



The Honourable Don Harwin MLC

Leader of the Government in the Legislative Council
Special Minister of State, Minister for the Public Service and Employee Relations,
Aboriginal Affairs, and the Arts
Vice-President of the Executive Council

Mr Peter Poulos MLC
Chair of the Standing Committee on Social Issues
NSW Legislative Council
Parliament House
Macquarie Street
SYDNEY NSW 2000

Dear Mr Poulos,

Re: The Inquiry into the Heritage Act 1977

Please find attached post-hearing responses from the hearing held on Monday 2 August 2021 as part of the Standing Committee on Social Issues inquiry into the Heritage Act 1977.

Enclosed are:

- answers to the questions on notice

If you have any queries in relation to the attached documents please do not hesitate to contact my office on (02) 8574 7200 or tom.anderson@minister.nsw.gov.au

Kind regards

Don Harwin MLC

Leader of the Government in the Legislative Council
Special Minister of State
Minister for the Public Service and Employee Relations,
Minister for Aboriginal Affairs
Minister for the Arts
Vice-President of the Executive Council

DATE: 30/08/2021

**Review of the Heritage Act 1977
Supplementary Questions and Questions on Notice**

SUPPLEMENTARY QUESTION ON NOTICE

QUESTION – 1	RESPONSIBILITY: Heritage NSW
<p>Supplementary question to the Hon Don Harwin MLC, Minister for the Public Service and Employee Relations, Aboriginal Affairs, and the Arts</p> <p>1. Minister Harwin, from the meeting notes it is clear that various First Nations organisations have been consulted on the current review into the overall heritage system in NSW.</p> <p>Has there been any feedback so far and if so what has that feedback been?</p>	
<p>ANSWER:</p> <p>On 17 May 2021, as part of a request to many organisations, I wrote to the NSW Aboriginal Land Council (NSWALC), NTSCORP, and Aboriginal Cultural Heritage Advisory Committee (ACHAC) encouraging the organisations to be involved in the review process and offering a briefing from Heritage NSW. Heritage NSW provided a briefing to the ACHAC, however the offer of a briefing was not taken up by NSWALC or NTSCORP.</p> <p>Submissions have been provided to the Committee from ACHAC and NSWALC.</p> <p>On 31 July, I also received a letter from the Chairperson of the NSWALC which expressed the view that NSWALC will <i>'not accept ACH reforms subsumed into the Heritage Act 1977 or administered by Heritage NSW.'</i></p>	

QUESTIONS ON NOTICE

QUESTION – 1	RESPONSIBILITY: Heritage NSW
<p><i>The Hon. MARK BUTTIGIEG:</i> Thank you, Chair. It is Mark Buttigieg here. There are some interesting models presented in the discussion paper, one of which is a cost deficit recovery model. There is a case study that they have done in the United Kingdom. It is on page 12 of the submission. It is basically incentivising the project to bring it back to life by a government deficit-funding a project so that if the existing value of the asset would have been less than its original value after the amelioration is done, then the government would fund the cost gap. The example given was a local council that received funding in the United Kingdom.</p> <p><i>Has there been any discussion about whether or not the State Government could actually take on those assets? For example, if there were a dilapidated building of significant heritage value and it was going to be viable once it has been restored, in a commercial sense, then why would the State Government not take on that asset and run it as a profitable enterprise on behalf of the people, rather than handing it off to the private sector? Have those discussions been had internally vis-a-vis that model?</i></p> <p><i>Ms FOY:</i> Thank you, Mr Buttigieg. I will ask Mr Clark to respond in a bit of detail. There are some different schemes, and I think one of them—and I am happy to come back on notice with a bit more detail; I just do not have it easily accessible in front of me. But the</p>	

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Sydney Living Museums has a program of being able to do particular works on quite dilapidated buildings. I am sorry, I just do not have it to hand but I will come back on notice.

ANSWER:

Heritage NSW is researching a number of options for conserving and activating heritage properties, including those at risk. The United Kingdom's Heritage Enterprise Grant scheme is among those options, including consideration of whether, and how, the scheme could be adapted locally.

Heritage NSW's research and analysis of options and incentives for heritage conservation and activation is continuing and will be informed by, among other things, submissions and the Inquiry's findings and recommendations.

QUESTION – 2	RESPONSIBILITY: Heritage NSW
<p>The Hon. SHAYNE MALLARD: <i>I will just check with my colleagues Mr Khan and Mr Martin if they are wanting to ask a question? I will assume the silence is no. I have some experience in the heritage floor space scheme of the City of Sydney. I was a councillor there from roughly 2000 to 2012. It is very successful. But it is also, to my understanding, a very sensitive market mechanism because the heritage floor space goes on the free market and then developers buy it to comply with what the council wants them to do on their building and that money then goes into the restoration of that particular heritage item under a conservation management plan.</i></p> <p><i>When the South Sydney Council and the City of Sydney were amalgamated, I proposed the expansion of that heritage floor space scheme into south Sydney. We got a report back then—talking 2003, 2004—that the market would not sustain that expansion. It really was CBD-centric and it still is CBD-centric. It is the old city of Sydney. It does not apply out to south Sydney. I am wondering what work has been done around that market mechanism in terms of Parramatta or other areas. I guess you are consulting with the City of Sydney about that scheme. I am very keen for us to investigate it further. Have you done some work around that market mechanism and how fragile it appears to be, or I was told it was?</i></p> <p>Ms FOY: <i>Not in my particular area, but my understanding is the Department of Planning, Industry and Environment, I believe through Property, would look at those particular issues because certainly the issue around market sensitivity is one that we are alive to. The heritage floor space, to my understanding, has a very particular boundary inside the City of Sydney. There are submissions that talk about—and we would be very interested in what would the benefit to heritage and heritage conservation be to expand that boundary or to have it apply in other places. But certainly the department—and I am happy to come back with any more detail that I can on that.</i></p> <p>The Hon. SHAYNE MALLARD: <i>I wonder if you would take that on notice if any work has been done— I imagine it may well be commercially sensitive and we have to take that into account—around the expansion of the heritage floor space. I guess our inquiry could</i></p>	

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recommend in principle an examination of that scheme based on the success it is with the City of Sydney. That is just my thought bubble. Thank you for that.

Ms FOY: *Thanks, Mr Mallard. Yes, I will take that on notice and come back with any detail that I can.*

ANSWER:

Heritage NSW has discussed with the City of Sydney a range of issues associated with its Heritage Floorspace Scheme, including options for its expansion.

As noted in the submission, expansion of the scheme is possible but would need detailed research to determine how this could be developed and managed, whether the scheme would be available to all building types, how it would be sold and allocated, and whether this should be limited to identified areas, such as the central business districts of major cities across NSW.

Heritage NSW has undertaken preliminary research on this issue. Further work is continuing and will be informed by submissions, further discussions with the City of Sydney, the Inquiry's findings and recommendations, and existing work led by the Department of Planning, Industry and Environment through Property NSW.