requires frequent saving of data
- Saving and the actual time taken to save present large issues with the SIX site
- The lack of Auto save risk a loss of data and of valuable time
- The current page should be saved when the next button is clicked or a new tab selected from the side bar

### 7. Repetition of message 'The Proxy server isn't responding'

- This message occurs frequently on the SIX site after clicking the next arrow or tab
- It could be fixed fairly easily by going back to recently entered data

### 8. Limited search list i.e. 10 reserve lines limitation

- Pages can only display 10 reserve lines, begging the question as to whether the SIX site was designed using DOS or before the use of a dual core process?

- If more Crown reserve lines were displayed, the speed at which reserve numbers could be found would increase significantly with the use of CLT F, thus eliminating individual page loading times

#### 9. Funding tab issues with PRMF grants

- PRMF grants cannot be edited or even revived
- 75 pages of grants takes time to sift through, waiting and scrolling to the bottom of each page of data that cannot even be edited to find one line, resulting in a large waste of time
- If 90% of these lines of grants cannot be edited, what is the need to see them at all?
- Time could be saved by only displaying those in need of editing or by placing all adjustable funding lines at the top for easy access

Funding		(Not Reviewed) ▲
PRMF Funding information is Crown Land sourced and cannot be edited		Reserve(s): Berry Showground & Hazelberry Park & Berry Pool (81105)
Type	PRMF Application ▼	
Funded Purpose	Construction of Amenitie	
Funding Body	PRMF	
Amount Requested \$	158,592.00	
Total Cost of Purpose \$	158,592.00	
Status of Application	Submitted ▼	
		<input type="checkbox"/> Reviewed

#### 10. Sensitivity of the SIX site

- The sensitivity of the site causes issues including loss of data with hypersensitive data entry, restricting the use of necessary punctuation
- This issue with punctuation leads to the inability to save work as well as the loss of hours worth of data

#### 11. The Management program tab

- This tab is a prime example of hypersensitive formatting
- The inability to save data or click on a tab without having to close down the site and then log back in to access other tabs meant having to contact a Crown Land reserve in Dubbo to 'fix' the issue
- The outcomes are frustration and more time loss

#### 12. Inability to duplicate Reserve numbers

- Council management of Crown reserves does not limit the use of one reserve to a singular activity.
- This creates a difficulty with the SIX site in recording accurately the numbers of staff, volunteers and visitors and any other requirements
- Shoalhaven City Council records the White Sands Caravan Park and the Huskisson Caravan Park as two separate entities although they share the same reserve.
- The inability to duplicate numbers meant that they had to be joined, which created more work and also presented room for error

## CONCLUSION

- The SIX site needs reviewing to make it more efficient and easier to use.
- Some suggestions for improvement are contained within the twelve (12) problems identified.
- The current site results in unnecessary repetition of some functions and the frequent loss of data that is difficult to retrieve or has to be re-entered.
- Auto save would produce greater efficiency and ease of use.
- Time saved and greater efficiency, including lessening frustration for users would be the main positive outcomes of improving the SIX site

## ISSUE 4

Extremely generalised classification of Crown lands viz "Reserve for Public Recreation", is open to interpretation by trust managers, councillors and the public and has the potential to create conflicts of use and management strategies e.g. allowing traffic in an environmentally sensitive foreshore reserve.

### **Comment:**

The existing comment relates to the generalised classification of Crown land which has the potential to allow incompatible activities and conflicting uses.

Defining types of *allowable* and *allowable with consent* activities backed up by reserve objectives similar to local environment plans may provide for appropriate and compatible uses to be more clearly defined by managers.

## ISSUE 5

Councils are expected to accept management responsibility for more of the Crown estate with little or no financial support.

### **Comment:**

This is self-evident.

In recent times, the office of Crown Lands has decentralised with some of its functions transferred from metropolitan Sydney to Parramatta and to regional offices in Newcastle and Dubbo.

Regional Crown Lands offices (formerly Land Board Offices) now have fewer staff than ever before e.g. the Nowra office when it was opened in 1971 had a staff of 24 and it now has 10 staff.

