



LEGISLATIVE COUNCIL

GENERAL PURPOSE STANDING COMMITTEE NO. 4

MEMORANDUM

To	Ms Jan Burnswoods MLC Hon Eric Roozendaal MLC Hon David Clarke MLC Hon Jenny Gardiner MLC Hon Kayee Griffin MLC Hon Sylvia Hale MLC Hon David Oldfield MLC	cc:	Hon Tony Catanzariti MLC Hon John Ryan MLC Hon Peter Primrose MLC Hon Don Harwin MLC
From	Budget Estimates Secretariat		
Subject	Answers to questions on notice - Infrastructure, Planning and Natural Resources		
Date	22 October 2004		
Reference			

Please find attached a copy of the answers provided to the questions taken on notice by the Hon Craig Knowles MP, Minister for Infrastructure, Planning and Natural Resources, at the Budget Estimates hearing on Tuesday 14 September 2004.

Tanya Bosch
Director, Budget Estimates



MINISTER FOR INFRASTRUCTURE AND PLANNING
MINISTER FOR NATURAL RESOURCES

**LEGISLATIVE COUNCIL
COMMITTEES**

21 OCT 2004

RECEIVED

Ms Tanya Bosch, Director
General Purpose Standing Committees
Parliament of NSW
Macquarie Street
Sydney NSW 2000

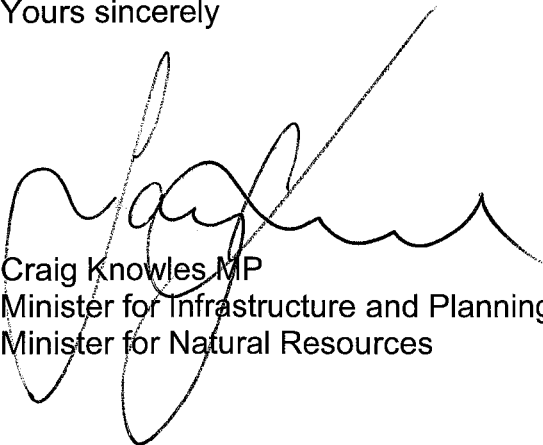
Our ref: Y04/3172
Your ref: GP 04/32

Dear Ms Bosch

I refer to your letter of 16 September 2004 concerning questions taken on notice during Budget Estimates Hearing of General Purpose Standing Committee No. 4 on 14 September 2004.

Enclosed please find responses to the questions relating to my portfolio areas, taken on notice by the Director General of the Department of Infrastructure, Planning and Natural Resources, and myself.

Yours sincerely



Craig Knowles MP
Minister for Infrastructure and Planning
Minister for Natural Resources

QUESTION 1: APPOINTMENT OF HOLLY PARRY

On 14 September 2004 during the 2004 Budget Estimates Committee, the Director General took the following question on notice from the Hon John Ryan MLC.

The Hon. JOHN RYAN: I do not think you have, Mr Knowles. Ms Westacott, is it a fact that you appointed Ms Holly Parry, a former policy adviser to Mr Knowles, to a newly created position within the Department of Infrastructure, Planning and Natural Resources [DIPNR] as a project officer for the new strategic project units, a position to which there was no job description, one month after she sent an email to you expressing an interest in working for DIPNR? Is it also a fact that you made this appointment without fulfilling the requirements of the Public Sector Management Act that appointments of this nature should be only made in the public service after a job evaluation is carried out to determine the appropriate grade and salary for this position? And is it a fact that the documentation does not show that this job was matched and evaluated to ensure that the grade was appropriate before this person was appointed from the Minister's staff to this position?

Ms WESTACOTT: I appointed Ms Parry under section 38 of the Public Sector Management Act in accordance with advice from my HR branch, and I am happy to take your specific matters on notice. I addressed the matter that you raised about the audit report last week before the parliamentary committee. I will address your specific matters on notice.

Answer: Ms Parry was temporarily employed as a Project Officer, clerk grade 9/10 under Section 38 of the Public Sector Management Act 1988 and Regulations. The Regulations do not require the establishment of an established and evaluated position particularly in relation to temporary employment to perform project work. The DIPNR Human Resources Branch used other existing and evaluated job descriptions for project roles similar to the work to be performed by Ms Parry to recommend a classification and grade level for Ms Parry's employment.

QUESTION 2: APPOINTMENT OF ALICE SPIZZO

On 14 September 2004 during the 2004 Budget Estimates Committee, the Director General took the following question on notice from the Hon John Ryan MLC.