The drive to reduce the cost of managing the Crown estate and administering the Crown Lands Act is consistent with a government cutting costs in the name of increasing efficiencies and improving the cost effectiveness of service delivery. It should be apparent that reducing staff numbers and closing regional offices can only ever be part of the

solution and the task of cutting expenditure cannot be completely signed off until the actual work is taken on and performed by another agency.

The constant theme of the White Paper is to transfer responsibility for management of the Crown estate to local government i.e. “local lands for local communities”, thus further reducing the roles that Crown Lands office staff have to play in management of the Crown estate and administration of the Crown Lands Act.

Therefore, whilst it is acknowledged that the intent of the government appears to be to retain responsibility for “State lands”, other lands classified as “local” are to be transferred to local government without the resources to manage them. This will put obvious pressure on local government to handle increased workloads within both budget and staffing limits.

## **ISSUE 6**

There is a perception that Climate change remains largely ignored in the management of the Crown estate. Crown lands comprising foreshore and access to it could become eroded or permanently inundated in the future and future generations could lose valuable public access to water bodies. A uniform approach to the possible effects of climate change based on strong and reliable science should be considered and government at all levels should consistently apply best practice to mitigate the impacts predicted.

### **Comment:**

Current sea-level rise modelling indicates that many beaches and foreshore crown land is expected to be inundated and lost to the public. The comment at 6 highlights the need for a review of public coastal access provision in relation to the potential loss of beaches and foreshore lands.

**The Hon Scott Farlow:** Mr Pigg, in your submission you made some comments about areas of Crown land for economic activation or of significant economic importance. I am wondering whether Shoalhaven has done the assessment of your current Crown land areas of management and what areas you might have identified as potential areas of economic importance.

**Answer:**

Comments made about the economic activation and significant economic importance of Crown lands was made in reference to lands with development potential and not those lands which are managed under a Plan of Management or are of a community good.

1. THE ECONOMIC IMPORTANCE OF CROWN LAND IN REGIONAL AREAS - A DRIVER, OR LIMITER, OF DEVELOPMENT

As stated in previous submissions, the Shoalhaven is a geographically large LGA, with many natural areas. There are 33,000ha of Crown land within the Shoalhaven LGA. Crown land is 7% of the land area with an additional 58% of land being located in Natural Parks (47%) and State Forests (11%). The Shoalhaven is two hours drive south of Sydney and just over two hours from Canberra.

The Shoalhaven's natural beauty combined with its proximity to two major Australian centres has seen it become one of the consistently fastest growing regions in the State. The average annual growth rate between 2006 and 2010 was 1.25%. These people require housing and jobs, both of which are inextricably linked to land availability.

It cannot be understated how important land availability is in terms of regional economic development. Traditionally, Crown land on the periphery of towns was considered as areas of future expansion – for housing, industrial/employment lands and recreation and sporting fields. Reluctance to use Crown lands for expansion is thwarting the ability of regional areas to fully contribute to the economy of NSW. Migration to the Shoalhaven largely consists of tree/sea changers looking for a more rural lifestyle and others from Sydney pushed out of the housing market through rising housing costs. The Shoalhaven has to cater for these people and the existing population in terms of housing and jobs and this requires access to land – land for housing developments and land that will generate employment opportunities such as industrial areas.

The NSW Government states, in terms of Crown land management reform that '[T]he underlying driver is to manage Crown land in such a way that it continues to provide significant benefits to the people of NSW' (NSW Government, Inquiry into Crown Land in New South Wales). And while it is widely acknowledged that economic development is a key benefit to the people of NSW to date this aspect has arguably not been perused to its full potential. For example, only 40 Crown land properties were sold in the 2014-2015 financial year. In addition, the NSW Government submission into the Inquiry into Crown Land in New South Wales acknowledges that '[S]elling Crown land is not and has never been the priority of the reform process' and focuses on management rather than the realisation of significant economic development opportunities for regional NSW and the people of NSW.

58% of the Shoalhaven is protected in Natural Parks and State Forests. Another 7% or 33,000ha of Crown land exist in the LGA. The prosperity of the Shoalhaven is reliant on the availability of a small portion of Crown land being made available for expansion and

development. The vast majority of Crown land management does not contribute to the economic viability of the Shoalhaven (exceptions include Holiday Haven park management). Land availability for development will lead to job creation that will benefit current and future people of NSW.

Reluctance to use Crown land for development purposes is a significant opportunity cost for the people of NSW.

## 2. IDENTIFICATION OF CROWN LAND WITH POTENTIAL ECONOMIC IMPORTANCE

Shoalhaven City Council has assessed Crown land to identify potential areas of economic importance. Crown land assessment has occurred as part of a number of Council strategic planning processes such as the Shoalhaven LEP and various growth management plans. Zoning of Crown land through the Shoalhaven LEP process was undertaken in consultation with Crown Land. At the time, Shoalhaven City Council often applied a higher level of environmental protection on certain parcels than what would have satisfied the Crown.

The recently completed Illawarra-Shoalhaven Regional Plan (the Regional Plan) provides the strategic policy, planning and decision-making framework to guide the region to sustainable growth over the next 20 years.

The Regional Plan has been informed by a number of Shoalhaven City Council strategic planning documents including the Growth Management Strategy. The Growth Management Strategy provides an overview of potential urban expansion areas and establishes a Settlement Hierarchy for the City. It also identifies areas with limited or no growth opportunities. The Growth Management Strategy acknowledges that there are significant environmental constraints in the Shoalhaven LGA and that with new environmental data constantly being found it is difficult to determine exact land capacity projections. Some land previously identified for expansion may not be suitable due to newly identified environmental issues. Naturally such land capacity assessments extend to Crown lands within the LGA.

Direction 1.5 of the Plan seeks to 'strengthen the economic self-determination of Aboriginal communities' through a 'strategic assessment of land held by the region's Local Aboriginal Land Council to identify priority sites for further investigation of their economic opportunities'. These economic opportunities extend far beyond the often quoted 'opportunities' of rangers, tour guides and nebulous land managers. There are many other economic opportunities for Aboriginal communities (in areas such as residential, industrial, health, educational, recreational etc) located in regional areas that could be enabled should land be available. The realisation of which is dependent on Crown Land, local ALC's, local government and potentially private investors working together on equitable standing to develop land to achieve the ultimate goal of economic prosperity for local communities.

In terms of broad community consultation, the community has provided input into both the SLEP (and zonings) and into growth/settlement strategies identifying areas of potential expansion within the Shoalhaven LGA. Essentially, the community through both of these processes have identified Crown lands required for future expansion.

### 3. POTENTIAL AREAS FOR CROWN LAND ACTIVATION

---

#### 3.1. EMPLOYMENT LANDS

---

##### 3.1.1. SHOALHAVEN HEADS, SOUTH NOWRA, BASIN VIEW, SUSSEX INLET, ULLADULLA

At various locations across Shoalhaven Crown Lands are zoned as Industrial. These parcels either stand as yet to be developed or adjacent to existing development by Crown or others. It is appreciated that in most cases the cost to bring this land into a developable state requires an initial capital injection to connect any subdivision to trunk utility services and then to reticulate within the subdivision.

Council sees this land as strategic and as future employment lands and will retain the zoning on the lands.

Several of these parcels have Aboriginal land claims over them and in most cases these are unresolved.

At Shoalhaven Heads, Sussex Inlet, Basin View and Ulladulla there is no serviced industrial land that is able to be put onto the market.

Shoalhaven Council can activate these lands should it be made available to do it on acceptable development terms.

---

#### 3.2. INDUSTRIAL LANDS

---

##### 3.2.1. SOUTH NOWRA

A parcel of land adjacent to the Shoalhaven Turf Club is zoned industrial, and as a result of an Aboriginal land claim, has now been transferred to the Nowra Local Aboriginal Land Council.

Council made an offer to the Crown to purchase this parcel in 2010 but this was deferred pending the outcome of an Aboriginal land claim. Council is about to recommence negotiations with the Nowra LALC to develop this land under a joint venture agreement.




---

### 3.2.2. SOUTH ULLADULLA

Council flagged initial interest to Crown Lands of developing 19ha of industrially zoned land at South Ulladulla. The agreed parcel to be purchased was in the order of 60ha. A formal offer was made to the Crown to purchase in 2009/10. Council notified of Aboriginal land claim in late 2010.

The matter is currently unresolved and there is no vacant serviced industrial land in Ulladulla. This is just one example of the importance of assessing land claims in a timely manner and working with LALC's secure land title.