Ms WESTACOTT: What I am saying is I appointed Ms Spizzo under section 38 with the approval of the head of the Premier's Department in accordance with advice from my HR department.

The Hon. JOHN RYAN: Did you have a resume from Ms Spizzo?

Ms WESTACOTT: Yes, I did.

The Hon. JOHN RYAN: Why was it not on the file?

Ms WESTACOTT: I did have a resume.

The Hon. JOHN RYAN: I am sorry?

Ms WESTACOTT: I did have a resume.

The Hon. JOHN RYAN: Why was it not found on the file by the auditor?

Ms WESTACOTT: I will have to take that on notice and put it to the HR branch.

Answer: At the time of collection of the file by the auditor, Ms Spizzo's resume had not been attached to the file by staff in the Employee Services Unit in the Human Resources Branch. The resume was placed onto the file after the file was returned to the Employee Services Unit from the Internal Audit Branch.

QUESTION 3: COST OF DELOITTES REPORT ON ENGAGEMENT OF BSR

On 14 September 2004 during the 2004 Budget Estimates Committee, the Director General took the following question on notice from the Hon John Ryan MLC.

The Hon. JOHN RYAN: I have already replied to that. Was this internal audit report of your department prepared by a Mr Ray Caldwell?

Ms WESTACOTT: No.

The Hon. JOHN RYAN: Have you commissioned a report from Deloitte's reviewing his audit report? How much did that report cost and are you prepared to table a copy of that report to the Committee?

Ms WESTACOTT: I made it clear to you in my answer last week that Deloitte's have looked at the engagement of BSR and found no probity issues in their appointment. I will have to take the question on notice in terms of their costs. Deloitte's are the department's independent auditors by way of contract.

CHAIR: We will take that on notice, thank you.

The Hon. JOHN RYAN: Are you prepared to table the Deloitte's report?

Mr CRAIG KNOWLES: She said she would take it on notice.

The Hon. JOHN RYAN: You are going to take on notice as to whether or not—

Mr CRAIG KNOWLES: Yes, John. If you want to be perverse, we can be too, I can assure you. The quicker Jai Rowell gets your seat out there and knocks you over, the better for everyone. He is a bright young man in the Liberal Party and he is out to get you, and you know that.

The Hon. DAVID OLDFIELD: Who is that? I missed that. Who is the bright young man out to get him?

Mr CRAIG KNOWLES: Jai Rowell. He is an elected official now on Campbelltown council—the first one in the Liberal Party for many years. He is a bright fellow but he does not like the Hon. John Ryan.

The Hon. JAN BURNSWOODS: He is not Robinson Crusoe, is he?

Ms WESTACOTT: I can confirm that Deloitte's did their work under the existing contract at no extra cost.

Answer: The cost of the review by Deloitte, which was undertaken as part of the Department's current year audit program at no additional cost, was \$11,880.

QUESTION 4: REQUEST FOR INVESTMENT REVIEW BOARD REPORT

On 14 September 2004 during the 2004 Budget Estimates Committee, the Director General took the following question on notice from the Hon John Ryan MLC.

The Hon. JOHN RYAN: When did you request that audit report be prepared?

Ms WESTACOTT: I think sometime earlier this year or late last year. I will have to take that on notice and get the exact date.

Answer: The Department's Internal Audit Branch was requested to undertake the review by the Director General on 4 February 2004.

QUESTION 5: REMUNERATION PACKAGE OF THE DIRECTOR GENERAL'S DRIVER

On 14 September 2004 during the 2004 Budget Estimates Committee, the Director General took the following question on notice from the Hon David Oldfield MLC.

The Hon. DAVID OLDFIELD: Ms Westacott, what is the package that your driver receives?

Ms WESTACOTT: I do not know. I will have to take that on notice.

The Hon. DAVID OLDFIELD: Can you also take on notice whether in that package there are any other allowances for being on call and such things?

Ms WESTACOTT: I do not think there are.

Answer:

The position of Support Officer/Driver is a temporary position at an Administrative and Clerical Grade 4 level and is similar to positions in other agencies which have driving responsibilities for the Executive.

The entitlements for this position are those available to all staff under the Crown Employees Conditions of Employment Award which specifies all conditions including allowances.

**QUESTION 6: REDUNDANCY COSTS ASSOCIATED WITH DEPARTMENT
RESTRUCTURE**

On 14 September 2004 during the 2004 Budget Estimates Committee, the Minister and Director General took the following question on notice from the Hon John Ryan MLC.

The Hon. JOHN RYAN: I would like some further details about the restructure. Are you able to tell the Committee how much money was spent last year and how much you expect to spend this year on redundancy costs?