---

## 3.3. COMMERCIAL OPPORTUNITIES

### 3.3.1. SHOALHAVEN HEADS

There are holdings of Crown and Jerringa ALC in the centre of Shoalhaven Heads. Council seeks development of these lands for the growth of the village.

---

## 3.4. WATERFRONT LANDS AND WATERBODIES

Within Shoalhaven there are numerous water bodies and estuaries. Much of the foreshore is within Crown ownership with some areas under the management of Council.

### 3.4.1. WATERFRONT ACTIVATION

Council seeks to activate more of its estuarine foreshore. Along the Shoalhaven River at Nowra plans have been developed to beautify and provide access. Construction of assets in these areas can require an additional level of liaison and authorisation through Crown Lands and any amendments to management practices should endeavour to streamline and facilitate this under one agency being Council.



With Shoalhaven being a major recreational and commercial boating area, the availability of waterfront land for land/water interface infrastructure and the adjacent lands for boat storage, careening activities, slippage and marine craft launching by cranes needs to be able to be accommodated and allowed.

A mix of commercial activation and retention of public space and public access to the waterfront is achievable.

---

#### 3.4.2. WATERBODIES

The oyster and broader aquaculture industry is important to Shoalhaven. These leases within the waterbodies are over Crown Land and the continuation of this industry needs to be fostered and not constrained by land management practices.

---

#### 3.4.3. JERVIS BAY

Although the waterbody is not within the local government area of Shoalhaven City, this part of NSW is critical to a number of recreational and commercial activities such as:

- Operations & training for the Royal Australian Navy
- Recreational fishing and diving
- Commercial whale watching & dolphin watching
- Aquaculture farming
- Cruise ship mooring & disembarkation
- Shipping refuge during adverse weather

The management of this extensive Crown water body needs to continue to allow such activities, subject to the relevant legislative approvals.

There are Crown Land holdings adjacent the waterbodies that could be activated via the precinct planning methodology (See Section 4).

---

### 3.5. SPECIAL INTEREST LANDS - RECREATIONAL

---

#### 3.5.1. SHOALHAVEN TURF CLUB PRECINCT

This facility is underutilised and could be subject to more intensive use for the equine industries or other recreational uses.

---

#### 3.5.2. SHOWGROUNDS

Shoalhaven has 4 showgrounds (Berry, Kangaroo Valley, Nowra and Milton). These are used for annual shows as well as a range of other recreational activities and as a location where a large number of people need to assemble.

There are opportunities to make these areas more vibrant and commercially activated year round rather than sitting underutilized for most of the year. This can be achieved whilst protecting their historical use.

---

### 3.5.3. SOUTH ULLADULLA

There is a parcel at South Ulladulla that a local group, in association with the Aboriginal community, wish to establish as a health precinct. Although still confidential, the ability to work through these types of enquiries is needed into the future.

---

### 3.5.4. YERRIYONG

An area of Crown Land at Yerriyong, adjacent to HMAS Albatross, is currently under assessment for a motor sports complex. This major development will form a precinct on land for which Council has approval to acquire the Crown Land for this development.

## 4. PRECINCT PLANNING – A PARTNERSHIP APPROACH TO ECONOMIC DEVELOPMENT

The Regional Plan contains a number of mechanisms and pathways for strategic development of the Shoalhaven. Precinct planning is mentioned within the Regional Plan with specific reference to the Nowra Centre however council believes that precinct planning should be used more widely within the Shoalhaven LGA and wider regional context.

Precinct plans could be viewed as strategic planning and permissibility documents on a local level and could be used to identify key investment precincts where development is balanced with environmental, social and cultural needs. As Crown Lands are a significant land owner in the Shoalhaven and other regional areas, precinct plans would be created over multiple land ownerships and would include Crown land and land owned by LALC's. Precinct planning is proposed on a locality basis – a much smaller area than that of a regional plan but much larger than looking at land, parcel by parcel. Precinct plans are required to attract meaningful investment that sits within a strategic framework and meets the development needs of today and the future.

Regional development and precinct planning can be stimulated through the current planning framework by using a number of mechanisms in concert. The application of legislation such as the *Growth Centres (Development Corporations) Act 1974* could enable strategic planning at a local level. The identification of *Growth Centres* (precincts) by locally focused Development Corporations would help ensure that strategic planning is appropriate for the social, economic and environmental fabric of a local area.

Mechanisms such as the establishment of precinct plans which balance social, economic and environmental outcomes would promote regional development. Precinct planning would identify areas of investment and then would undertake upfront extensive community consultation and environmental studies. This process will negate development risks and will provide investors a level of confidence that future development will proceed thus attracting much needed investment in rural and regional areas.

It must be noted that the precinct planning process, coupled with community consultation and environmental studies, is long and expensive. As such it requires a commitment from State and local governments and private investors. In regional areas, Government at all levels and LALC's are often the major landowners. In order to promote regional investment, Crown Lands and other government land owners must make a commitment to be part of the precinct planning process. They must be willing to provide resources in terms of land and a financial commitment to upfront environmental assessments and

community consultation. LALCs who are often land rich but resource poor would be part of the process and would ideally be involved as **a partner** in subsequent development and management of key economic lands. Government, along with all other landowners, would get a return on investment once investors are secured. This could be through the sale or long term lease of land.

Regional NSW is at a disadvantage in attracting much needed investment and development. Precinct planning which clearly identifies environmental constraints and has community support with adequate infrastructure provision would greatly negate investor risk. A staged assessment process would also help mitigate investor risk.

Lack of investor certainty can be addressed through a number of avenues. Precinct planning with extensive upfront community consultation and acceptance would potentially provide greater investor confidence. However, such an exercise would be complex and best delivered by a regional authority. Any costs and provision of community infrastructure across a broader precinct could also possibly be recouped through a precinct plan to be funded by investment beneficiaries.

Precinct planning is a cooperative model that activates unutilised land, secures upfront community support, and provides a return on investment for landowners (including government and ALCs) while facilitating investment attraction through reducing investor risk. The benefits of such an approach would flow to local communities and the people of NSW through increased economic activity.

Shoalhaven City Council would like the opportunity to partner with other land owners, such as Crown Land and local ALCs, to apply the precinct planning model with the delivery platform based on a “Development Corporation” approach.

Precinct planning provides the government, and the people of NSW, with a significant return on investment.

#### 5. JOINT VENTURES– A PARTNERSHIP APPROACH TO SKILLS DEVELOPMENT AND UNLOCKING ECONOMIC OPPORTUNITY IN ABORIGINAL COMMUNITIES.

With the introduction of the *NSW Aboriginal Land Rights Act 1983* and Native Title legislation, the amount of land assets held within Aboriginal communities is quite significant and should present an economic development opportunity. However, there are a number of barriers to leveraging these economic opportunities which could be addressed through partnerships or joint venturing.

- The philosophical quandary of demonstrating cultural ties to a parcel of land in order to obtain a land grant and the subsequent objective of developing or selling that parcel.
  - Potential solution – It must be reinforced that one of the core objectives of the *Aboriginal Land Rights Act 1983* was to use the benefits accrued from land dealings to improve cultural, social and economic outcomes for Aboriginal communities. This needs to be reflected in the land claim process with a potential review of the legislation.



- Lack of trust between LALC's and government.
  - Potential solution – the establishment of an independent intermediary/ registrar (see below) service to ensure transparency in dealings between LALC's and local government (and others).
- Land banking by LALC's stifling economic opportunities for regional communities
  - This is an unintended outcome and is ultimately due to a lack of resources and some skills within LALC's. One of the ultimate outcomes of a joint venture approach is skills development within LALC's in terms of land development and negotiation. Successful joint venturing will also lead to an economic return to LALC's which they could use to undertake key activities such as land surveys required to obtain land title.

Stories abound of the failure of negotiations between Aboriginal groups and other parties to reach agreement and that the expectations of the Aboriginal communities are not being met. The expectations of both sides are influenced by different cultures and the meeting of the minds can be difficult to achieve. The development of a "Joint Venture Template" could address these issues through the articulation the cultural differences from the perspectives of both sides and the establishment of parameters within which the parties are operating. Having a good foundation to move forward in any relationship is essential.