Mr CRAIG KNOWLES: John, I think they are in the budget, but I am happy to be more explicit and take that on notice.

The Hon. JOHN RYAN: Are you able to tell us how many staff are currently in Bridge Street and how many will be there at the end of the restructure?

Ms WESTACOTT: I cannot tell you that; I can take it on notice. As I said, we expect to relocate some 200 people from central office divisions. But, as you would be aware, our central office operates across a number of locations: Henry Dean Place, Parramatta and Bridge Street. So not all of those people actually come out of Bridge Street. We will be rationalising some people from Henry Dean Place to relocate to Bridge Street to consolidate some operations there. At this stage we are not able to estimate how many people will be in Bridge Street.

Mr CRAIG KNOWLES: For the record, my understanding is that the move of some personnel from Henry Dean Place down at central railway station up to Bridge Street frees up space, which is being backfilled by another government department and therefore offers a rent saving. I am not sure of the quantum but it is certainly a reduction in the overall floor space we need to occupy in the city.

Answer:

With regard to redundancy expenditure in 2003/04 and planned redundancy expenditure in 2004/05, the Department in 2003/04 provided for \$23,490,450 in redundancy payments. This amount is subject to Audit clearance and may be amended in discussions with the Audit Office.

With regard to staff located in the Bridge Street building, there were 383 staff at the time the restructure was announced and following completion of current building works the capacity of the building will be around 400.

QUESTION 7: COLLECTION OF MONEY UNDER THE PLAN FIRST LEVY

On 14 September 2004 during the 2004 Budget Estimates Committee, the Minister took the following question on notice from the Hon Mr John Ryan MLC.

The Hon. JOHN RYAN: Minister, What is the total amount that is being returned to the Government by councils from the Plan First levy since it was commenced?

Mr CRAIG KNOWLES: John, I will have to take the precise number on notice

[and]

..... **The Hon. JOHN RYAN:** However important that is, I want to clarify what has been taken on notice. You will provide to the Committee details as to how much is collected from councils under the Plan First levy and how the money has been spent?

Mr CRAIG KNOWLES: I will provide it in more complete form, including how we propose to spend it in a more strategic way. For example, I am not making an offer to the Parramatta Road councils, but as a consequence of their terrific work on thinking through the way in which we transform that degraded part of our city into a more vital, more liveable set of communities that contribute to the management of Sydney's growth, there may be opportunities arising out of that work to use Plan First money on, if you like, a cross-border or cross-local-government boundary basis to assist them in implementing their strategies.

Again for the record, for those councils that will no doubt read this transcript with interest, it is not an offer but it is the sort of thing the councils have said they would prefer to see Plan First money used for. They have said, "Don't give us a few bob to do some mickey mouse project in location X. Use the money for strategic uses to underpin our total directions as the regulatory authorities and do it in partnership, where that is possible." I think that is a fairly consistent message we have been getting in every local government authority I have visited and in some of the seminars and forums we have held, including the one at the Masonic Centre and the big one held at the Olympic Stadium on the metro a couple of months ago.

Answer:

During 2002/03 and 2003/04 a total of \$23.4 million was collected from the Plan First fee.

Over \$5.8 million has been provided to councils to undertake strategic planning and help modernise their planning instruments.

In addition, \$2million has been allocated to regional centres in the metropolitan area for the regeneration of urban centres. A further \$2million has been committed for the rejuvenation of the Parramatta Road and Canterbury Road corridors.

The Government has established the Planning Reform Fund to assist Local Government to implement the planning reforms. The fund is also being used to support key Department of Infrastructure, Planning and Natural Resources' projects as part of planning reform, such as the Sydney Metropolitan Strategy, regional strategies and to simplify planning instruments.

Further allocation of funds to councils will occur in 2004/05 to support the Government's planning reform package.

QUESTION 8: WATER LICENCES ISSUED ALONG THE BOGAN RIVER

On 14 September 2004 during the 2004 Budget Estimates Committee, the Minister took the following question on notice from the Hon Sylvia Hale MLC.

Ms SYLVIA HALE: With regard to licensing, last year the Minister stated that the Government had not issued any new licences for surface water extraction, regulated or unregulated, since the implementation of the cap in 1997. Are new surface water extraction licences being issued along the Bogan River, in the central west of the State? If so, why is that occurring?

Mr CRAIG KNOWLES: I do not say that I did not say it; I just do not recall saying it. I think I would have, but I will check that. I do not know whether new licences are being issued along the Bogan River. I was out on the Bogan River not terribly long ago and, licence or no licence, I do not think there is any water in it.

Ms SYLVIA HALE: Will you take that question on notice?

Mr CRAIG KNOWLES: I will take it on notice.

Answer:

The Bogan River is part of the Murray-Darling River Basin. Since 23 October 1998, a statutory embargo has been in effect on all unregulated streams within the Basin, which precludes the issue of any new surface water licences that authorise additional extraction of water.

However, the embargo does rightly contain several exemptions. These exemptions include new licences for stock and domestic purposes, town water supply or research/teaching purposes, all of which involve small volumes of water.

On 17 May 2000, a new licence was issued to the Bogan Shire Council for 10 Megalitres for research/teaching purposes at Nyngan High School. No other new licences have been issued on the Bogan River since the Murray-Darling Basin Ministerial Cap was announced.

QUESTION 10: SEPP 71, STAFFING, AND TURN-AROUND TIMES FOR APPLICATIONS

On 14 September 2004 during the 2004 Budget Estimates Committee, the Minister took the following question on notice from the Hon John Ryan MLC.

The Hon. JOHN RYAN: Can I ask you about SEPP71? Can you inform the Committee how many staff are involved in processing SEPP71 applications?

Mr CRAIG KNOWLES: That is the coastal policy?

The Hon. JOHN RYAN: That is right. Can you tell the Committee how many SEPP71 applications have been received, rejected or approved since March 2003 and how many are still pending consideration?

Mr CRAIG KNOWLES: We will take it on notice, but recognising the fact that we have deliberately endeavoured to remove ourselves from some of the smaller, less controversial matters that would fall under SEPP71. At the time David Broyd, who was then president of the Australian Planning Institute and who is now in Wollongong as chief planner, was up at Tweed Heads informing me, at a country Cabinet meeting very early in my term in this portfolio, that he was sending me applications—this is the national president of the Australian Planning Institute, chief town planner, sending me applications because SEPP71 deemed it to be so—to assess, provide comment on and, indeed, approve with regard to things like dividing fences, backyard pergolas and barbecues. I just said I did not want to do that, and we have removed ourselves from that. There have been amendments to the SEPP and that has all occurred. My interest on the coast is to focus with local government on some of those more strategic issues relating to managing growth and pressures on the coast using some of the Plan First money. That is, of course; looking at—under the SEPP—the big, the controversial, the environmentally sensitive, the stuff that you would expect a State Government to be involved in, and how that is broken up in terms of the global number of applications, then versus now.

Ms WESTACOTT: We do not have comparative figures. We have 17 staff working on this. We have about 260 applications, of which about 140 are approved. In terms of comparisons from year to year, I will have to take that on notice.

Mr CRAIG KNOWLES: We will check that. The coastal strip is defined under the SEPP from basically the Queensland border to the Victorian border. I cannot remember the inland area, but it is not all the local government areas; it is the defined coastal limits.

The Hon. JOHN RYAN: Could you also supply to the Committee the average turnaround time for a SEPP71 application?

Mr CRAIG KNOWLES: Certainly.

Answer:

There are currently 10.2 staff in the Department involved in processing State significant development applications, draft master plan applications (including requests to waive the requirement for a master plan) and referrals from councils under SEPP 71.

The number of SEPP 71 applications received since March 2003 are:

Received:

- Development applications (DAs) and master plans: 376
- Referrals: 1548

Rejected:

- DAs and master plans: 13 rejected, 33 withdrawn
- Referrals – issues advised: 115

Approved:

- DAs and master plans: 179
- Referrals – no issues: 1419

Pending consideration

- DAs and master plans: 151
- Referrals: 14

The average time varies widely depending on a number of factors. Some applications take a longer time due to:

- Poor quality of many applications often requiring the applicant to submit adequate material to enable proper consultation and assessment; and
- Many applications are by their nature complex and sometimes controversial, usually generating considerable community interest and involvement and a need to ensure appropriate outcomes.

QUESTION 11: STAFFING AND SET UP COSTS OF BUILDING PROFESSIONALS BOARD

On 14 September 2004 during the 2004 Budget Estimates Committee, the Minister took the following question on notice from the Hon John Ryan MLC.

The Hon. JOHN RYAN: How many staff work for the Builders Professional Board and what has been the cost to date of setting it up?

Mr CRAIG KNOWLES: I will take that on notice. Minister Beamer tends to look after that end.

Answer:

The Building Professionals Board comprises an EFT of 23 staff.

The allocation for setting up costs for 2004-2005 is \$714,000.