Using the premise that any Joint Venture (JV) is to produce economic gain to all sides, the parameters within any such agreement should be directed at this goal. This project is a complicated one and may take a period of time to be drafted but there are sufficient knowledgeable people around that could contribute to this process to produce a template that gives scope to all parties to be comfortable to achieving an outcome, clearly understandable and legally binding.

A JV agreement should be accompanied by a Business Plan for the project. This plan would then be lodged with the Registrar. The benefit of formulating a Business Plan is that the project has a clear basis for delivering outcomes. The Business Plan should also contain:

- A dispute resolution process
- A finite term and a process for extending the term
- A definition and plan that articulate what each party will bring to the project
- What income streams are anticipated for the project
- Anticipated expenditure streams
- Cashflow budgets
- Apportionment and distribution of any profits or losses

Consideration needs to be given as to whether any changes to legislation need to be made to enable joint venturing between Aboriginal entities (local Aboriginal land councils) and other parties (Local Government, Government agencies such as Crown Lands and private enterprises).

Shoalhaven City Council recommends that

1. The NSW Government work with Aboriginal communities to develop a joint venture agreement template and negotiation framework to deliver meaningful and deliverable outcomes to both sides in any co-operative venture be it either social, environmental or economic.
2. To be consistent with the 2015 Illawarra-Shoalhaven Regional Plan the NSW government could facilitate benefits being accrued to Aboriginal communities in accordance with the NSW Aboriginal Land Rights Act by the government either providing
  - an intermediary service
  - appropriate skills/services to the LALC's

3. In an attempt to unlock regional employment lands, it is proposed that a funding allocation be made to the NSW Department of Industry specifically to loan funds to joint ventures between an Aboriginal land council and a Local Government Authority to develop zoned employment lands. The loans to:
  - Have a term of say 5 years
  - Be limited to \$2million per project
  - Be interest free or at minimal interest
  - Be made to a legally formed joint venture, articulating inputs and outputs by both sides
    - LALC to be the land owner
    - LGA to be the land developer and project manager
  - Be competitively sought and subject to project viability

## Supplementary Questions from the Committee

**1. With regards to Plans of Management can you provide the following information:**

**(a) Do Plans of Management provide the best mechanism for the management of crown land?**

Not necessarily. Plans of Management are very resource and time hungry in their development and often their final outcomes duplicate existing (mandatory) Local Government Act Generic Community Land Plan of Management outcomes and/or existing State & Local Government Policies. For example, a Crown Land Plan of Management for a foreshore area duplicates information in the Local Government Act Generic Community Land Plan of Management for Natural Areas and incorporates existing State & Local Government Policies. In addition, the community consultation process then seeks community input/values/ideas which can only be approved within this legislation and policy framework. Therefore, the Plan of Management mechanism is a very bureaucratic and difficult process for the layperson to follow and understand and could be simplified via development of a master plan with key specific priority actions which align with relevant legislation and policy frameworks. In addition, a Crown Land Plan of Management requires Ministerial sign off which adds time to the process to finalise and/or change.

In the short term, the cost of developing a Plan of Management often outweighs the cost of putting actions on ground (i.e. the plan of management may cost \$60k to \$100k and implementation (on ground works) costs much less.

**(b) What crown land is best served by the development of a Plan of Management?**

Ideally all Crown Land with a public reserve or public perpetuity purpose should have its management guided by Plan of Management/legislation framework. However, it should be acknowledged that the Local Government Act also requires Local Government Authorities to have Generic Community Land Plan of Management and these Plans should be able to be applied to Crown Land (currently they do not apply to Crown Land). Crown Land managed by one common Plan of Management (i.e. Local Government Act Plan of Management) would avoid inconsistencies in management where Crown Land and Local Government Community Land (i.e. Council freehold land) make up one piece of open space or community facility (i.e. Ulladulla Harbour and Civic Centre which consist of Council Freehold land and Crown Land) and subsequent confusion between Government Departments and again difficulty for the layperson to understand. At present, both the Crown Lands Act and Local Government Acts are not aligned and require their own plans of management which again contributes to a bureaucratic management environment. In addition, Office of Environment & Heritage legislation has a different requirement for National Park Plans of Management.

**(c) What crown land does not need a mechanism such as a Plan of Management?**

It is suggested that all Crown Land with a public reserve or public perpetuity purpose should be governed/guided by one Government Plan of Management system. Therefore, Crown Land with a commercial or other non-direct public purpose should not need a mechanism such as a Plan of Management and perhaps a more business orientated system.

**(d) What is the best consultation period for developing Plans of Management?**

Ideally the Plans of Management process should be governed by a state-wide and generic legislation framework (i.e. similar to the standard planning instrument - Local Environmental Plan). This process would then avoid every Local Government Authority having to develop its own generic or specific Plan of Management. Where necessary, Local Government Authorities could undertake a consultation process to make minor changes in accordance with a state-wide and generic standard instrument framework.

With a standardised state-wide and generic standard instrument framework for Plans of Management in place, consultation period could then be minimised and would only be required to develop site specific master plans which interpret and provide visual outcomes for Plan of Management interpretation. Such a process would again make the process and interpretation more simpler for the layperson.

**(e) What are the best consultation methods for developing Plans of Management?**

Simple and clear consultation methods when developing a Plan of Management often results in an outcome owned and understood by all in the community. Community consultation can be complex and difficult when the community needs to read and interpret complex legislation and policies.

As per information in the standard Local Environmental Plan, the community should be made aware of permissible and non-permissible use of the land and for the community to provide input and comment on the most appropriate use of the land. Such input can be sourced via workshop environments and/or online feedback mechanisms. This feedback should then be summarised and interpreted in a master plan which demonstrates a long term vision to develop the crown land.

**(f) What are the best mechanisms to appeal a Plan of Management?**

Ideally, a Plan of Management which is consistent with legislation, extensive community feedback process, and policy framework (or maybe one day a standard instrument) cannot be appealed. This approach would then give long term certainty to how the relevant Crown Land is improved and managed.



**(g) What are the best mechanisms to amend a Plan of Management?**

As mentioned above, Plans of Management are very resource and time hungry processes in their current format and therefore, for this reason, they are not often amended regularly. Ideally, Plans of Management should be a standard instrument which can only be amended by changes to State Government Legislation. If the outcome of a generic Plan of Management was to provide Master Plans for some specific sites, these Master Plans could possibly be the only plan to amend in possibly a shorter timeframe, cost, etc.

**(h) Do you have suggested improvements for the development of Plans of Management?**

As mentioned above, the Local Government Act or similar legislation should define a standard instrument which covers the Plan of Management framework on both Council owned Community Land and Crown Land. Such a change would promote a simplistic governing framework for stateside governance and public understanding.

As mentioned above, the process could be further simplified if a Crown Land Plan of Management does not requires Ministerial sign off which adds time to the process to finalise and/or change.

**(i) Is there a better way to manage the crowns asset?**

Crown assets which have primarily been provided by a Local Government Authority should be solely owned and managed by this Authority. As mentioned above, seeking Crown input and agreement on the Asset brings into play an unnecessary bureaucratic processes.

**(j) What community consultation should take place prior to the sale of any crown land parcel?**

The current purpose of the Crown Land should reflect what community consultation should be undertaken. If the Crown Land has primarily been provided for the community the level of consultation should be high, etc. However, if the Crown Land provides for a commercial purpose (i.e. working harbour) the community consultation could be less and be more business oriented.

**2. How do you ensure local indigenous communities are consulted during the development of a Plan of Management?**

Without discrediting the value of local indigenous communities input, this input should ideally be defined/determined in a state-wide standard planning instrument. This process would then give certainty to the level of input and consultation needed later if a site specific landscape master plan was developed. With common process identified in a standard instrument, this would give certainty to how to involve and consider local indigenous communities in the management of Crown Land. Currently, the Plan of Management considers local indigenous communities feedback but not always is this feedback received.

**3. How do you identify and protect sites with indigenous importance on Crown Land?**

Current Office of Environment & Heritage legislation which protects indigenous important sites on Crown Land is difficult for Local Government Agencies to operate under. Basically, it is an offence for a Local Government Agency to undertake improvement works on Crown Land without undertaking sufficient due diligence to recognise and minimise impacts to an indigenous site which may have not been previously identified as a protected site.

Identification and protection of sites on Crown land with indigenous importance resides with National Parks & Wildlife Service. However not all sites are currently identified & Council is required to undertake archaeological assessments of any proposed work site before works commence.